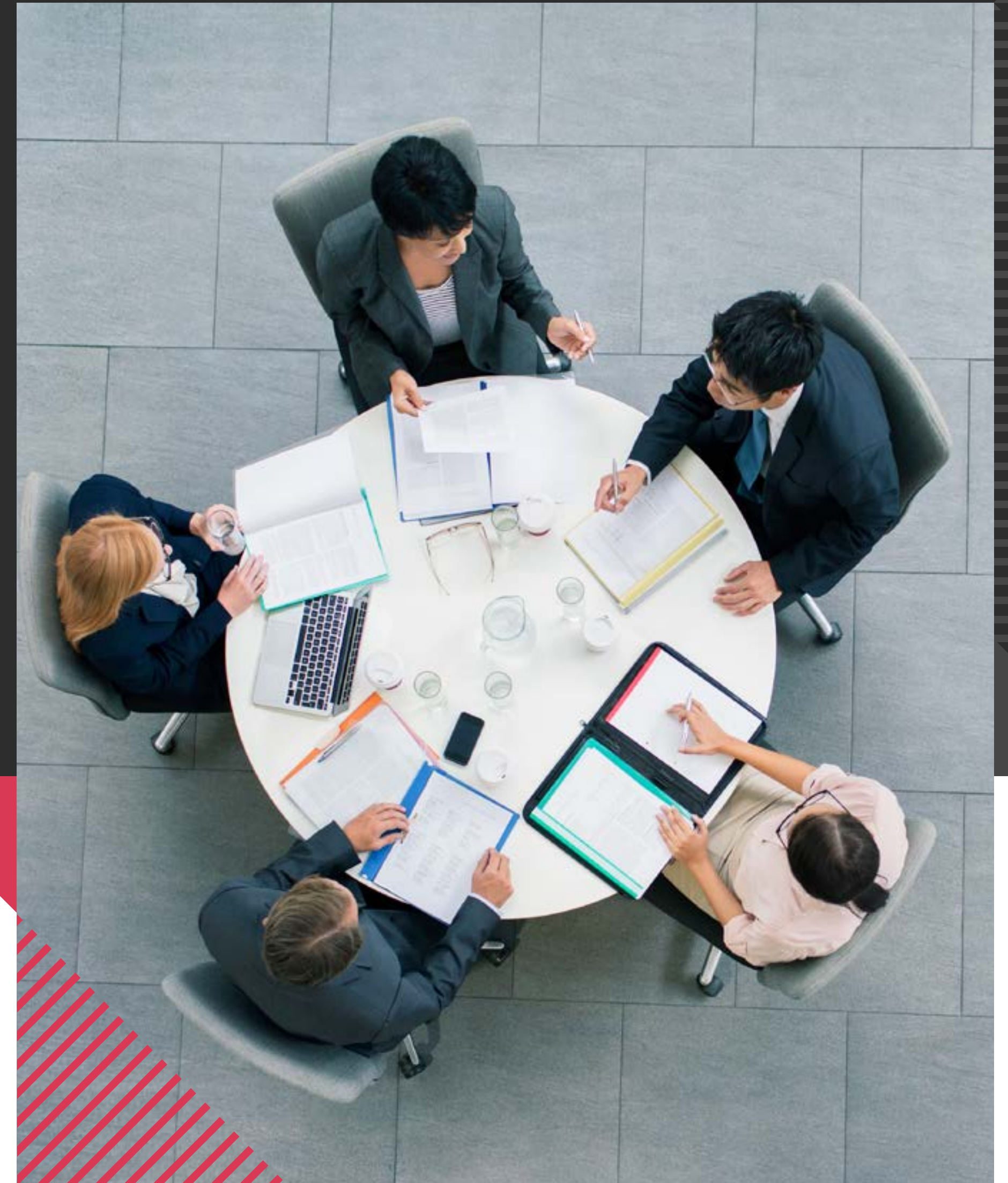


Firmwide governance

	<i>Page</i>
Update from the Chair of the Public Interest Body	13
Update from the Chair of the Audit Oversight Body	20
Our committee structure and what they do	25
Biographies of members of the Management Board and Supervisory Board	38



3

Update from the Chair of the Public Interest Body

It has been another very active year for the Public Interest Body (PIB), with a continuing focus on audit quality and public interest considerations. The PIB has continued to ensure that it provides an appropriate level of oversight and challenge, and has taken an active role in promoting audit quality, ensuring the firm takes account of the public interest in its decision making, and safeguarding the sustainability and resilience of both the firm's audit practice and the firm as a whole.

The role of the PIB

The role of the PIB is to enhance stakeholder confidence in the public interest aspects of the firm's activities through the involvement of Independent Non-Executives (INEs). The PIB considers a wide range of issues, with a particular focus on matters of public interest.

The INEs have oversight of the firm's policies and procedures for promoting audit quality, helping the firm to secure its reputation more broadly, including in its non-audit business, and reducing the risk of firm failure. As part of this oversight by the INEs, both the Supervisory Board Talent and Remuneration Committee and Risk Committee have each continued to have INEs embedded within their membership.

The Terms of Reference for the PIB can be found on the [firm's website](#)¹. These Terms of Reference set out various matters in respect of the PIB, including its purpose and authority, as well as the procedure for dealing with any fundamental disagreement between the INEs and the firm's management team and/or governance structures.



Dame Fiona Kendrick DBE

¹ Source: <https://www.pwc.co.uk/who-we-are/terms-of-reference-the-public-interest-body.html#annex2>

Biographies of the Public Interest Body (PIB) members



Dame Fiona Kendrick DBE

Dame Fiona Kendrick is the former Chair and CEO of Nestlé UK&I. She acted as Chair of the PIB to 15 August 2023, when she stepped down from this role. Dame Fiona is also Deputy Chair of the Institute for Apprenticeships and senior advisor for several consultancies.

She is a former member of the Productivity Leadership Council, UK Commissioner for Employment and Skills, and former Chair of the New University for Engineers NMITE.

Dame Fiona is also a founding member of the Food and Drink Sector Council and former President of the Food and Drink Federation.



Suzanne Baxter

Suzanne Baxter is an experienced chair, director, and finance professional with substantial board and committee experience gained across the public, private and charity sectors.

Suzanne's portfolio of non-executive positions includes board appointments as Audit Committee Chair at Ascential plc and Auction Technology Group plc, and she is the External Board Member at Pinsent Masons LLP. She was formerly a non-executive director and Audit Committee Chair at WH Smith PLC and, following her longstanding work in the area of equality, was appointed as a Commissioner for Equality and Human Rights for Great Britain.



Victoria Raffé

Victoria Raffé is a former director and Executive Committee member of the Financial Conduct Authority (FCA), where she held a number of leadership roles during a 20 year career with the FCA and its predecessor the Financial Services Authority.

Since leaving the FCA in 2015, Victoria has focused on non-executive roles in the fintech sector including Starling Bank, and is currently a non-executive director of The Bank of London and Chair of Inbotiq and Let's Think.



Philip Rycroft CB

During a 30 year career, Philip Rycroft held senior leadership positions in departments such as the Cabinet Office, Office for the Deputy Prime Minister, Department for Business, Innovation and Skills and the Scottish Executive. Most recently Philip was Permanent Secretary for the Department for Exiting the EU before retiring from the Civil Service in 2019.

The biographies of [Chris Burns](#) and [Kevin Ellis](#) can be found within the 'Biographies of members of the Management Board and Supervisory Board' section of the report on [page 38](#).

PIB FY23 meeting attendance

	Length of service*	A	B
Dame Fiona Kendrick DBE †	4 years	5	5
Chris Burns ‡	4 years, 4 months	5	5
Kevin Ellis ‡	7 years	5	5
Victoria Raffé †	3 years, 4 months	5	5
Philip Rycroft CB †	3 years, 4 months	5	5
Suzanne Baxter †	1 year	5	5

A – Maximum number of formal meetings which could have been attended.

B – Number of meetings actually attended.

‡ MB and SB members of the PIB:
Kevin Ellis (from July 2016), Chris Burns (from February 2019).

† Independent Non-Executive

* The length of service has been calculated as at 30 June 2023.

The INE appointment process

The PIB consists of a majority of Independent Non-Executives (INE), and has a robust succession strategy and a clear INE appointment process. INEs are nominated by the Senior Partner, following consultation with the PIB Chair and Chair of the Supervisory Board, and approved by the Supervisory Board. Each INE has a letter of appointment that sets out their rights and duties. The Senior Partner and Supervisory Board respectively decide which members of the Management and Supervisory Boards will sit on the PIB. Terms of office for the INEs are not coterminous, to facilitate rotation in future years. INEs are appointed for an initial three year term and may serve for two further three year terms, up to a maximum of nine years in total.

Each INE letter of appointment includes obligations and restrictions on the INEs in order to ensure they remain independent of the firm. In developing these conditions, the firm considered the Audit Firm Governance Code (AFGC), issued by the FRC, and the FRC's Ethical Standard, as well as considering what an objective, reasonable and informed third party would expect of an INE. The firm's criteria for assessing the independence of an INE from the firm include whether an INE holds any relationships with the firm and its owners, which may be inconsistent with principle C2 of the AFGC 2016. The length of the term served by the INE is also taken into consideration, with the maximum tenure for any INE being nine years in total.

Each INE must go through a thorough independence check and clearance process before they can be appointed. Under the letter of appointment, an INE must comply with certain prohibitions in respect of their financial interests and relationships, including employment relationships, and these form a key aspect of the firm's criteria for assessing the independence of an INE from the firm's audit clients. As part of these prohibitions, an INE or an immediate family member must not control, or have significant influence, over an audit client of the firm or any other PwC firm, or any of its related entities. In the case of an SEC restricted entity, an INE or an immediate family member must not own more than 5% of the outstanding equity securities of that entity. An INE must not be employed by an audit client of the firm or any of its related entities, nor serve as a director (or similar position) of such an entity. An INE must not have an immediate family member who is a director or officer or is employed in a senior executive position with an SEC audit client or any of its related entities. INEs also must not promote, deal in, or underwrite any securities issued by an audit client of the firm or another PwC firm. Each INE must confirm compliance with the letter of appointment in respect of their financial, business and personal relationships before being appointed and, thereafter, annually.

Appropriate indemnity insurance is in place in respect of legal action against an INE and sufficient resources are provided by the firm to enable each INE to perform their duties. This includes access to independent professional advice at the expense of the firm, when considered appropriate and necessary to discharge their duties.



Changes in the membership of the Public Interest Body

As part of the PIB's succession strategy, Philip Rycroft was appointed Chair of the PIB in August 2023. Dame Fiona Kendrick stepped down as an INE and Chair of the PIB on the same date. Dame Fiona chaired the PIB during what has been a period of significant change for the audit profession. Philip has been a member of the PIB since 2020, and has also acted as Chair of the AOB during that time. The PIB also welcomed Rob Perrins as an INE and member of the PIB in October 2023. Rob brings significant experience and expertise to the PIB from his executive career at Berkeley Group Holdings Plc, where he is currently the Chief Executive.

Working with the Audit Oversight Body (AOB)

The AOB was established in November 2020 as part of the firm's transitional arrangements for the implementation of the FRC's principles for operational separation of audit practices (the principles of operational separation). During the year the PIB has received regular updates from the AOB and the Audit Partner Remuneration and Admissions Committee (APRAC), a Committee of the AOB. Further information on the areas of focus of the AOB, together with the changes in its membership during the year, are set out in the update from the Chair of the AOB.

Areas of PIB focus

This has been a year of growth and development for the firm, in a challenging economic environment. Throughout this period, the PIB has continued to set its own agenda with a focus on matters that it regards as being in the public interest.

Key matters considered by the PIB

Audit and corporate governance reform

- Regulatory developments and audit and corporate governance reforms have remained a key area of focus for the PIB. During the year, the PIB discussed proposed and upcoming reforms, as well as the opportunities and challenges that these reforms may create both for the firm and the wider competitive landscape.
- The PIB also continued to focus on the firm's transitional arrangements for its implementation of the principles of operational separation.

Operational development of the PIB

- The PIB has continued to develop in terms of its operation and how it provides oversight and challenge in respect of the firm's audit practice through the AOB. The PIB has continued to focus on how public interest is taken into account as part of the firm's decision making. The PIB has also continued to increase its focus across the non-audit areas of the firm's business, including the Consulting, Deals, Risk and Tax Lines of Service, helping the firm to secure its reputation more broadly.

Audit quality

- The PIB receives regular updates from the AOB, and these updates are an important part of helping the INEs to discharge their responsibility under the AFGC to promote audit quality. These updates have included detail on how the AOB provided oversight and challenge on the Programme to Enhance Audit Quality (PEAQ). The PEAQ Programme has now concluded, and the AOB continues to provide oversight on the embedding of the PEAQ actions into business as usual activities.
- The changes introduced as part of the PEAQ to strengthen audit quality have continued to be welcomed by the PIB. In the spirit of continuous improvement and positive engagement with the regulator, the firm continues to make sure that it has processes in place to support root cause analysis, and resulting continuous improvement activities, which are all designed to ensure lessons learned reinforce audit quality in the future. Ensuring that there is consistently high audit quality remains critically important. The PIB was pleased to see a recognition of the firm's continued investment in improvements to audit quality as part of the FRC's AQR results for the year, with none of the audits inspected being found to require significant improvements.

