



PricewaterhouseCoopers LLP

**Members' report and financial statements
for the financial year ended 30 June 2025**

Registered number: OC303525



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Members' report for the financial year ended 30 June 2025

The members present their report and the audited consolidated financial statements of PricewaterhouseCoopers LLP ('the LLP') and its subsidiary undertakings (together 'the Group') for the financial year ended 30 June 2025.

Principal activity

The principal activity of the Group is the provision of professional services, including audit, tax and legal, consulting, deals and risk advisory services in the United Kingdom, the Middle East and the Channel Islands.

Governance

The governance structure of the LLP primarily comprises the following:

- A Management Board, responsible for the policies, strategy, direction and management of the LLP. The Management Board is assisted by a Partner Matters Committee, responsible for certain human resource matters relating to members.
- A Supervisory Board, which considers, reviews and gives guidance to the Management Board on matters which the Supervisory Board considers to be of concern to the members, having regard to the interests and wellbeing of the LLP as a whole.
- A Public Interest Body, the purpose of which is to enhance stakeholder confidence in the public interest aspects of the LLP's activities through the involvement of independent non-executives. The Public Interest Body enables the LLP to fulfil certain responsibilities set out in the Audit Firm Governance Code (as updated from time to time).

- The Audit Oversight Body, a committee of the Public Interest Body, which oversees the obligations of the LLP with respect to the pursuit of the Financial Reporting Council's objectives, outcomes and principles for operational separation of audit practices, insofar as they are within the control of the audit practice and enhance the LLP's ability to fulfil certain responsibilities set out in the Audit Firm Governance Code.

The integrity of the Group's financial statements is monitored and reviewed by the Audit Committee, a committee of the Supervisory Board.

Designated members

Marco Amitrano was a designated member (as defined in the Limited Liability Partnerships Act 2000) of the LLP for the whole of the financial year ended 30 June 2025. Laura Hinton and Simon Hunt were appointed as designated members on 1 November 2024. Marissa Thomas resigned as a designated member on 28 February 2025.

Members' capital

The Group is financed through a combination of members' capital, undistributed profits and borrowing facilities. Members' capital contributions, totalling £333m (2024: £297m), are determined by the Management Board, with the approval of the Supervisory Board, having regard to the working capital needs of the business. They are set by reference to an individual member's equity unit profit share and are repayable following the member's retirement.

Members' report for the financial year ended 30 June 2025 (continued)

Members' profit shares and drawings

Members receive a distribution out of the profits of the LLP after making adjustments for obligations such as annuity payments to former partners and amounts retained in reserves. The final allocation and distribution of profit to individual members is determined by the Management Board once the individual performance of members has been assessed and the annual financial statements have been approved. The Supervisory Board approves the process and oversees its application.

Each member's profit share comprises three interrelated components dependent upon the overall profitability of the LLP:

- Responsibility income – reflecting the member's sustained contribution and responsibilities.
- Performance income – reflecting how a member and their team(s) have performed.
- Equity unit income – reflecting the member's capital contribution.

Each member's performance income is determined by assessing achievements against individually-tailored objectives, based on the member's role. These objectives include ensuring the delivery of quality services, managing risk effectively and maintaining independence and integrity. There is transparency among the members over the total income allocated to each individual.

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

Going concern

These financial statements have been prepared on a going concern basis.

The Group continues to be a resilient, well-diversified business, which spans numerous service offerings, client industry segments and geographic locations, with a broad and diverse range of clients and suppliers. The Group has access to substantial financial resources, including members' capital, undistributed profits and borrowing facilities. These factors, coupled with a comprehensive risk assessment and mitigation framework overseen by the Management Board, positions the Group well to manage the financial impact of business risks.

At 30 June 2025, the Group's net assets totalled £1,282m (2024: £1,192m), with total members' capital and reserves amounting to £1,314m (2024: £1,243m). The Group held cash and cash equivalents and term deposits of £862m (2024: £773m) and had undrawn borrowing facilities of £806m (2024: £661m).