Updates from Internal Audit

- The PIB receives regular updates from the Head of Internal Audit. Philip Rycroft attended the Supervisory Board Audit Committee discussion on the full year report from the Head of Internal Audit, which included details of the various reviews it had conducted to assess the effectiveness of the firm's systems of internal control.

Updates from the Ethics Partner

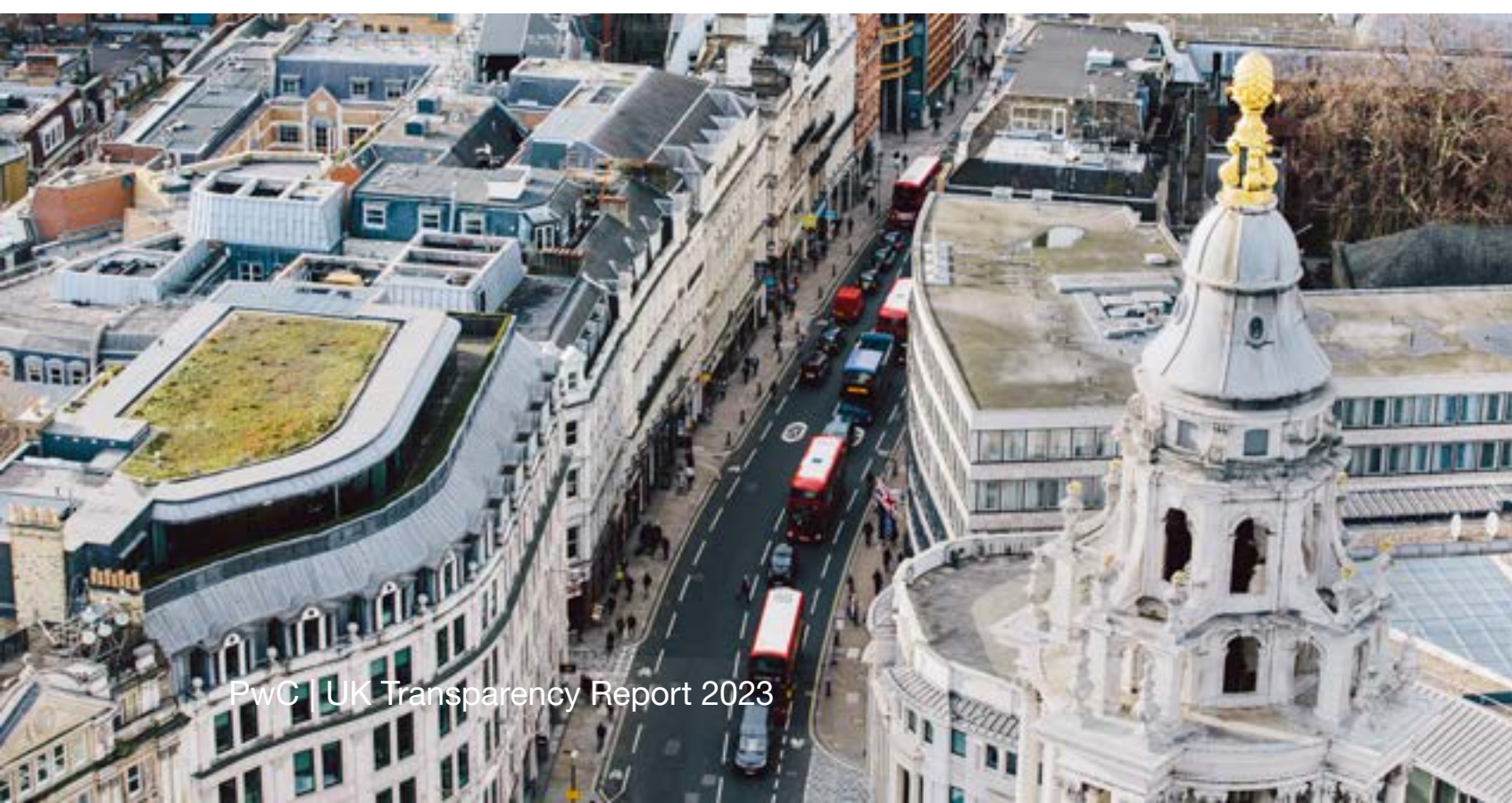
- The PIB receives biannual updates from the firm's Ethics Partner, who has a reporting line into the PIB.
- The PIB receives regular updates on the firm's 'Speak Up' whistleblowing facility and the firm's Code of Conduct from the Ethics Partner. The firm's 'Speak Up' whistleblowing facility is also considered by the Supervisory Board Risk Committee and Victoria Raffé has continued as the INE representative member of this Committee during the year.

Technology

- Given the focus on technology and AI in the wider market, the PIB discussed the developments and available tools, as well as the firm's capabilities in this area. The PIB is also mindful of the importance of the firm having appropriate governance processes in place to ensure responsible use of AI tools. The PIB will continue to take an interest in this area as it develops, taking into account the public interest.

Risk Management

- The PIB has continued to receive quarterly Risk Management updates throughout the year, with a focus on the top risks of the firm and the associated risk ratings. The PIB also continues to receive updates on the activities of the Supervisory Board Risk Committee, which are presented by the chair of the Committee, with input from the embedded INE member of the Committee.
- The discussions included reference to the new risk added this year following the breach of values and policies in PwC Australia.



Effectiveness

During the prior year, the firm conducted an independent externally facilitated effectiveness review and were pleased to report as part of the 2022 Transparency Report that, in the view of the external facilitator, the PIB is an effective independent governance body. The external facilitator brought challenge to how the PIB performs and, following their review, presented the results and recommendations to the PIB at its meeting on 4 July 2022. During the year we have continued to monitor the progress made against the recommendations and outcomes of that effectiveness review and are content with the progress that has been made. In accordance with the firm's Governance KPIs, the firm looks to undertake externally facilitated effectiveness reviews every three years, with internal reviews taking place annually in the intervening years.

Building wider relationships

During the year, there has been a continued focus on developing the level of interaction of the INEs with the wider firm. As a member of the PIB, the chair of the Supervisory Board has a standing agenda item at each meeting in order to provide an update on its activities. Victoria Raffé attended a Supervisory Board meeting in November 2022 that was held in the firm's Manchester office, while Suzanne Baxter attended a Supervisory Board meeting in May 2023 that was held at the firm's Cardiff office. Both Victoria and Suzanne enjoyed meeting the partners and staff at each of these offices respectively. Philip Rycroft has also been invited to attend a Supervisory Board meeting in November 2023 that is due to be held at the firm's Watford office.

The INEs continue to have embedded roles with certain committees of the Supervisory Board. These embedded roles were put in place following the recommendations from the governance review that the firm undertook in 2018, with the purpose of these roles being to increase the profile of the INEs and the value they bring to the broader partnership. Dame Fiona stepped down from her role as a member of the Supervisory Board Talent and Remuneration Committee at the same time as she stepped down as an INE and Chair of the PIB, and Philip Rycroft was appointed as her successor in that role.

During the year, a series of meetings between certain members of the PIB, the AOB and the Supervisory Board have been held, with meetings having taken place in January, April and June 2023. At the June meeting, the themes from the Supervisory Board Spring Partner Engagement process were discussed, including the key topics of interest among the firm's partners.

Certain INEs also attended an element of the External Auditor Training programme within the audit practice during the year and the PIB are also pleased to report that the INEs have continued their regular engagement meetings with the FRC, as well as having attended FRC roundtable discussions during the year.

The INEs also regularly meet separately to discuss matters relating to the PIB's remit.

Culture and people

In the view of the PIB, the firm continues to have an appropriate culture, which is reflected in the information presented to the PIB as well as in the processes for decision making and in the INEs interactions with staff and partners.

During the year, the PIB received updates from the AOB in respect of the culture within the audit practice. The PIB has also continued to receive biannual updates from the firm's Chief People Officer, which include information on wellbeing, diversity and inclusion, attrition and recruitment. These updates also cover how the desired values, culture and behaviours are embedded across the firm, together with the results of feedback surveys conducted among the firm's people, to monitor engagement levels and sentiment across the business.





Audit Firm Governance Code

The PIB continues to use the AFGC as a guide to good governance as well as a compliance requirement. An updated version of the AFGC was published by the FRC in April 2022, which is applicable for financial years beginning on or after 1 January 2023. The Firm continued to apply the 2016 version of the AFGC for the financial year ended 30 June 2023 and will apply the AFGC 2022 from the next financial year. The 2016 and 2022 versions of the AFGC were discussed by the PIB at various points during the year, including assessing the firm's activities against the AFGC 2016 and reviewing updates and recommendations from the firm's management in respect of how the firm will apply the AFGC 2022 in the next financial year.

Looking ahead

The culture of the firm will continue to be a key area of focus for the PIB, particularly with respect to the public interest, and the PIB will continue to provide constructive challenge and oversight of the firm's people and culture activities over the next year. The areas of focus will also involve understanding how the firm has considered the results of the Independent review of PwC Australia's practices and culture in the context of the UK firm. The PIB, working with the AOB, also has an important role in reviewing the strategy and culture of the firm's Audit business and ensuring there is consistently high audit quality, and the PIB will continue to focus on this. The PIB will continue to take an active role in the firm's governance, fulfilling the important role of ensuring the public interest continues to be taken into account as part of the firm's decision making.

Dame Fiona Kendrick DBE

Update from the Chair of the Audit Oversight Body

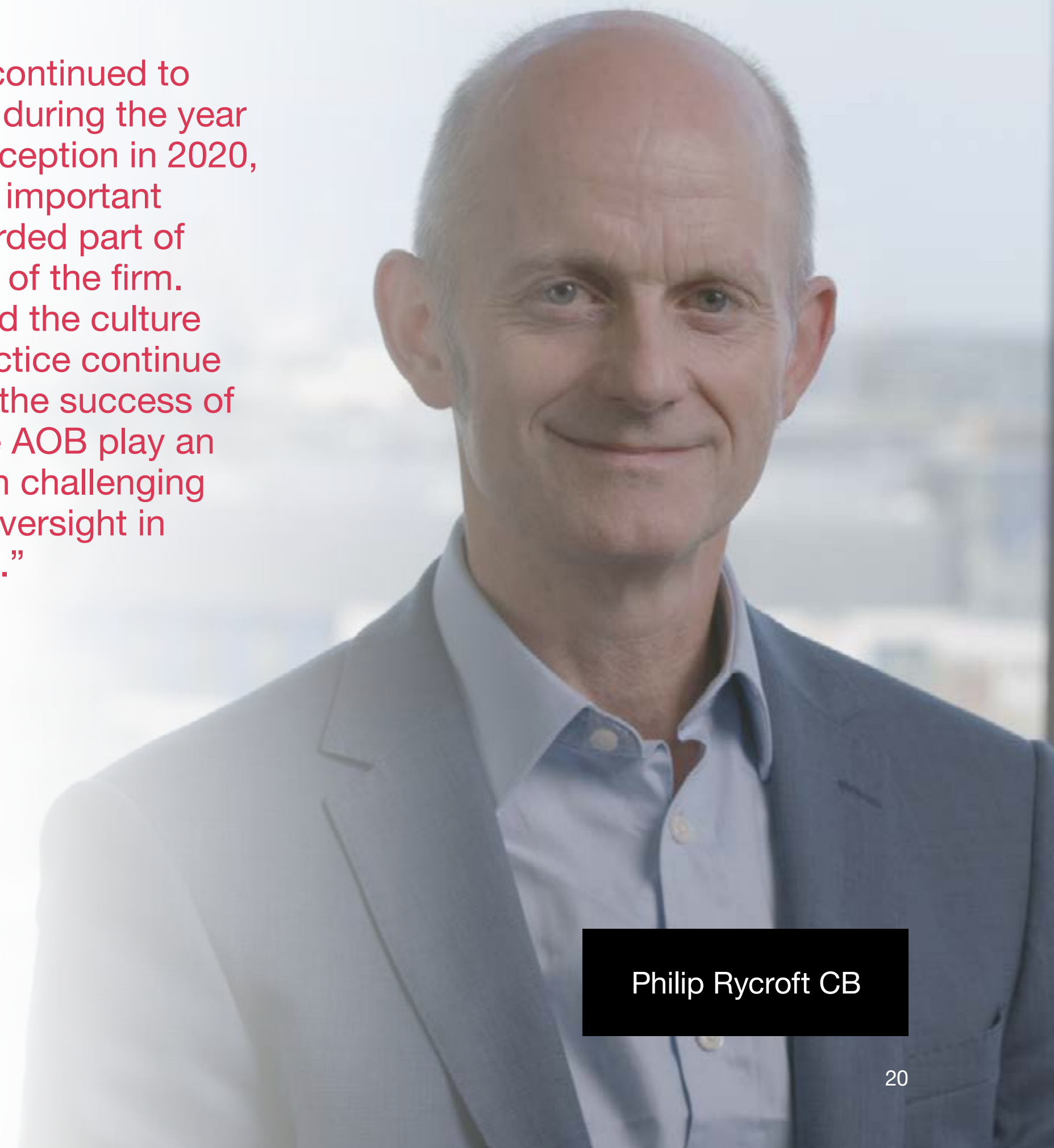
The Audit Oversight Body (AOB) was established to strengthen the governance and oversight of the audit business as part of our implementation plans to address the FRC's principles for operational separation of audit practices, and to enhance the firm's ability to fulfil certain responsibilities set out in the Audit Firm Governance Code.

The responsibilities of the AOB include:

- overseeing the firm's audit practice to ensure it remains focused on the delivery of consistently high quality audits, including providing independent oversight of the audit strategy and reviewing the audit practice's culture and control activities;
- supporting (as appropriate) the firm's senior management in the execution of their responsibilities through robust oversight and constructive challenge;
- promoting a culture supportive of the public interest; and
- overseeing the FRC's objective to improve audit quality by ensuring that people in the audit practice are focused above all on delivery of high quality audits in the public interest.

The membership of the AOB includes Audit Non-Executives (ANEs), as independent members. The AOB is assisted in the discharge of its duties by the Audit Partner Remuneration and Admissions Committee, which is a subcommittee of the AOB chaired by Caroline Gardner. Caroline is the AOB's doubly independent non-executive, meaning Caroline is not also a member of the Public Interest Body (PIB).

“The AOB has continued to develop its role during the year and, since its inception in 2020, has become an important and highly regarded part of the governance of the firm. Audit quality and the culture of the audit practice continue to be critical to the success of the firm and the AOB play an important role in challenging and providing oversight in these key areas.”



Philip Rycroft CB

Biographies of the Audit Oversight Body (AOB) members



Philip Rycroft CB

During a 30 year career, Philip Rycroft held senior leadership positions in departments such as the Cabinet Office, Office for the Deputy Prime Minister, Department for Business, Innovation and Skills and the Scottish Executive. Most recently Philip was Permanent Secretary for the Department for Exiting the EU before retiring from the Civil Service in 2019.

Philip stepped down as Chair of the AOB with effect from 15 August 2023. Philip was appointed as Chair of the PIB and as a member of the Supervisory Board Talent and Remuneration Committee, with effect from the same date.



Caroline Gardner CBE

Caroline Gardner CBE was the Auditor General for Scotland between 2012 and 2020. She is a member of the board of the Wheatley Group and of the International Federation of Accountants. She is a Fellow of the Chartered Institute of Public Finance and Accountancy (CIPFA), serving as CIPFA President during 2006-07, and was a member of the International Ethics Standards Board for Accountants from 2010 to 2015.

Caroline Gardner was appointed as Chair of the AOB with effect from 15 August 2023, succeeding Philip Rycroft.



Victoria Raffé

Victoria Raffé is a former director and Executive Committee member of the Financial Conduct Authority (FCA), where she held a number of leadership roles during a 20 year career with the FCA and its predecessor, the Financial Services Authority.

Since leaving the FCA in 2015, Victoria has focused on non-executive roles in the fintech sector including Starling Bank, and is currently a non-executive director of The Bank of London and Chair of Inbotiq and Let's Think.



Kate Wolstenholme

Kate Wolstenholme is an Audit Partner based in London. Kate leads our Law Firms Advisory Group and has a particular focus on professional partnerships. She joined the firm in 1991 and became a partner in 2011.

Kate joined the Supervisory Board on 1 January 2019, and stepped down on 31 December 2022 at the end of her four year term. Kate also stepped down as a member of the firm's Audit Oversight Body with effect from the same date.

[Hemione Hudson](#) and [Kenny Wilson](#)'s biographies are included in the Management Board biography section and the Supervisory Board biography section respectively.

Audit Oversight Body FY23 meeting attendance

	Length of service*	A	B
Philip Rycroft CB ◊	2 years, 7 months	5	5
Caroline Gardner CBE ◊	1 year, 9 months	5	5
Victoria Raffé ◊	1 year, 6 months	5	5
Hemione Hudson	2 years, 7 months	5	5
Kate Wolstenholme	1 year, 1 month	2	2
Kenny Wilson	5 months	3	3

A – Maximum number of formal meetings which could have been attended.

B – Number of meetings actually attended.

◊ Audit Non-Executive. Philip Rycroft and Victoria Raffé are also Independent Non-Executives as a member of the PIB. Caroline Gardner is considered ‘doubly independent’, see Changes in AOB membership section.

* The Audit Oversight Body was formed in November 2020 and as at 30 June 2023 has been effective for 2 years 7 months.

Note: Kate Wolstenholme stepped down from the AOB in December 2022, and Kenny Wilson was appointed to the AOB in January 2023. Suzanne Baxter was appointed as an ANE member of the AOB in August 2023.

ANE and INE appointment process

The firm has a clear process for the appointment of Audit Non-Executive (ANEs) and INEs (the process for appointing INEs is set out in the Update from the PIB). As part of the process for nominating a candidate for appointment as an ANE and as a member of the AOB, the firm’s Senior Partner will consult with the Chair of the AOB. In the case where an existing INE is considered for appointment to the AOB, the proposed appointment would not require further SB approval, but would be discussed with the AOB Chair and the SB Chair by any of the Senior Partner, Head of Audit or the General Counsel & Chief Risk Officer.

Changes in AOB membership

We were pleased to welcome Kenny Wilson as the Supervisory Board representative member of the AOB with effect from 1 January 2023. Kenny is an experienced UK Audit Partner and a member of the Supervisory Board. Kenny has also been a member of the firm’s Audit Committee (and the Audit Committee’s Chair for a period of time), and a member of the Supervisory Board’s Risk Committee.

Kate Wolstenholme stepped down as a member of the AOB on 31 December 2022. I would like to take this opportunity to thank Kate for the valuable contribution she has made to the body since 2021.

Philip Rycroft stepped down as Chair and a member of the AOB and APRAC on 15 August 2023 in order to take up the role of Chair of the Public Interest Body. From this date, Caroline Gardner was appointed as Chair of the AOB having been a member of the body since 2021 and the existing Chair of the APRAC. Caroline is not an INE or a member of the PIB, and is therefore considered to be a “doubly independent” ANE (this being an ANE who is not also an INE, as described in the Audit Firm Governance Code 2022).

We also welcomed Suzanne Baxter as a member of the AOB and the APRAC with effect from 15 August 2023. Suzanne is already an INE and member of the PIB and brings considerable experience and expertise to the AOB. Suzanne’s biography can be found in the PIB Chair’s update.

Key matters considered by the AOB in the year

Understanding the evolving people and delivery models

- Attracting, developing and retaining talent remains an important area of focus for the audit profession and is a topic we have been focused on this year in order to ensure the public interest is protected. We have received updates on the progress of the audit practice's strategy in this area as well as monitoring near time supply of resources versus demand. We have spent time understanding and assessing the impacts of how the audit delivery model is changing including the impacts of technology and distributed delivery models.

Understanding and monitoring the culture of the audit practice

- We reviewed the first annual culture report for the audit practice. The report incorporated results from the annual culture survey as well as other assessment methods to provide a comprehensive assessment of culture within the firm's audit practice. We reviewed the key findings of the report and the overall conclusions, which indicated that the audit practice has established a culture that supports the delivery of high quality audits; and that Audit Behaviours that drive audit quality are well embedded, although require continued reinforcement. We were encouraged by the firm's commitment to the importance of culture and discussions of the report in the AOB and other forums were used to assist in the preparation of a plan of culture activities for FY23.
- As Chair of the AOB, I continued to enjoy shadowing an audit team and this year particularly valued the opportunity to discuss with the engagement leader the process for finalising the audit along with audit committee reporting and how key audit matters were addressed and reported. The members of the AOB have also enjoyed participating in annual external audit training events. The commitment to continual improvement was clear and we were impressed by how all individuals understood their own personal contribution.

Overseeing audit strategy, consideration of audit quality controls, measures and reviews and challenging outputs

- We assessed the firm's audit strategy within the context of the FRC's operational separation objectives and outcomes, including taking into account the public interest.
- Relevant members of the Audit Executive attended the AOB throughout the year and we discussed and challenged on topics of strategic priority or importance to the audit practice. We have also discussed and assessed the results of FRC reviews of the business and wider policy papers and publications produced by the FRC.
- We have challenged the audit practice on its internal and external quality review results, including its root cause assessment programme and the remedial actions being undertaken.
- We assessed the final closure report and benefits realisation framework for the PEAQ. The AOB was pleased to see the positive impact made by this programme, which has led to an overall improvement of the quality of the firm's audits.
- Last year the firm developed a detailed Audit Quality Plan (AQP) to ensure a continuing focus on performing consistently high quality audits. The AOB has reviewed the updated AQP and we have also assessed and challenged the Single Quality Plan, which underpins the AQP and sets out the actions the firm will take to continually improve audit quality.
- We reviewed the results of the annual Quality Management for Service Excellence review (which provides assurance whether the system of quality management is appropriately designed and operating effectively) to understand if any actions were required.

Monitoring the implementation of the FRC's principles of operational separation

- We regularly discussed and assessed the firm's progress against the implementation plan for the FRC's principles of operational separation and have been pleased with the progress that has been made.

Engagement with the FRC

- We have met with the FRC on a regular basis and participated in its roundtables to discuss topics such as 'the public interest' and the implementation of ISQM (UK) 1. We will also attend the roundtable scheduled in October 2023 to discuss synergies between the Corporate Governance Code and the Audit Firm Governance Code.
- Sir Jon Thompson (at the time the CEO of the FRC) and Sarah Rapson (at the time the Executive Director of Supervision at the FRC) joined an AOB meeting in February 2023. We welcomed this opportunity to hear from them about the FRC's key priorities. The firm's FRC Supervisor also joined and observed an AOB meeting.

Consideration of Audit Partner Remuneration and Admissions

It is important that oversight is also given to the 'levers' adopted by the audit practice to promote and reward positive behaviours, which support quality by our audit partners. We do this through a subcommittee of the AOB, the APRAC. The APRAC comprises three ANEs and is chaired by Caroline Gardner. The responsibilities of the APRAC include:

- overseeing the audit partner remuneration process to ensure individual audit partner remuneration is determined above all by contribution to audit quality; and
- overseeing the process by which candidates are selected for admission to the partnership to practise as audit partners.



Working with the Public Interest Body

The AOB is a subcommittee of the PIB and has a clear audit-specific remit. The AOB's terms of reference are available on [our website](#)¹.

As the Chair of the AOB I report to the PIB after each AOB meeting to provide an update on the challenges made, and where relevant any recommendations or action to be taken. During the year the AOB also provided specific updates to the PIB on key matters including progress against the principles for operational separation, and the results of internal and external quality reviews.

Looking ahead

As I hand over the role of Chair and step down from the AOB I am pleased with the positive impact that the AOB has had and the extent to which the firm has embraced the benefits of the robust independent challenge provided by the AOB. The AOB is now a respected and established part of the governance of the firm. In an environment of continued uncertainty and challenge the importance of building trust in audit has never been greater and the AOB is an integral part of the safeguards that the firm has established to support this objective.

In the coming year the AOB will continue to challenge the audit practice to ensure a continued improvement in audit quality and that the culture of the practice supports the delivery of high quality audits in the public interest. It will also continue to monitor the firm's progress against plans for operational separation. All members of the AOB look forward to continued engagement with relevant stakeholders, including the FRC. As I take up my new role as Chair of the PIB, I look forward to continuing to develop and support the important linkage between the AOB and the PIB.

Philip Rycroft CB

¹ Source: <https://www.pwc.co.uk/who-we-are/terms-of-reference-audit-oversight-body.html>

Our committee structure and what they do

Firmwide governance

The firm's governance is guided by our purpose – to build trust in society and solve important problems. Our purpose is central to our decision making processes and how we manage our risks. It also informs how we manage our business in the interests of our partners and stakeholders.

This governance section explains the firm's governance arrangements. We explain the roles of the Senior Partner, the Management Board (MB) and its committees, and the Supervisory Board (SB) and its committees.

Information relating to the PIB, and its committee the AOB, is disclosed in their respective updates.

Good governance

We are required to report on how we have applied each of the principles of the Audit Firm Governance Code (AFGC) 2016 and make a statement on our compliance with the AFGC 2016 provisions. In doing so, we also consider good governance practices under the UK Corporate Governance Code (2018). During the year we have fully complied with the AFGC 2016 as detailed in the 'Compliance mapping' appendix on [page 157](#).

We welcome the revised Audit Firm Governance Code 2022 which has been updated for the FRC's principles of operational separation. This most recent version of the Code is applicable for financial years beginning on or after 1 January 2023 and we are working carefully through the Code's principles and provisions in the context of our business. We are also well progressed with our operational separation transition plan in order to meet the FRC's autumn 2024 deadline for implementation. We continually seek to enhance our governance arrangements as part of our ongoing commitment to quality.