The Group's facilities at 30 June 2025, totalling £806m, were predominantly held with 11 leading international banks, with £162m of facilities due to expire within one financial year, £425m within four financial years, and £219m within five financial years.

In evaluating the Group's ability to continue as a going concern, the Management Board has taken into account the economic environment of the markets in which the Group operates, including considering the prevailing macroeconomic conditions. The Management Board has also considered the potential impact of a loss of significant clients, the effects of Basis Period Reform legislation in the United Kingdom impacting the cash flows of the Group and the risks and opportunities arising from new and emerging technologies. The Management Board's assessment includes forecasting two core planning scenarios up to 30 June 2027.

Members' report for the financial year ended 30 June 2025 (continued)

Going concern (continued)

Central scenario – The central scenario is that economic activity and demand for the Group's services will gain momentum during the 2026 financial year, leading to a steady increase in revenue and for this to be sustained into the 2027 financial year.

Severe but plausible downside scenario – The severe but plausible downside scenario anticipates a significant decline in the level of demand for the Group's services during the 2026 financial year. This decline could stem from macroeconomic factors, regulatory requirements, reputational issues or other market-related developments. The scenario then projects a gradual but modest recovery in the 2027 financial year. A moderate level of cost mitigation measures has been assumed.

The Group's financial modelling indicates that the position remains manageable across both scenarios. In the downside scenario, the United Kingdom would need to utilise its borrowing facilities briefly in the first quarter of the 2026 financial year and throughout the 2027 financial year, while the Middle East would remain in a cash position throughout both years. However, headroom against banking facilities and related covenants would remain substantial, even at peak borrowing levels.

If the trading environment were to deteriorate even more significantly than in the downside scenario, the Management Board could implement further measures to sustain cash flow. These measures could include postponing or reducing expenditures such as profit distributions, staff bonuses and investments.

Having regard to all of the above, the Management Board has, at the time of approving the financial statements, a reasonable expectation that the Group and the LLP will be able to continue in operational existence for the foreseeable future. Thus, the going concern basis has been adopted in preparing the consolidated financial statements.

Statement of members' responsibilities in respect of the financial statements

The Companies Act 2006, as applied to limited liability partnerships, requires members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with International Accounting Standards as adopted by the United Kingdom and the requirements of the Companies Act 2006, as applied to limited liability partnerships. In approving the financial statements, members need to be satisfied that they give a true and fair view of the state of affairs of the Group and the LLP and of the profit or loss of the Group for the financial year then ended. In preparing the financial statements, the members are required to:

- select suitable accounting policies and apply them consistently, subject to any changes disclosed and explained in the financial statements;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the LLP or the Group will continue in business.

The members are responsible for safeguarding the assets of the LLP and the Group, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members' report for the financial year ended 30 June 2025 (continued)

Statement of members' responsibilities in respect of the financial statements (continued)

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006, as applied to limited liability partnerships.

The members are also responsible for the maintenance and integrity of the LLP's website on which the financial statements are available. Legislation governing the preparation and dissemination of financial statements may differ in other jurisdictions from that in the United Kingdom.

These responsibilities are fulfilled by the Management Board on behalf of the members.

The Management Board confirms that it has complied with the above requirements in preparing the financial statements.