Within our governance arrangements, we acknowledge and support the heightened interest in audit and audit related services and the quality of our delivery of these. We have a common cause with investors, regulators, government and society to ensure the right actions are taken to build world-leading levels of trust in audit and the profession itself.

Our Independent Non-Executives (INEs) are a key part of our governance structure, providing independent oversight of the firm. The PIB comprises a majority of INEs. The firm considered that having a separate body comprised of high calibre INEs, which was able to determine its own agenda, would be the most appropriate way to ensure the public interest is served. This structure helps the PIB to oversee audit quality in addition to its consideration of wider public interest issues. The Audit Oversight Body, a Committee of the PIB, comprises a majority of Audit Non-Executives (ANEs).



Stakeholders and dialogue

We recognise that as a regulated business with approximately 25,000 people, 75,000 alumni, revenue for the financial year ended 30 June 2023 of £4,139m, we are a substantial firm with a broad range of stakeholders.

We engage regularly with investors and held a number of roundtable and educational events for them throughout the year on topical issues. The insights and feedback from these meetings are shared with the PIB through periodic briefings. You can find more information on our engagement with investors on [page 114](#).

Throughout the year, internal stakeholder engagement included biannual partner meetings led by the Management Board with partners from across the firm and biannual partner engagement meetings led by the Supervisory Board. The Senior Partner held town hall meetings with partners and all staff within the firm, utilising technology for live webcasts; in addition to the periodic communication via multiple platforms to all partners and staff.

Governance structure

Our governance structure reflects our partnership model. The Senior Partner is elected by the partners of the firm for an initial term of four years, with the option to stand for a second four year term. Once elected, the Senior Partner forms the Management Board and committees. The role of the Talent and Remuneration Committee of the Supervisory Board (SB) includes providing governance oversight of any succession planning in respect of the MB.

The SB comprises members who are elected by partners, certain ex-officio members (the UK Senior Partner ex-officio, and those partners who have been elected to the board of PricewaterhouseCoopers International Limited (also known as the Global Board)). The elected members of the SB are elected by the partners of the firm for a term of four years, with six of the twelve seats being subject to election every two years. There is no limit to the number of terms that an SB member can be elected for, save only that no elected member will serve for a period of more than four years without submitting themselves for re-election.

The Public Interest Body is made up of Independent Non-Executives, plus representatives from the firm's MB and SB, each of whom are nominated by the Senior Partner and Chair of the SB respectively. Details of the appointment process and terms of appointment for the Independent Non-Executives are set out in the Update from the Public Interest Body. The firm's Head of Audit and Chief Risk Officer and General Counsel both have a standing invitation to attend Public Interest Body meetings.

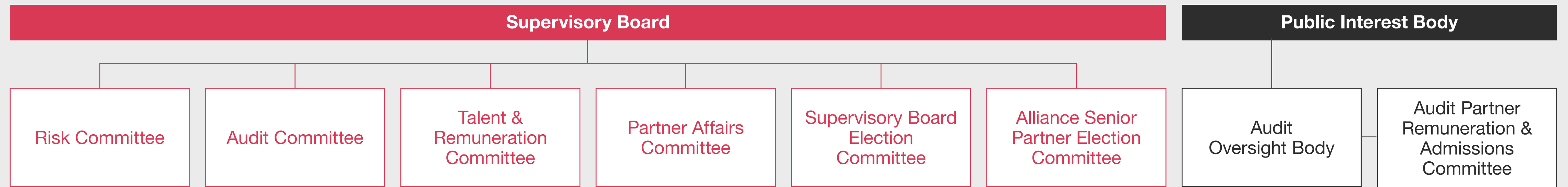
The Boards' activities are governed by the Terms of Reference which are available on the firm's [website](#)¹. Each member of the MB is subject to formal, rigorous, and ongoing performance evaluation. In addition, consideration is given to PwC's Network standards. Support is given to the Boards by our Board Secretariat team who are responsible for advising on governance matters.

¹ Source: <https://www.pwc.co.uk/who-we-are/terms-of-reference-governance-structure.html>

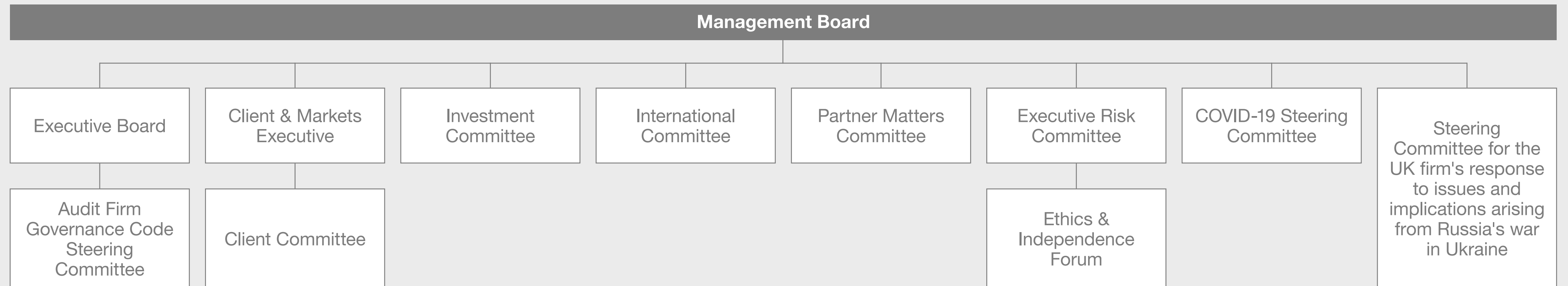


The key governance and executive bodies of the firm are:

Governance bodies



Executive bodies



Activities

The key matters considered in the year by our executive and governance bodies included strategy, culture, people, quality, performance, technology and investment, regulation and reputation. Within these matters, the governance of key risks facing the firm (including cyber, regulatory and litigation risks) were considered and included on the relevant agendas.

Further information on our risks and how these are managed is available within the principal risks and responses, on [page 34](#).

Supervisory Board

The Supervisory Board (SB) considers a wide range of issues such as risk, strategy, reputation, people matters including health and wellbeing, technology, return on investments, and culture. It has supported, given guidance to, and challenged, the Senior Partner and the Management Board (MB). The SB has particular insight on the views of partners and reflects these in conversations with management.

Twice a year the SB holds engagement meetings at which any UK partners from around the country can speak directly to SB members on any matters of concern. The partner feedback is discussed with the MB and a report together with the MB's response is made available to partners.

The SB met eleven times (excluding ad-hoc meetings) throughout the period. The SB visited the Manchester and Cardiff offices during the year.

The SB has two members who are also Global Board members. The Global Board members provide PwC Network updates and a Network perspective at SB meetings, while helping to ensure consistency across the PwC Network.

Committees of SB

During the year there have been six committees of the SB: the Risk Committee, the Audit Committee, the Talent & Remuneration Committee, the Partner Affairs Committee, the Supervisory Board Election Committee and the Alliance Senior Partner Election Committee.

Risk Committee

The Risk Committee reviews the firm's risk framework on behalf of the SB. It also receives reports and recommendations from management and from the firm's Executive Risk Committee, which enables it to review and challenge the firm's enterprise-wide risk framework, including financial, operational and reputational risks and policies and procedures that fall within the context of the firm's strategy. The Committee also reviews the firm's approach to audit quality and non-audit services quality, and oversees the effectiveness of the firm's whistleblowing procedures.

Audit Committee

The Audit Committee assists the SB in fulfilling its legal and fiduciary obligations with respect to matters involving the external audit, internal controls, internal audit and financial reporting functions of the firm. This includes monitoring the effectiveness and independence of the firm's statutory auditor as well as the statutory auditor's reappointment, remuneration and engagement terms, and the policy in relation to, and provision of, non-audit services. In addition, the Audit Committee reviews the effectiveness of the firm's internal control framework; the scope, results and effectiveness of the firm's Internal Audit function; the integrity of the Group's Financial Statements and digital Annual Report and the significant reporting judgements contained in them; and the firm's Transparency and Sustainability reports.

Further information can be found in the 'Audit Committee Report' on [page 35](#).

Talent & Remuneration Committee

The Talent & Remuneration Committee reviews the remuneration, talent development and, where appropriate, succession plans for the Talent & Remuneration population (T&RC population). The T&RC population comprises the UK Senior Partner, members of the Management Board, and any UK partners on the Global Leadership Team or EMEA Leadership Team.

● Governance bodies

● Executive bodies

Partner Affairs Committee

The Partner Affairs Committee ensures that all partners are treated fairly, which includes monitoring and overseeing the annual partner income moderation process, reviewing partner medical provision, development, changes to benefits, flexible working and diversity. It also ensures that appropriate processes and procedures are in place to provide robust governance, including for direct partner admissions, retired partner programmes, and involuntary retirements.

Supervisory Board Election Committee

The Supervisory Board Election Committee meets in the year of an SB election period. The primary purpose of the Committee is to consider the SB election process and timetable and make recommendations to the SB. The Supervisory Board Election Committee was dissolved in February 2023 following the conclusion of the 2022 Supervisory Board Election.

Alliance Senior Partner Election Committee

PwC UK has an equity holding in, and a strategic Alliance with, the PwC Middle East firm. The Alliance Senior Partner chairs the Alliance Leadership team and appoints the UK and Middle East Senior Partners. The current Alliance Senior Partner is Kevin Ellis.

The Alliance Senior Partner Election Committee was formed in April 2023 to support the Supervisory Board in matters relating to the 2024 Alliance Senior Partner election. Partners in the UK and Middle East firms are able to vote in the election. The Committee's role is to consider matters relating to the Alliance Senior Partner election process and timetable, and to make recommendations to the SB. The committee is chaired by the Chair of the UK Supervisory Board. To reflect the fact that the Alliance Senior Partner Election spans the UK and Middle East firms, the membership of the committee includes the Chair and another member of the Middle East Supervisory Board, both of whom are partners within the Middle East firm. A UK Partner and member of the UK Supervisory Board, who is also a member of the Middle East Supervisory Board, is also a member of the committee.

Public Interest Body

The purpose of the Public Interest Body (PIB) is to enhance stakeholder confidence in the public interest aspects of the firm's activities. The PIB is comprised of four independent non-executives and two representatives from the firm (one from the Management Board and one from the Supervisory Board).

Audit Oversight Body, a Committee of the PIB

In November 2020 the firm established the Audit Oversight Body (AOB), as a committee of the PIB, to oversee governance of the firm's audit practice. The AOB is comprised of a majority of Audit Non-Executives, as well as at least one representative from the SB and the UK firm's Head of Audit ex-officio. The purpose of the AOB is to oversee the firm's obligations with respect to the pursuit of the FRC's objectives, outcomes and principles for operational separation insofar as they are within the control of the audit practice, and to enhance the UK firm's ability to fulfil certain responsibilities set out in the Audit Firm Governance Code.

The representative from the SB on the AOB is nominated by the Chair of the Supervisory Board in consultation with the Senior Partner, AOB and Chair of the PIB. The appointment process and terms of appointment for the AOB Audit Non-Executives are consistent with the appointment process and terms of appointment for the Independent Non-Executives, as set out in the Update from the Public Interest Body.

Audit Partner Remuneration and Admissions Committee, a Committee of the AOB

The Audit Partner Remuneration and Admissions Committee (APRAC) is a committee of the AOB. The APRAC, which is comprised of Audit Non-Executives, oversees the audit partner remuneration process to ensure individual audit partner remuneration is determined above all by contribution to audit quality, and the process by which candidates are selected for admission to the partnership to practise as audit partners.



● Governance bodies

● Executive bodies

The Management Board

The Management Board (MB) oversees the firm's long term strategy and certain partner matters under the Members' Agreement (including dealing with involuntary partner retirements). During the year the MB has focused on strategic matters, utilising the knowledge and experience of both Executive Board and Clients and Markets Executive members.

The formal meetings are scheduled to be held at least quarterly, but further ad-hoc meetings have been held for strategy sessions and certain partner matters. In the year, the MB met five times (excluding ad-hoc meetings). At its formal meetings, the MB considers matters in line with its Terms of Reference, including updates with respect to the audit practice.

Committees of the Management Board

The executive structure of the UK firm primarily comprises a Management Board consisting of members of the Executive Board and Clients and Markets Executive, responsible for the policies, strategy, direction and management of the UK firm.

Executive Board

The Executive Board (EB) is responsible for execution of the policies, strategy and management of the UK firm, and receives regular reports from the committees of the MB. The EB holds monthly meetings and conducts business at additional meetings as necessary. During the year, the EB met 14 times (excluding ad-hoc meetings) and considered the day-to-day governance and business performance of the firm.

Audit Firm Governance Code (AFGC) Steering Committee

The AFGC Steering Committee, which is a committee of the Executive Board, was established in January 2023 for the purpose of considering the firm's activities regarding the revised AFGC 2022.

Clients and Markets Executive

The Clients and Markets Executive (CME) is responsible for overseeing the UK firm's client facing and market activities.

Client Committee

The Client Committee, which is a committee of the CME, considers engagement or client acceptance decisions that carry significant risks to the firm or that relate to particularly sensitive or confidential circumstances, including commercial and other conflicts.

Investment Committee

The purpose of the Investment Committee is to support the growth of the Firm by providing governance for acquisitions for investments and divestitures.

International Committee

The International Committee is responsible for decision making in relation to, and oversight of, the UK firm's strategic alliances (currently Africa, Central and Eastern Europe, and Middle East). The committee also receives updates relating to performance in EMEA and approval of any matters on behalf of the MB relating to Network issues. The International Committee also has oversight of matters relating to Alternative Delivery Models where such delivery occurs outside of the United Kingdom.

Partner Matters Committee

The Partner Matters Committee is responsible for certain Partner human resource (HR) matters on behalf of the MB.

Executive Risk Committee

The Executive Risk Committee is responsible for establishing a risk framework, overseeing and challenging the management of risk across PwC UK.

Ethics & Independence Forum

The Ethics & Independence Forum, which is a committee of the Executive Risk Committee, considers policy matters related to professional ethics and independence.

COVID-19 Steering Committee

The COVID-19 Steering Committee was established in March 2020 to consider and make recommendations to the MB or EB in respect of any matters relating to or impacted by the COVID-19 pandemic as well as to oversee any related business as usual decisions.

Steering Committee for the UK firm's response to issues and implications arising from the Russian Government's war in Ukraine

This Steering Committee, which is a committee of the Management Board, was established in May 2022 and considers and makes recommendations to the MB or EB in respect of any matters relating to or arising from the Russian Government's war in Ukraine, as well as to oversee any related business as usual decisions.

● Governance bodies

● Executive bodies

How often do the boards and governance bodies meet and what is member attendance?

The MB typically meets five times per year with additional meetings being called when required. The EB, which is a committee of the MB, and the SB, each usually meet monthly with additional meetings being called when required. Meeting attendance by individual board members is provided, together with their biographies, on [page 43](#) and [page 49](#).

The PIB meets at least four times a year, with additional meetings being called when required. The Independent Non-Executives also meet as a separate group to discuss matters relating to their remit. Further information on the activities of the PIB, including Meeting attendance by individual members and their biographies is set out in the Update from the Chair of the PIB.

Compliance with the Audit Firm Governance Code

The EB and PIB have reviewed the principles and provisions of the Audit Firm Governance Code (AFGC) 2016 together with details of how the firm is complying with those. Following this review, the EB, on behalf of the MB, has concluded that, as at 30 June 2023 the firm is in compliance in full with the principles and provisions of the AFGC 2016.

The AFGC includes a requirement for firms to determine governance KPIs in full the first time and to report against them. The EB and PIB considered the KPIs that the firm had reported against in the prior year and confirmed that they remained supportive of them being applied for the year ended 30 June 2023 without any changes being made. The KPIs are set out in the tables on [pages 32 and 33](#).

During the year, the firm carefully considered the provisions of the 2018 UK Corporate Governance Code. It was decided that, while the firm did not intend to implement any of the provisions of the 2018 UK Corporate Governance Code not already included in the AFGC, it would keep this under review.

In April 2022, the FRC published an updated version of the Audit Firm Governance Code, which is applicable for financial years beginning on or after 1 January 2023. As a result, we established a specific steering committee to carefully work through the Code's principles and provisions in the context of our business.

Externally facilitated board reviews

In accordance with its Governance KPI for Board Effectiveness, the firm undertook externally facilitated reviews of the MB, EB, SB and PIB in 2022. The output and recommendations from these reviews were set out in the FY22 Transparency Report.

The MB, EB, SB and PIB have continued to review the progress made on the recommendations from these reviews during the year.



Governance KPI		Notes	Performance
Board attendance	MB, EB, SB, PIB and AOB members should attend a sufficient number of meetings as set out in the Terms of Reference.	Sufficient meetings should be held for the boards to achieve their objectives and in line with their Terms of Reference. Attendance should be achieved by all members for 80% of meetings.	The number of meetings was in line with the firm's requirements, attendance was also in line with requirements, with the exception of one member of the SB. This has been considered and the circumstances deemed to be exceptional. Attendance records of individual participants of each board are stated elsewhere in the report.
Board composition	That there is a diverse mix on each board, taking into account, for example, the requirements of the 30% club (a club which seeks a minimum of 30% of boards to be women) and ethnic minority targets. That there is a diverse population of people presenting at board meetings (e.g. an annual update from each LoS and different mix of presenters at each meeting).	Information on the composition of the MB, SB and PIB is on the firm's website . ¹ Board presentations include sponsors and presenters to help achieve a diverse and inclusive population of people presenting at Board meetings.	MB – five out of 13 MB members are female, and there are two ethnic minority members. EB – two out of six EB members are female. SB – three out of 14 SB members are female, and there are two ethnic minority members. PIB – three out of six members of the PIB are female.
Board activities	That meetings are formally scheduled for the following year and sufficient balance is given in the forward agendas for: strategy; governance; internal controls and risk management; financial performance; and people.	The Chair and the Secretary regularly meet to consider the matters appropriate for future meetings to ensure that sufficient time is spent on the most relevant matters for the firm. This is also considered during the board effectiveness reviews.	The firm considers that this was complied with in the year.
Board effectiveness	That formal, internal effectiveness reviews are carried out annually and externally every three years as set out in the AFGC and summaries of outputs published.	The firm completed externally facilitated board effectiveness reviews of the PIB, SB, MB and EB in 2022, and internal reviews of the progress made on the recommendations from these were undertaken during the year.	Externally facilitated board effectiveness reviews of the PIB, SB, MB and EB were conducted by the Perform Partnership in 2022. The PIB, SB, MB and EB have each reviewed the progress made on the recommendations from these reviews during the year.
	The Terms of Reference of boards and committees are reviewed annually.	The firm reviewed the Boards' and Committees' Terms of Reference during the year.	The Terms of Reference for the AOB, PIB, SB, EB and MB were reviewed during the year.
	That the minimum number of INEs, and the appropriate balance of management and INEs on the PIB, is achieved in accordance with the Terms of Reference.	PIB Terms of Reference are available on the firm's website and its composition is determined by the Members' Agreement.	As at 30 June 2023 there were four INEs on the PIB.
	That the minimum number of Audit Non-Executives (ANEs), and the appropriate balance of management and ANEs on the Audit Oversight Body, is achieved in accordance with the Terms of Reference.	AOB Terms of Reference are available on the firm's website, which include details of the composition of the AOB.	As at 30 June 2023 there were three ANEs on the AOB.

¹ Source: <https://www.pwc.co.uk/who-we-are.html>

Governance KPI	Notes	Performance
<p>Values Integrity, compliance, whistleblowing, and people surveys are reviewed at least annually (and updates from PAC/PMC at least half yearly).</p> <p>The INEs review reputation, the risk register and audit quality at least annually.</p>	<p>Integrity is covered at all Board meetings. Compliance is covered at the Audit & Risk Committees, Partner Affairs Committee (PAC) and EB meetings. Whistleblowing is discussed at EB, PIB and RC meetings. People surveys are discussed at EB and PIB meetings. The MB and EB receive PMC reports and minutes. The SB receives PAC reports.</p> <p>Reputation and audit quality is covered at every PIB meeting. With the creation of the AOB in November 2020, the PIB receives regular reporting on audit quality from this committee to ensure appropriate oversight. The top risks are discussed and agreed with the PIB, SB and EB (on behalf of the MB). The PIB receives quarterly Risk and Quality updates. An INE member of the PIB acts as an embedded member of the Supervisory Board Risk Committee, which has a delegated authority from the Supervisory Board to review management's risk framework, assessment and recommendations on enterprise wide risks including financial, operational and reputational risk. Updates from the Supervisory Board Risk Committee are presented at each PIB meeting.</p>	<p>The firm considers that it complied with this KPI ensuring certain matters relating to the firm's values and reputation are considered during the year, including by the INEs.</p> <p>These matters were reviewed during the year and confirmed at the July 2023 PIB meeting.</p>
<p>Systems and Risk The Boards review the effectiveness of firm's systems of internal control at least annually.</p> <p>The Audit Committee meets at least four times a year.</p>	<p>The SB receives regular updates from both the Audit and the Risk Committee. Additionally, the PIB also receives updates from the Risk Committee in order to assess both the key risks and the adequacy of related controls.</p> <p>Annually the Audit Committee confirms an Internal audit plan which is compiled using a risk based approach. Internal audit reports are received by the Audit Committee and EB periodically. In addition, the external auditors report is submitted to the Audit Committee at least annually.</p>	<p>The firm considers that it complied with this KPI ensuring certain matters relating to the firm's operations and oversight by the Audit Committee and the Risk Committee are considered during the year. The Audit Committee met eight times and the Risk Committee met six times in FY23.</p>
<p>Dialogue That the firm shall meet with investors at least annually.</p> <p>INEs attend a SB meeting at least annually. The firm should consider the perspective of listed companies and their investors by, for example, inputting into consultations.</p> <p>The Boards should consider the Sustainability KPIs at least annually.</p>	<p>The firm held a number of roundtable and educational events for investors, retail investors and analysts throughout the year.</p> <p>INEs held triannual meetings with members of the Supervisory Board during the year.</p> <p>Investor engagement was covered at PIB meetings as part of the Purpose, Community and Corporate Affairs (PCCA) updates. The Sustainability year-end report is approved by the EB (on behalf of the MB) and reviewed by the Audit Committee.</p>	<p>The firm considers that it complied with this KPI through internal and external dialogue, investor engagement and considering sustainability matters during the year. Whilst compliant, the firm will consider further engagement with investors.</p>

Principal risks and responses

The Audit Firm Governance Code 2016 requires the firm to conduct, at least annually, a review of the effectiveness of the firm's internal control systems, covering all material controls such as financial, operational and compliance controls, and risk management systems as well as the promotion of an appropriate culture underpinned by sound values and behaviour within the firm.

The MB takes overall responsibility for establishing systems of internal control and for reviewing and evaluating their effectiveness. The day-to-day responsibility for implementation of these systems, the ongoing monitoring of risk, and the effectiveness of controls rests with senior management.

In the year ended 30 June 2023, we have carried out a robust assessment of the principal risks facing the firm. This included considerations of risks that would threaten the firm's business model, future performance, and solvency or liquidity. We performed analysis of the external environment the firm operates in, which is continuing to evolve at pace and with risks materialising more quickly as a result. We also considered Internal Audit activity that is performed throughout the year.

The principal risks therefore bring together the external and internal risks the firm faces, including agreed mitigation strategies and provide the confidence that we're prepared for the changing, complex environment we find ourselves in.

The MB is continually reviewing these risks and mitigations to navigate this complexity and change at speed, in response to the principal risks. Each of our Lines of Service also have dedicated teams considering these risks in real time, under the MB's direction.

Changes this year

There are a number of external influences which have contributed to the principal risk updates this year. The speed at which new risks are developing is increasing, whilst the public trust held in business and organisations is decreasing. At the same time, technology is advancing at pace, with AI having the potential to completely transform organisations. Combined, this makes the external environment more volatile than ever before.