Signed on 14 August 2025 on behalf of the Management Board by:

Marco Amitrano

Marco Amitrano
Senior Partner

Simon Hunt
Chief Financial and
Administrative
Officer

Independent auditor's report to the members of PricewaterhouseCoopers LLP

Report on the audit of the financial statements

Opinion

We have audited the financial statements of PricewaterhouseCoopers LLP ('the LLP') and its subsidiaries (together 'the Group') for the financial year ended 30 June 2025, which comprise:

- the consolidated income statement and consolidated statement of comprehensive income of the Group for the financial year ended 30 June 2025;
- the statements of financial position of the Group and the LLP at 30 June 2025;
- the statements of cash flows and statements of changes in equity of the Group and the LLP for the financial year ended 30 June 2025; and
- the notes to the financial statements, which include a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards as adopted by the United Kingdom and the provisions of the Companies Act 2006, as applied to limited liability partnerships.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the LLP's affairs at 30 June 2025 and of the Group's profit for the financial year then ended;
- the financial statements have been properly prepared in accordance with International Accounting Standards as adopted by the United Kingdom; and
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In our work we have assessed the key assumptions feeding into the models used by management to assess going concern. We performed sensitivity analysis around the key inputs to the model to determine the adequacy and sensitivity of the model and discussed with management whether there were any circumstances beyond the period of assessment that may cast significant doubt on the Group's and the LLP's ability to continue as a going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the LLP's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of PricewaterhouseCoopers LLP (continued)

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and evaluate the impact of misstatements identified.

At the planning stage of our audit, and based on our professional judgement, we determined overall materiality for the Group's and the LLP's financial statements as a whole to be £61m (2024: £61m) and £40m (2024: £40m) respectively. In determining this, we used 5% of projected profit before tax and the allocation of profit for the financial year (whether charged in arriving at profit before tax or through equity) (2024: 5%). We considered this benchmark given the relevance of profit to the users of the financial statements (being primarily, the members).

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. The performance materiality figures for the Group and the LLP at the planning stage were determined to be £43m (2024: £43m), and £28m (2024: £28m) respectively.

Where considered appropriate, performance materiality may be reduced to a lower level, such as for related party transactions.

We agreed with the Audit Committee to report to it all identified errors in excess of £1.5m (2024: £1.5m). Errors and misstatements below that threshold would also be reported if, in our opinion as auditor, disclosure was required on qualitative grounds.

Upon receipt of full year results, we determined that overall materiality could have been revised upwards from that set at the planning stage of our audit. We determined that this was not necessary and carried out our audit with reference to the materiality thresholds set out above.

Overview of the scope of our audit

We performed our scoping of the Group audit by obtaining an understanding of the Group and its control environment. We developed our Group audit plan by assessing the qualitative and quantitative risk characteristics of each significant class of transactions, account balances and disclosures. We considered the relative contribution of each component to the financial statement line items to determine which components would be subject to audit procedures. Based on this assessment, our work was focussed on two material components, being the United Kingdom group of entities and the Middle East group of entities. For each of these components, we performed a full scope audit of the complete financial information to component materiality. For the remaining component, being the Channel Islands group of entities, we performed analytical reviews and other audit procedures on specific accounts that we considered had the potential for the greatest impact on the financial statements, either because of the size of these accounts or their risk profile.

For the Middle East group, the audit was led by a separate team and key audit partner. Under their direction and supervision, a member firm of the Crowe Global network undertook full scope audit procedures in the Middle East. We planned the work following a series of planning meetings with local management and the local audit team. The Middle East group audit team visited the Middle East at both the planning and completion stage of the audit to review the work of the local audit team and to discuss matters with both them and local management.

Independent auditor's report to the members of PricewaterhouseCoopers LLP (continued)

Overview of our audit approach (continued)

Overview of the scope of our audit (continued)

In our audit, we tested and examined information, using sampling and other auditing techniques, to the extent we considered necessary to provide a reasonable basis for us to draw conclusions. We obtained audit evidence through testing the operating effectiveness of controls, substantive procedures or a combination of both.

In preparing the financial statements, the Management Board, on behalf of the members, have made a number of subjective judgements, for example in respect of critical accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We focused our work primarily on these areas by assessing the Management Board's judgements against available evidence, forming our own judgements and evaluating the disclosures in the financial statements. We also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by the Management Board, which may represent a risk of material misstatement, especially in areas of critical accounting estimates and key judgements as outlined in note 1.

Key audit matters

Key audit matters are those matters we identified that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year and included the most significant assessed risks of material misstatement, whether or not due to fraud. These matters are those that had the greatest effect on the overall audit strategy, the allocation of resources on the audit, and on directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In determining the key audit matters, we noted that there have been no changes in the Group's operations during the financial year that significantly impacted upon our audit. Our assessment of the most significant risks of material misstatement and resulting key audit matters are as detailed below.

These key audit matters relate to both the Group and the LLP. This is not a complete list of all risks identified by our audit.

Independent auditor's report to the members of PricewaterhouseCoopers LLP (continued)

| Key audit matter | How the scope of our audit addressed the key audit matter |
|--|--|
| <p>Revenue recognition and the valuation of contract assets and contract liabilities</p> | <p>We tested the operating effectiveness of controls in relation to revenue recognition.</p> <p>We selected a sample of client assignments focusing on material contracts, contracts that met certain identified risk criteria and others. Our testing focused on ensuring that revenue was recognised in accordance with the accounting policy and included obtaining details of the underlying contract, agreeing key engagement terms regarding enforceable rights to payment for work performed to date, obtaining evidence of fulfilment and the justification for the stage of completeness, and agreement to cash receipts.</p> <p>As part of our work we challenged a range of areas including whether identified performance obligations were distinct, performance obligations had been satisfied for revenue recognised, the right to payment for work performed to date was enforceable in certain situations, assessments of costs to complete were appropriate and consistent with other evidence and whether the Group was acting as principal or agent. We reviewed provisions carried against the value of contract assets, ensuring a suitable assessment had been performed considering provisions held at both engagement and portfolio levels.</p> <p>We consider the estimates made by management in determining the valuation of contract assets and contract liabilities reasonable in light of the evidence available to the date of this report.</p> <p>We found no material misstatements arising from our testing.</p> <p>We consider the disclosure in notes 2, 14 and 16 to the financial statements to be appropriate having given specific regard to this being an area of critical accounting estimate.</p> |
| <p>The Group enters into a broad range of client contract types. The timing of revenue recognition on these contracts is dependent on the fulfilment of contractual terms that can be complex and involve subjective judgements on contract completeness and recoverability. Estimates are also required in assessing the recoverable value of contract assets.</p> <p>Revenue recognition and the valuation of contract assets and contract liabilities are included within note 1 as areas of critical accounting estimate. The accounting policy for revenue is outlined in note 2. The disclosure of contract assets and contract liabilities is included within notes 14 and 16 respectively.</p> | |
| <p>Provisions for claims and regulatory proceedings</p> | <p>We met with the Group's Deputy General Counsel to discuss claims and actions by regulatory bodies. We examined these matters and considered the processes for ensuring the completeness of the reporting of claims and for assessing the risk of unrecorded claims. We reviewed external legal advice and details of judgements where relevant, and reviewed the controls operating around the completeness of reporting.</p> <p>We examined the Group's insurance arrangements and considered the impact of those terms and the level of cover on the provisions made.</p> <p>We consider the estimates made by management in determining the provisions for claims and regulatory proceedings to be reasonable in light of the evidence available to the date of this report.</p> <p>We consider the disclosure in note 19 to the financial statements to be appropriate having given specific regard to this being an area of critical accounting estimate.</p> |
| <p>Disputes and regulatory proceedings arise in the normal course of business. We focused on this area because of the potential financial impact that a major claim or regulatory proceeding could have on the Group and because of the uncertainties involved, including the need to exercise judgement.</p> <p>Provisions in respect of claims and regulatory proceedings are included within note 1 as an area of critical accounting estimate. The disclosure of provisions for claims and regulatory proceedings is included in note 19.</p> | |

Independent auditor's report to the members of PricewaterhouseCoopers LLP (continued)

Other information

The members are responsible for the other information contained within the members' report. The other information comprises the information included in the members' report and the energy and carbon reporting, which is published with the financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the LLP financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Statement of members' responsibilities in respect of the financial statements set out on pages 3 and 4, the members are responsible for the preparation of the Group's and the LLP's financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Group's and the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Group or the LLP or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, the improper application of the revenue recognition accounting policy and the risk of inappropriate judgements surrounding the recognition of liabilities arising from claims relating to litigation or regulatory sanction.