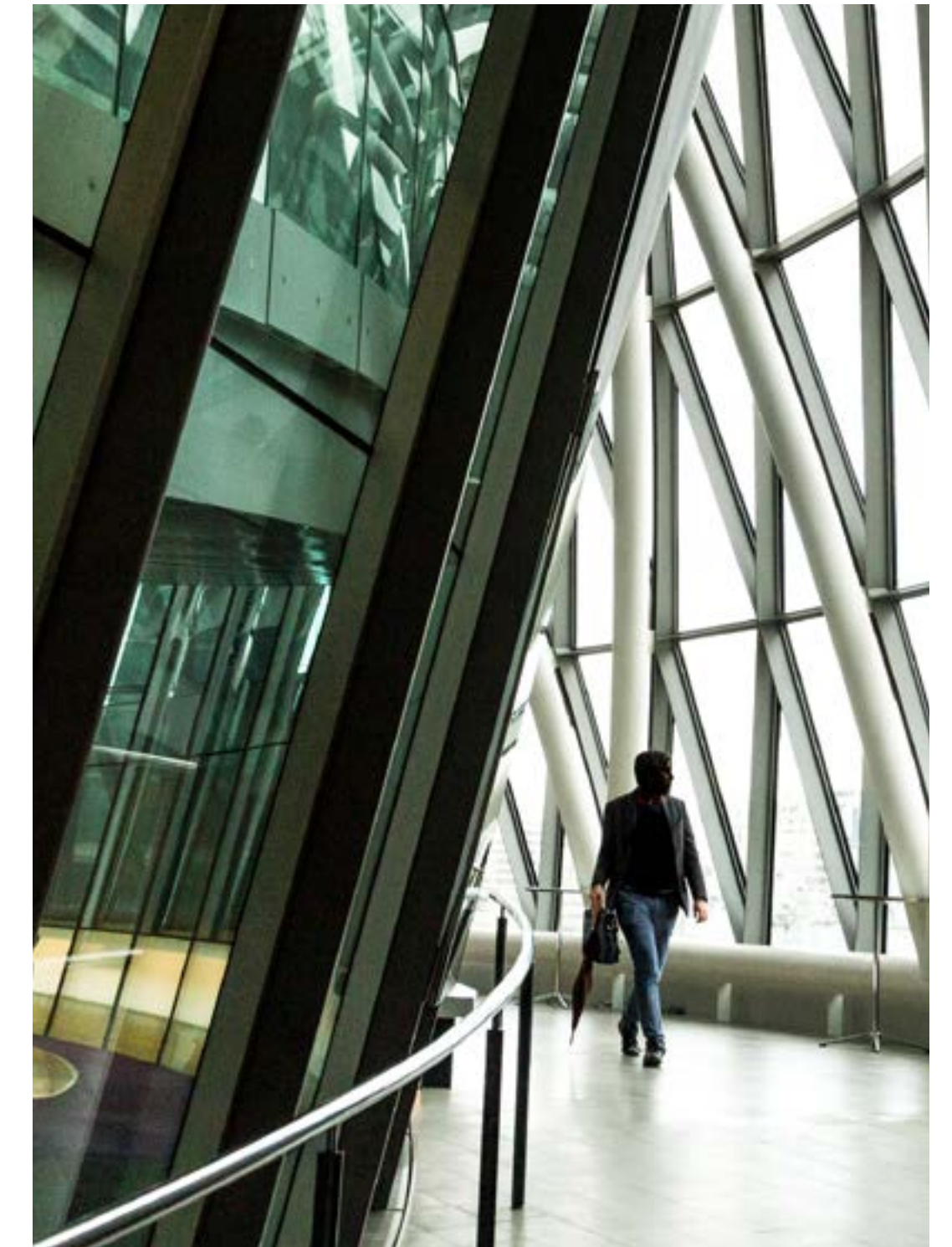
The way we behave as individuals, as a firm, and as a profession are rightly judged against the high standards of integrity and ethical conduct that we set.

Our reputation as a UK firm is also linked to that of the PwC Network. A breach of values and policies in PwC Australia highlights starkly how quickly trust can be lost, and this year we have included a new Network related risk to our principal risks. It also reinforces why it has been so important for us in the UK to maintain clear and robust firmwide governance and processes, supported by independent non-executives, together with a continuing focus on embedding our culture and ethical behaviours. An Independent review of PwC Australia's practices and culture has recently been published, and we are carefully reviewing the findings in the context of the UK firm.

The impacts of climate change are becoming more apparent every year and so we have also added a new risk to reflect the increasing importance of climate and environmental risks to our clients and markets, as well as our internal operations. We recognise the role we have to play in this area, and the risks that could materialise if we get it wrong.

Our previous geopolitical risk has been broadened to incorporate macroeconomics. As has been seen by various events of the last year, including the ongoing war in Ukraine, the macroeconomic environment is directly influenced by the geopolitical uncertainty and it's important for the firm to be considering the broader implications of both.

Lastly, we've removed safety and physical security from our principal risks. This is an ongoing operational risk that the firm continues to manage; however, controls around our offices and our people's travel, coupled with an easing of COVID-19 restrictions and lower levels of international travel, have lessened the overall net risk.



The Audit Committee Report

The Audit Committee of the SB comprises five members of the SB, having both audit and non-audit backgrounds. The Audit Committee met eight times in the year ended 30 June 2023 (FY22: nine times). The Managing Partner and Chief Operating Officer, the Finance Partner, the Head of Internal Audit, and the external Auditors from Crowe UK LLP (Crowe) have a standing invitation to attend Committee meetings. Both the internal and external auditors also meet privately with the Committee members without management present.

The Committee monitors and reviews:

- the effectiveness of the firm's internal control systems;
- the scope, results and effectiveness of the firm's Internal Audit function;
- the effectiveness and independence of the firm's statutory auditor;
- the reappointment, remuneration and engagement terms of the firm's statutory auditor including the policy in relation to, and provision of, non-audit services;
- the planning, conduct and conclusions of the external audit;
- the integrity of the Group's Financial Statements and digital Annual Report and the significant reporting judgements contained in them; and
- the firm's Transparency Report and sustainability reporting.

Internal control and risk management systems

The Committee's review of internal controls includes considering reports from the firm's internal and external auditors.

Internal Audit

There is a dedicated Internal Audit team that performs the required work, supplemented by specialist resources from the business as appropriate. During the year, the Committee considered and approved the Internal Audit work programme, the appropriateness of resources and the adequacy of management's response to matters raised.

Internal Audit plan

The Internal Audit plan is compiled using a risk-based approach to ensure that appropriate consideration is given to the top risks faced by the firm. A risk assessment is undertaken to ensure that appropriate assurance is provided across the audit business on a risk basis. This encompasses gaining an understanding of the firm and its environment, including information technology and inherent risk factors. The main areas of focus are Public Reporting; Technology, Cyber and Data; Firmwide operations (including regulatory compliance); and Line of Service specific reviews. The Internal Audit team complete both assurance and consulting reviews with the objective of both reporting on the effectiveness of the existing controls and helping support continual improvement in control. The Committee reviews the annual plan to ensure that it is satisfied with the level and type of work being performed.

The Committee approves the plan annually, including the required resources.

The Committee reviews progress against the plan, proposed changes to the plan and the adequacy of resources on a quarterly basis, with monthly updates provided to the Chair of the Committee.



Internal Audit findings

Each Internal Audit review provides assurance in relation to control effectiveness for the relevant scope area alongside any matters arising. There is a robust process in place to assign findings to an action owner and to monitor the status of open findings. On a monthly basis an open findings report is shared with management and the summary position is shared with the Executive Board and the Committee quarterly. The Committee ensures that it is satisfied with the adequacy of management's response to the findings raised as well as the implementation of recommendations to support continued improvement.

Internal control – other reporting

The Committee also considered reports from other parts of the UK firm charged with governance and the maintenance of internal control, including in respect of the management of the firm's own tax affairs. The Committee reviewed and considered the statements in respect of the effectiveness of the firm's internal quality control system (see 'Our system of quality management' section on [page 55](#) within the Audit quality chapter) and in respect of the systems of internal control from an ethics, independence and objectivity perspective (refer to the Ethics and independence chapter), and concurred with the disclosures made.

Financial reporting

The Committee carried out its responsibility for monitoring and reviewing the integrity of the Group's Financial Statements by reviewing formal updates provided by management on key accounting developments and by reviewing the Group's Financial Statements with both management and the external auditors. The significant issues the Committee considered in relation to the Group's Financial Statements for the year ended 30 June 2023 are set out below. The Committee has discussed these with Crowe, together with Crowe's Key Audit Matters described in the independent auditor's report on our Financial Statements.

- **Investment in clients (including revenue recognition):** The Committee continued to review the firm's approach regarding revenue recognition in acknowledgement of the complexity of some of the underlying contracts, the range of potential estimates involved and the accounting judgements required. These reviews included discussions with management and the internal and external auditors. The Committee was satisfied that the firm's approach to revenue recognition and to the valuation of unbilled amounts for client work were appropriate.

- **Provisions for claims and regulatory proceedings:** The Committee considered that this continued to be a complex and higher risk area given the political, regulatory and economic environment and the inherent judgement involved in determining provisions. The Committee considered the controls that were in place to ensure the appropriateness of judgements and estimates made in determining the level of provisioning. The Committee was briefed by the firm's Head of Litigation and Regulatory Investigations on the status of claims and regulatory matters involving the firm. While the assessment of provisions is a judgemental matter, the Committee was satisfied that the level of provisions held was reasonable based on the information available.

External audit

The Committee undertakes an annual review of the qualification, expertise, resources and independence of the external auditors and the effectiveness of the external audit process by:

- reviewing Crowe's plans for the audit of the Group's Financial Statements, the terms of engagement for the audit and the proposed audit fee;

- considering the views of management and the Crowe engagement partner on Crowe's independence, objectivity, integrity, audit strategy and its relationship with the Group; and
- taking into account information provided by Crowe on its independence and quality control.

The external auditors are engaged to provide non-audit services where there are business benefits in doing so, their objectivity and independence would not be compromised and no conflict of interests would be created. Suitable approval processes are in place to ensure that these criteria are met before Crowe is engaged to provide non-audit services. Fees paid to Crowe for audit and non-audit services are set out in our Financial Statements. The non-audit assurance services provided during the year related to sustainability reporting, grant claims, regulatory compliance and controls assurance. Non-audit services constituted 18.0% (FY22: 18.1%) of Crowe's total fee for the Financial Year.

Having considered a number of factors including audit effectiveness, business insight, tenure and approach to audit partner rotation, the Committee concluded that it was appropriate for Crowe to be reappointed as external auditor.

MB and Independent Non-Executive remuneration

Partners, including members of the MB

All partners, including members of the MB, are remunerated solely out of the profits of PwC UK, and partners are personally responsible for funding their pensions and other benefits.

Audit partners and audit staff, which includes staff from other Lines of Service contributing to the audit, are not permitted to be, nor are they incentivised to be, evaluated, promoted or remunerated for the selling of non-audit services to their audit clients. The expectations of audit partners are set out in the 'Our audit methodology' section on [page 63](#), and audit quality forms a key part of the partner performance appraisal process.

In addition, Audit Risk & Quality partners input into the assessment of performance in respect of risk and quality matters for the audit partners in their teams, and are involved in the remuneration discussions for audit partners to make sure that the process complies with the firm's policies.

The final allocation and distribution of profit to individual partners is made by the Partner Matters Committee, with oversight from the Partners Affairs Committee and, as applicable, the Talent and Remuneration Committee, once performance has been assessed and the annual financial statements have been approved. The SB approves the process and oversees its application.

Each partner's profit share comprises two interrelated profit-dependent components:

- performance income – reflecting how a partner and their team(s) have performed; and
- responsibility and equity unit income – reflecting a partner's sustained contribution and responsibilities (responsibility income) and the partner's capital contribution (equity unit income).

Each partner's performance income is determined by assessing achievements against an individually tailored balanced scorecard of objectives, based on the partner's role.

These objectives take account of our public interest responsibilities by ensuring we deliver quality services and maintain our independence and integrity.

Quality failings identified either through regulatory reviews or internal quality reviews impact the remuneration of audit partners, and other audit and non-audit engagement leaders in Assurance, through an accountability framework. The Accountability Framework also seeks to reward good quality audit work delivered by engagement leaders. There is transparency among the partners over the total income allocated to each individual.

Drawings

The overall policy for partners' monthly drawings is to distribute a proportion of the profit during the financial year, taking into account the need to maintain sufficient funds to settle partners' income tax liabilities and to finance the working capital and other needs of the business. The EB, on behalf of the MB, with the approval of the SB, sets the level of partners' monthly drawings, based on a percentage of their individual responsibility income.

Tax

Our distributable profit per partner is calculated on a pre-tax basis and the taxes borne individually by our partners include both income tax as well as corporation tax on subsidiary profits.

Independent Non-Executives

- Our INEs are paid an annual fee of £100,000 for their services.
- The chair of the PIB receives an additional £50,000 (increased from £40,000 in February 2023).
- The chair of the AOB also receives an additional £20,000 (increased to £30,000 in August 2023).
- Where an INE is also a member of the AOB they receive a further £30,000 for this role.
- Where a member of the AOB is also a member of the Audit Partner Remuneration and Admissions Committee (APRAC), they also receive a further £10,000 for this role.
- Where an INE is also a member of a SB Committee, they receive a further £20,000 for this role.

Governance of the Audit Line of Service (Audit LoS)

Hemione Hudson is the Head of Audit and the member of the firm's MB responsible for the Audit LoS.

From an operational perspective, and consistent with all other Lines of Service, Hemione Hudson leads an executive team, the Audit Executive, which includes a Chief Operating Officer, Head of Audit Risk and Quality, Head of People and Resourcing, Head of Public Policy, a Market and Services Leader, and three Market Leaders. From 1 October 2023 the Audit Executive also includes a Head of Transformation.

The firm's EB is responsible for the policies, strategy, direction and management of the firm as a whole, on behalf of the MB. The Audit Executive takes responsibility for day-to-day policies, strategy and direction of the Audit LoS, including translating the firm's overall vision and strategy into practical actions and decisions specific to the LoS, in particular in relation to audit quality. The Audit Executive approves the application of the firm's Accountability Framework.

The Audit Executive meets formally on a monthly basis for a full day and meets informally twice a week. There is a meeting of the Audit Executive and Business Unit leaders monthly. The Audit Executive escalates significant matters to the MB, the EB or the CME, as appropriate.

Biographies of members of the Management Board and Supervisory Board



The Management Board

The following partners are or were members of the Management Board during the year. Those with an (E) next to their names are also members of the Executive Board. Those with (CME) next to their name are members of the Clients and Markets Executive.