Independent auditor's report to the members of PricewaterhouseCoopers LLP (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and the LLP and the procedures in place for ensuring compliance in the jurisdictions where the Group and the LLP operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 as applied to limited liability partnerships and those regulations related to the firm's activities as a firm of chartered accountants and statutory auditors.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, use of data analytics in the analysis of journals, reviewing accounting estimates for biases, a review and assessment of the revenue recognised on a selection of client engagements to ensure appropriate application of revenue recognition policies and discussions with in-house General Counsel around the provisions held for claims, litigation and sanctions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected a material misstatement in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing, and cannot be expected to detect, non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members as a body for our audit work, for this report, or for the opinions we have formed.

Richard Baker

Richard Baker
(Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

14 August 2025

Consolidated income statement for the financial year ended 30 June 2025

| | Note | 2025 £m | 2024 £m |
|---|------|--------------|------------|
| Revenue | 2 | 6,353 | 6,326 |
| Expenses and disbursements on client assignments | | (741) | (670) |
| Net revenue | | 5,612 | 5,656 |
| Staff costs | 3 | (3,158) | (3,325) |
| Depreciation, amortisation and impairment of non-financial assets | 4 | (144) | (142) |
| Other operating charges | 4 | (811) | (891) |
| Gains on disposal of businesses | 5 | - | 11 |
| Impairment losses on financial assets | 4 | (37) | (24) |
| Operating profit | | 1,462 | 1,285 |
| Finance income | 6 | 35 | 43 |
| Finance expense | 6 | (33) | (31) |
| Profit before taxation | | 1,464 | 1,297 |
| Tax expense | 7 | (96) | (160) |
| Profit for the financial year | | 1,368 | 1,137 |
| Profit for the financial year attributable to: | | | |
| Members | 24 | 1,098 | 902 |
| Non-controlling interests | 24 | 270 | 235 |
| Profit for the financial year | | 1,368 | 1,137 |

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated statement of comprehensive income for the financial year ended 30 June 2025

| | Note | 2025 £m | 2024 £m |
|---|------|--------------|--------------|
| Profit for the financial year | | 1,368 | 1,137 |
| Other comprehensive expense | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Cash flow hedges | 24 | - | (1) |
| Translation of foreign operations | 24 | (34) | (1) |
| Items that will not be reclassified to profit or loss: | | | |
| Remeasurements of retirement benefits | 23 | (41) | (20) |
| Other comprehensive expense for the financial year | | (75) | (22) |
| Total comprehensive income for the financial year | | 1,293 | 1,115 |
| Total comprehensive income for the financial year attributable to: | | | |
| Members | | 1,058 | 887 |
| Non-controlling interests | | 235 | 228 |
| Total comprehensive income for the financial year | | 1,293 | 1,115 |

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Cash flow hedges are disclosed net of tax in the consolidated statement of comprehensive income. There is no tax on any other component reported as other comprehensive expense in the current or prior financial years.