Kevin Ellis (E)
Senior Partner

Kevin joined the UK firm's Executive Board in 2008 as Head of Advisory, and was made Managing Partner in 2012. Kevin was elected as Senior Partner of the UK and Middle East alliance in 2016. He joined the firm in 1984 on the graduate training programme and qualified as a Chartered Accountant (ICAEW). Kevin specialised in providing turnaround and crisis management support to businesses in the public and private sectors for over 26 years.



Marco Amitrano (E)(CME)
Managing Partner and
Head of Clients and Markets

Marco is PwC UK's Head of Clients and Markets. He has 30 years of international experience in Advisory and Assurance services, serving major clients in the UK and around the world across a range of industries, including technology, engineering and consumer products. He previously also served as UK and EMEA Head of Consulting and UK and Global Head of Risk Assurance. Marco is a Chartered Accountant with the ICAEW, a Chartered Management Consultant and has also served on the board of British American Business. Prior to joining PwC, he qualified with a Masters degree in Electrical and Electronic Engineering at the University of Newcastle-upon-Tyne and is a graduate of Columbia Business School in New York.



Quentin Cole (CME)
Head of Industries

Quentin has been a Partner since 2010. He graduated from Cardiff University in 1997 with a degree in History and has a Masters degree in Business Administration from the University of Gloucestershire. Quentin began his career in industry before joining PwC where he was a member of our Operational Restructuring team in Deals for 20 years. While in Deals Quentin worked on many high profile and complex assignments in the private sector before specialising in turnaround and crisis management in the public sector and healthcare markets in 2005. Quentin became UK Industry Leader for Health Industries in 2015 and from 2018 to 2021 led the combined UK Government & Health Industries practice.



Ian Elliott (E)
Chief People Officer

Ian is PwC UK's Chief People Officer. He joined the firm in 1988 on the graduate training programme and qualified as a Chartered Accountant (ICAEW). Prior to moving into his current role, Ian led the UK Forensic Services practice, where he specialised in Forensic Investigations in the public and private sectors. Ian joined the UK firm's Executive Board as Chief People Officer on 1 January 2022.



Ben Higgin (E)
Head of Technology and Investments

Ben is a member of PwC's UK Executive Board, responsible for Technology and Investments. He works closely with Technology leaders across the PwC Network to develop technology solutions and to promote our technology to a global client audience especially as part of our New world. New skills initiative.

Ben is based in Manchester, where he is establishing a new PwC Technology Centre and building a collaborative technology ecosystem with other technology leaders in the North West.

Ben's previous roles have included leading our Client Assets practice, advising financial services clients on regulation and leading work on organisational design, culture and behavioural change. Ben is a passionate advocate for mental health and wellbeing, and a champion for inclusion and diversity in technology roles. Ben is a trustee of Tech She Can and has been a partner at PwC since 2012.



Laura Hinton (CME)
Head of Tax

Laura is a member of PwC's UK Management Board, where she holds the position of Head of Tax, which includes leadership of PwC UK's Tax, Legal, and People and Organisation practices. As of September 2022, Laura also chairs the PwC Network's EMEA Executive team.

Prior to taking on these roles, Laura was PwC UK's Chief People Officer, and a member of the Executive Board for over five years, where she was also responsible for leading on our External Reputation and Communications agenda.

Laura has over 25 years experience as a business consultant, specialising in HR and Workforce transformation, operating model programmes and culture change. She graduated from King's College London with a degree in Business Management and is a qualified Chartered Accountant.



Hemione Hudson (CME)
Head of Audit

Hemione is the UK Head of Audit and is a member of the UK Management Board. She is also a member of the Public Interest Body, Audit Oversight Body, the Clients & Markets Executive, Executive Risk Committee and the Global Assurance Leadership Team.

As part of her role on the Management Board, Hemione is responsible for setting and delivering the UK firm's Audit strategy, including financial audit, non-financial audit, assurance and ESG assurance. This encompasses oversight of, and responsibility for audit quality.

Hemione has been with the firm for 28 years and is a fellow of the ICAEW having qualified as a Chartered Accountant in 1998 and became a Partner of the firm in 2007.



Warwick Hunt (E)
Managing Partner until his retirement
from the firm on 31 August 2022

Warwick graduated from the University of the Witwatersrand in Johannesburg with a Bachelor of Accountancy (with honours), and holds FCA (Australia and New Zealand) and ACA (ICAEW) qualifications.

He chaired the International and Partner Matters Committees, led the PwC Network's EMEA Executive Team and sat on the EMEA Leadership Team before retiring from the firm on 31 August 2022.

Before joining the Executive Board in October 2013, Warwick completed a four year term as PwC Middle East Senior Partner. Prior to that he was a partner in PwC New Zealand where he led the firm as Territory Senior Partner and Chief Executive Officer from 2003 to 2009.

In addition to his management responsibilities, Warwick led the provision of services to a range of clients.



Carl Sizer (CME)
Head of Regions and Platforms

Carl graduated from Birmingham University and joined the firm in 1999, making Partner in 2009 and going on to join the Management Board as Head of Regions on 1 July 2020. From 1 January 2022 he has also taken responsibility for Platforms; whereby he is responsible for driving our market approach to addressing the most significant challenges and opportunities that our clients face with a particular focus on ESG.

Carl is focused in the Financial Services sector and previously led the growth in our Midlands Financial Services practice and was responsible for the National Banking & Capital Markets audit practice. Carl has worked with a number of our global clients and spent two years in the Banking and Capital Markets practice in New York. Externally, Carl is a member of the ICAEW, where he has previously served as deputy chairman of the Learning and Professional Development Board and is also a member of the Institute of Chartered Accountants in Scotland.



Sam Samaratunga (CME)
Head of Risk

Sam is PwC UK's Head of Risk. In January 2022, Sam also took on the role of PwC's Global Risk Services Leader.

During his career, Sam has primarily been focused on banking, capital markets and financial services market infrastructure, advising clients on the analysis of risk, control and change within complex information systems. He has specialised in financial services and led client engagements with a range of major banks, clearing houses, regulators and stock exchanges. Sam is a Chartered Accountant with the ICAEW.



Lucy Stapleton (CME)
Head of Deals

Lucy is a member of PwC's UK Management Board, where she holds the position of UK Head of Deals. As Head of Deals she is responsible for the leadership of PwC UK's Lead Advisory, Transactions, Value Creation & Realisation and Restructuring & Forensics businesses.

Lucy has over 25 years experience in advising private equity and corporate clients on multinational carve outs and vendor due diligence; bid defence; buy-side due diligence and was the founder of PwC UK's market leading healthcare transaction services practice. Lucy is a Chartered Accountant, member of the ICAEW and has been a UK PwC partner since 2006. In addition to her market focus, Lucy has been the UK Pharmaceutical and Life Sciences Leader; Chief Operating Officer for Deals and People Leader for Transaction Services.



Alison Statham (E)
Chief Risk Officer and General Counsel

Alison is the UK firm's Chief Risk Officer and General Counsel and has been a member of the UK Management Board since 1 July 2020. In her role on the Management Board, Alison leads the Office of the General Counsel and the Risk Management function for the UK firm, and is responsible for our Commitment to High Quality agenda, regulatory engagement and for providing counsel to Network matters. She attends the meetings of the Public Interest Body and the Audit Oversight Body, and the Supervisory Board Risk Committee.

Before joining the Management Board, she was the firm's Deputy General Counsel overseeing a wide range of commercial, risk, regulatory, governance and other practice issues. Prior to joining PwC, Alison qualified as a solicitor at Linklaters and worked in private practice specialising in commercial litigation with an emphasis on professional services. She graduated from King's College London with a degree in law and holds a Masters in International Business Law.



Paul Terrington CBE (CME)
Head of Consulting

Paul sits on PwC's UK Management Board as Head of Consulting. He was previously Regional Chairman of PwC in Northern Ireland from 2011 to 2020. Paul has been a PwC Partner since 2003 and has over 30 years experience as a consultant. He has extensive experience in large-scale transformation and change programmes with public sector and large private sector businesses.

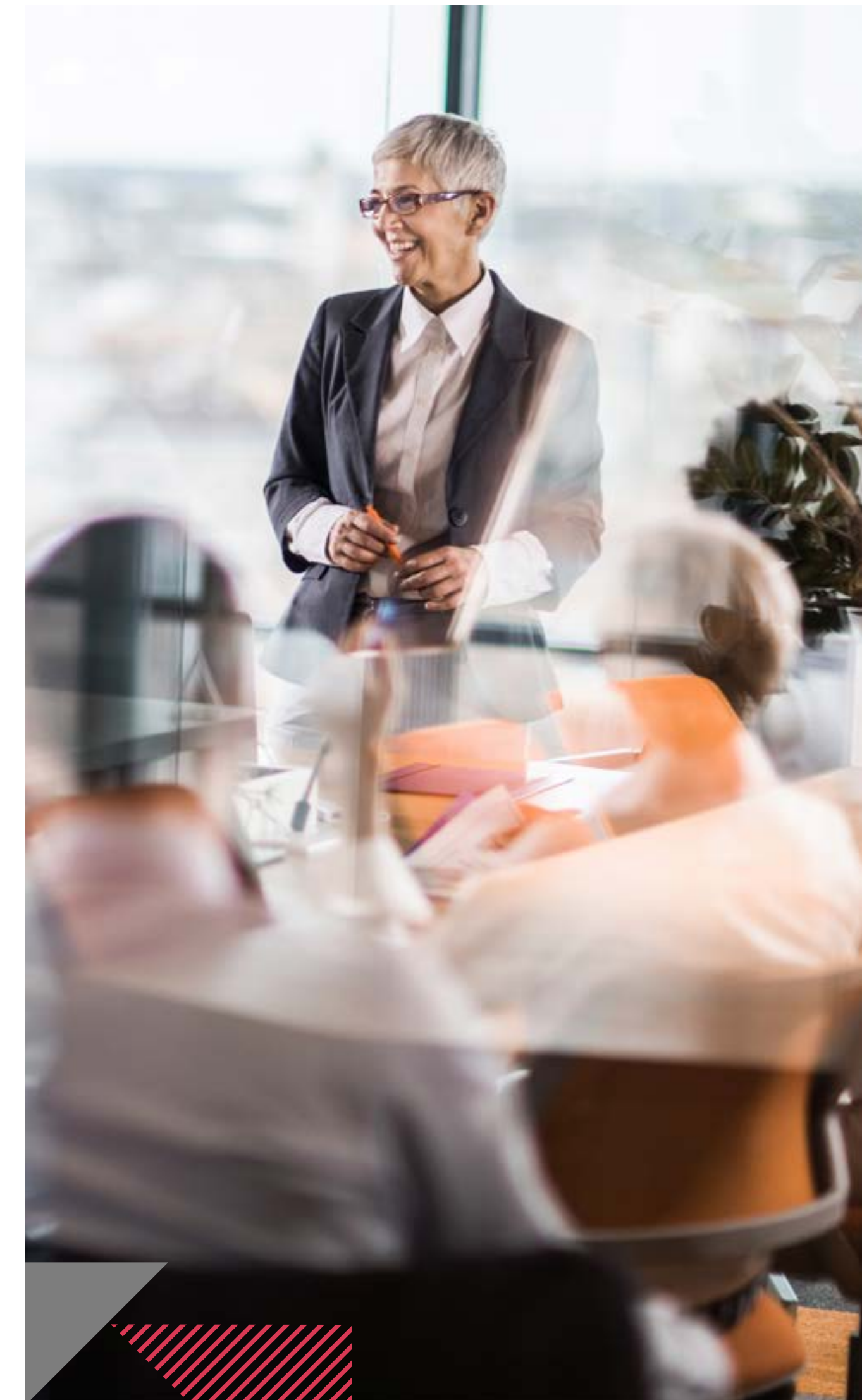
Paul is a former member of the Council of the Institute of Directors in the UK and past Chair of the Institute of Directors in Northern Ireland. He is the current Chair of Ulster Rugby Management Committee and previous Chair of NI Hospice capital appeal fund. He is a Northern Ireland Hospice Ambassador. Paul holds an LLB (Hons) Degree in Law from the University of Reading and a Postgraduate Diploma in HR Management from the University of Ulster. In January 2021 he was awarded a CBE for services to the economy in Northern Ireland.



Marissa Thomas (E)
Managing Partner and Chief Operating Officer

Marissa is PwC's UK Chief Operating Officer and has been with the firm for 28 years. For the last 25 years Marissa has been advising private equity, sovereign investors and large corporate clients on tax related matters on transactions. This includes advice on investment structures, due diligence and various aspects of fund manager set-up and ongoing operation.

Prior to moving into her current role, Marissa has held two other Management Board roles – the Head of Deals and more recently the Head of Tax.



Management Board FY23 meeting attendance

	Length of service*	A	B
Kevin Ellis	6 years	5	5
Marco Amitrano	6 years	5	5
Quentin Cole	1 year, 6 months	5	5
Ian Elliott	1 year, 6 months	5	5
Ben Higgin	3 years	5	5
Laura Hinton	6 years	5	5
Hemione Hudson	6 years	5	5
Warwick Hunt**	5 years, 2 months	0	0
Carl Sizer	3 years	5	5
Sam Samaratunga	4 years	5	5
Lucy Stapleton	1 year, 6 months	5	5
Alison Statham	3 years	5	5
Paul Terrington	6 years	5	4
Marissa Thomas	6 years	5	5

A – Maximum number of formal meetings which could have been attended. In addition to this number, there were a further three meetings held on an ad-hoc basis to consider specific matters.

B – Number of meetings actually attended.

* The length of service has been calculated as at 30 June 2023.

** Warwick Hunt stepped down from the Management Board on 31 August 2022.

Executive Board FY23 meeting attendance

	Length of service*	A	B
Kevin Ellis	15 years	8	8
Marco Amitrano	3 years	8	7
Ian Elliott	1 year, 6 months	8	8
Ben Higgin	3 years	8	8
Warwick Hunt**	8 years, 10 months	2	2
Alison Statham	3 years	8	7
Marissa Thomas	1 year, 6 months	8	8

A – Maximum number of formal meetings which could have been attended. In addition to this number, there were a further six meetings held on an ad-hoc basis to consider specific matters.

B – Number of meetings actually attended.

* The length of service has been calculated as at 30 June 2023.

** Warwick Hunt stepped down from the Executive Board on 31 August 2022.

The Supervisory Board

The following partners have served as members of the Supervisory Board during FY23.



***Chris Burns**

Chair (initially elected to the SB on 1 January 2017, re-elected as Chair of the SB with effect from 1 January 2023)

Chris is the Chair of the UK Supervisory Board and became Chair of the Alliance (UK and Middle East) Supervisory Board on 9 May 2019. He is a member of the Talent and Remuneration Committee and the firm's Public Interest Body. Chris was also elected to the Global Board of the international PwC Network in 2020 and serves on the Global Markets Committee. He is an Audit Partner based in London with lead responsibility for a portfolio of listed clients, having joined the firm in 1992 and becoming a Partner in 2005.



***Simon Ager**

Deputy Chair (elected to the SB on 1 January 2021),

Simon is a Partner in our Deals Tax team. He has over 23 years experience advising a wide range of corporate, fund and infrastructure clients on tax due diligence, joint ventures, restructuring, M&A and capital markets transactions. Simon founded the PwC UK Tax SPA team advising clients on the negotiation and protection of tax risks/value items in sale and purchase and other agreements. He is also a member of our Africa Business Group.

He was elected to the Supervisory Board from 1 January 2021 and from 1 January 2023 was appointed the Deputy Chair. Simon is also a member of the Partner Affairs Committee and the Supervisory Board engagement and communication leader.



Glen Babcock

(elected to the SB on 1 January 2019. Stepped down from the SB on 31 December 2022)

Glen is a Deals Partner in Restructuring with experience in legal entity and operational restructuring, cost reduction and cash generation. Glen works with UK and international clients across all sectors and industries. He joined the firm as an auditor in San Francisco in 1993, joining our UK practice in 1997 and became a Partner in the UK in 2007. Glen was elected to the Supervisory Board on 1 January 2019 and was Chair of the Country Admissions Committee until 30 June 2021. Glen was Chair of the Talent and Remuneration Committee and a member of the Audit Committee until he stepped down on 31 December 2022.

*Those marked with an asterisk will serve until 31 December 2024, and the others until 31 December 2026. Ex-officio members of the SB are the Senior Partner (Kevin Ellis) and Duncan Skales, as a member of the Global Board.



Kevin Ellis
(elected to the SB as Alliance Senior Partner on 1 July 2016 and re-elected on 1 July 2020)

The Senior Partner also sits on the Supervisory Board (as an ex-officio member).



***Imran Farooqi**
(elected to the SB on 1 January 2021)

Imran is a Deals Partner in Restructuring & Forensics. He is the UK & EMEA Head of Financial Crime and specialises in delivering global Anti-Money Laundering, Know Your Customer compliance programmes in the Corporate & Investment Banking sector. He joined the firm in 2015 after ten successful years at another Big 4, where he was responsible for delivering a number of critical compliance related regulatory programmes. Imran was elected to the Supervisory Board in January 2021 and is a member of the Partner Affairs Committee and the Risk Committee. Imran was appointed Chair of the Risk Committee in January 2023.



***Karen Finlayson**
(elected to the SB on 1 January 2021)

Karen is a Partner in our Risk Line of Service and she specialises in governance, risk, controls and internal audit across the government and public sector. She is also the Regions Lead for Government and Health Industries and the Lead Client Partner for NHS National Bodies. Karen joined the firm in 1997 and became a Partner in 2015. She was elected to the Supervisory Board on 1 January 2021 and is a member of the Risk Committee and the Partner Affairs Committee. Karen is also the Channel Islands Protector, which includes providing guidance to the Channel Islands Senior Partner on certain matters, as set out in the constitution of PricewaterhouseCoopers CI LLP.



***Sandie Grimshaw**
(elected to the SB on 1 January 2021)

Sandie is a Consulting Risk Partner focused on working with client facing partners to navigate bidding, contracting and delivering complex transformation engagements. Sandie was elected to the Supervisory Board on 1 January 2021 and was appointed as a member of the Partner Affairs Committee. Sandie was appointed Chair of the Partner Affairs Committee in January 2023. She also became Chair of the Country Admissions Committee on 1 July 2021 which oversees the admission of direct admit and internal promotions to Partners, and she stepped down from this role in July 2023.

*Those marked with an asterisk will serve until 31 December 2024, and the others until 31 December 2026. Ex-officio members of the SB are the Senior Partner (Kevin Ellis) and Duncan Skales, as a member of the Global Board.



Zelf Hussain
(elected to the SB on 1 January 2023)

Zelf is a Deals Partner in the Restructuring team with over 25 years of experience working across a wide range of sectors. He regularly works with companies to help them through difficult financial situations. He was elected to the Supervisory Board on 1 January 2023, and is a member of the Partner Affairs Committee and the Audit Committee.



David Kenmir
(appointed to the SB on 8 May 2019.
Stepped down from the SB on
31 December 2022)

David is a Risk Partner specialising in the authorisation and operationalisation of new bank start-ups; and the regulation of the retail financial services market. He is a member of PwC's Financial Services Risk and Regulation practice. He joined the firm in 2010 and became a Partner in 2011. He joined the Supervisory Board on 8 May 2019 and was Chair of the Partner Affairs Committee until he stepped down from the SB.



Andy Key
(initially elected to the SB on 1 January 2019 and was re-elected to the SB on 1 January 2023)

Andy is a Consulting Partner with experience primarily across aerospace, defence and security clients in the public and private sector. He was part of PwC's management consulting practice from 1995-2000, spent five years growing technology start-up businesses, then rejoined the firm in 2005.

Andy was admitted to the partnership in 2009 and now holds a number of leadership roles within our Government & Public Sector business with a range of client and market responsibilities, in particular leading our National Government Consulting business. He was elected to the Supervisory Board from 1 January 2019, and was appointed Deputy Chair of the Supervisory Board in January 2021. Andy was appointed Chair of the Talent and Remunerations Committee in January 2023 at which time he also stepped down as Deputy Chair of the SB. Andy is a member of the Audit Committee, the Supervisory Board of PwC Middle East and the Alliance Supervisory Board.



Mark Pugh
(elected to the SB on 1 January 2023)

Mark is an Audit Partner based in London. He joined the firm in 1993 and became a Partner in 2004. Mark has experience in leading the audits of multinational and listed groups in the financial services sector. He was also the Business Unit leader for our Asset & Wealth Management audit practice from 2017 to 2021. Mark joined the Supervisory Board on 1 January 2023 and was also appointed as a member of the Audit Committee and the Risk Committee.

*Those marked with an asterisk will serve until 31 December 2024, and the others until 31 December 2026. Ex-officio members of the SB are the Senior Partner (Kevin Ellis) and Duncan Skales, as a member of the Global Board.



Brendan O'Driscoll
(elected to the SB on 1 January 2023)

Brendan is a Partner in our Deals business, where he specialises in financial due diligence on M&A transactions, and also sits on the leadership team of our Deals Value Creation & Realisation team.

He joined the firm in 1997 and became a Partner in 2012. He was elected to join the Supervisory Board from 1 January 2023 and is a member of the Risk Committee and the Talent and Remuneration Committee.



Danielle Perfect
(elected to the SB on 1 January 2023)

Danielle is a Partner in the firm's Office of General Counsel, overseeing the provision of non-contentious legal advice to partners and staff, with a particular focus on our Government & Public sector. Danielle is a qualified solicitor with over 20 years legal experience. Prior to joining PwC, she worked in private practice as well as a number of in-house roles specialising in commercial and technology law. Danielle was elected to the Supervisory Board on 1 January 2023 and is a member of the Audit Committee and Talent & Remuneration Committee.



Duncan Skales
(initially elected to the SB on 1 January 2007)

Duncan is a Deals Partner in London. He joined the firm in 1987 and became a Partner in 1999. Duncan rejoined the Supervisory Board in April 2017 when he became a member of the Global Board, the body responsible for the governance of the PwC Network, and is a member of the Supervisory Board of PwC Middle East and Alliance Supervisory Board.



***Dave Walters**
(elected to the SB on 1 January 2021)

Dave is a Partner in the Audit Line of Service based in Birmingham within the Risk and Quality function, where he specialises in corporate accounting issues. He joined the firm in Birmingham in 1989 and became a Partner in 2013. He joined the Supervisory Board on 1 January 2021. Dave was appointed as a member of the Audit Committee and Partner Affairs Committee in January 2021. He stood down from the Partner Affairs Committee in December 2022. Dave was appointed Chair of the Audit Committee in February 2022.

*Those marked with an asterisk will serve until 31 December 2024, and the others until 31 December 2026. Ex-officio members of the SB are the Senior Partner (Kevin Ellis) and Duncan Skales, as a member of the Global Board.



Lorna Ward
(elected to the SB on 1 January 2019.
Stepped down from the SB on
31 December 2022)

Lorna is a Consulting Partner specialising in technology across public and private sectors based in Bristol. She joined the firm in 2011 and became a Partner in 2015. She joined the Supervisory Board on 1 January 2019 and was a member of the Partner Affairs Committee and the Risk Committee.



Kenny Wilson
(initially appointed to the SB on
4 April 2019 and re-elected to the SB
on 1 January 2023)

Kenny is an Audit Partner with experience of working with both listed and privately owned companies. He joined the firm in 1993 and became a Partner in 2007. Kenny joined the Supervisory Board in April 2019, and was appointed Chair of the Audit Committee and a member of the Risk Committee. He stood down as Chair of the Audit Committee in February 2022 but remained a member until December 2022. He is currently a member of the Partner Affairs Committee, a member of the PwC Partner Savings Governance Committee and the firm's Audit Oversight Body. Kenny also has a standing invite to attend the firm's Public Interest Body meetings.



Kate Wolstenholme
(elected to the SB on 1 January 2019.
Stepped down from the SB on
31 December 2022)

Kate is an Audit Partner based in London. Kate leads our Law Firms' Advisory Group and has a particular focus on professional partnerships. She joined the firm in 1991 and became a Partner in 2011. Kate joined the Supervisory Board on 1 January 2019, was reappointed Chair of the Risk Committee in January 2021, and was also a member of the firm's Audit Oversight Body. Kate represented the Supervisory Board as a member of the Public Interest Body until November 2021 and had a standing invite to attend PIB meetings.



*Those marked with an asterisk will serve until 31 December 2024, and the others until 31 December 2026. Ex-officio members of the SB are the Senior Partner (Kevin Ellis) and Duncan Skales, as a member of the Global Board.

Supervisory Board FY23 meeting attendance

	Length of service*	A	B
Chris Burns	6 years, 6 months	12	12
Simon Ager	2 years, 6 months	12	12
Glen Babcock	4 years	5	5
Kevin Ellis***	7 years	12	10
Imran Farooqi	2 year, 6 months	12	11
Karen Finlayson	2 year, 6 months	12	12
Sandie Grimshaw	2 year, 6 months	12	12
Zelf Hussain	6 months	7	7
David Kenmir	4 years	5	4
Andy Key	4 years, 6 months	12	12
Mark Pugh	6 months	7	5
Brendan O'Driscoll	6 months	7	7
Danielle Perfect	6 months	7	7
Duncan Skales**	11 years, 2 months	12	11
Dave Walters	2 years, 6 months	12	12
Lorna Ward	4 years	5	4
Kenny Wilson	4 years, 3 months	12	12
Kate Wolstenholme	4 years	5	5

A – Maximum number of formal scheduled meetings which could have been attended. In addition to this number, there were a further three meetings held on an ad-hoc basis to consider specific matters, including Partner moderation and income.
B – Number of meetings actually attended.

* The length of service has been calculated as at 30 June 2023.

** Duncan Skales was a member of the SB for six years, stepping down in 2012, and rejoined the SB as an ex-officio member when he joined the Global Board in 2017.

*** Kevin Ellis is appointed as an ex-officio SB member and does not typically attend SB meetings convened on an ad-hoc basis.