Statements of financial position at 30 June 2025

| | Note | Group | | LLP | |
|--|------|----------------|----------------|--------------|--------------|
| | | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Non-current assets | | | | | |
| Property, plant and equipment | 8 | 218 | 204 | - | - |
| Right-of-use assets | 9 | 638 | 568 | - | - |
| Goodwill | 10 | 68 | 75 | 6 | 6 |
| Other intangible assets | 10 | 16 | 7 | 1 | 2 |
| Deferred tax assets | 22 | 3 | 8 | - | - |
| Investments in subsidiaries | 11 | - | - | 58 | 57 |
| Interests in joint ventures and associates | 12 | 11 | 5 | - | - |
| Other investments | 13 | 54 | 111 | 6 | 66 |
| Retirement benefit assets | 23 | 142 | 171 | 142 | 171 |
| | | 1,150 | 1,149 | 213 | 302 |
| Current assets | | | | | |
| Trade and other receivables | 14 | 2,100 | 2,005 | 1,135 | 1,094 |
| Other investments | 13 | 59 | 61 | 57 | - |
| Cash and cash equivalents | 15 | 860 | 712 | 503 | 479 |
| | | 3,019 | 2,778 | 1,695 | 1,573 |
| Total assets | | 4,169 | 3,927 | 1,908 | 1,875 |
| Non-current liabilities | | | | | |
| Lease liabilities | 9 | (600) | (553) | - | - |
| Deferred tax liabilities | 22 | (16) | (34) | - | - |
| Retirement benefit obligations | 23 | (88) | (81) | - | - |
| Provisions | 19 | (177) | (155) | (15) | (17) |
| Other liabilities | 21 | (226) | (230) | - | - |
| Members' capital | 20 | (313) | (290) | (313) | (290) |
| | | (1,420) | (1,343) | (328) | (307) |

Statements of financial position at 30 June 2025 (continued)

| | Note | Group | | LLP | |
|---------------------------------|------|----------------|----------------|----------------|----------------|
| | | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Current liabilities | | | | | |
| Trade and other payables | 16 | (1,271) | (1,190) | (931) | (1,037) |
| Corporation taxes payable | | (55) | (70) | - | - |
| Borrowings | 17 | - | (17) | - | - |
| Lease liabilities | 9 | (103) | (93) | - | - |
| Provisions | 19 | (3) | (4) | - | - |
| Other liabilities | 21 | (15) | (11) | - | - |
| Members' capital | 20 | (20) | (7) | (20) | (7) |
| | | (1,467) | (1,392) | (951) | (1,044) |
| Total liabilities | | (2,887) | (2,735) | (1,279) | (1,351) |
| Net assets | | 1,282 | 1,192 | 629 | 524 |
| Equity | | | | | |
| Members' reserves | 24 | 981 | 946 | 629 | 524 |
| Non-controlling interests | 24 | 301 | 246 | - | - |
| Total equity | | 1,282 | 1,192 | 629 | 524 |
| Members' interests | | | | | |
| Members' capital | 20 | 333 | 297 | 333 | 297 |
| Members' reserves | 24 | 981 | 946 | 629 | 524 |
| Total members' interests | | 1,314 | 1,243 | 962 | 821 |

The above statements of financial position should be read in conjunction with the accompanying notes.

The exemption under Section 408 of the Companies Act 2006, as applied to limited liability partnerships, from presenting the LLP's income statement has been taken. The LLP's profit for the financial year ended 30 June 2025 was £1,168m (2024: £993m).

The financial statements on pages 11 to 90 were authorised for issue and signed on 14 August 2025 on behalf of the members of PricewaterhouseCoopers LLP, registered number OC303525, by:

Marco Amitrano

Marco Amitrano
Senior Partner

Simon Hunt

Simon Hunt
Chief Financial and Administrative Officer

Statements of cash flows for the financial year ended 30 June 2025

| | Note | Group | | LLP | |
|---|------|--------------|--------------|------------|------------|
| | | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Cash flows from operating activities | | | | | |
| Profit for the financial year | | 1,368 | 1,137 | 1,168 | 993 |
| Tax on profits | 7 | 96 | 160 | 1 | 2 |
| Adjustments for: | | | | | |
| Depreciation, amortisation and impairment of non-financial assets | 4 | 144 | 142 | 1 | 1 |
| Loss on disposal of property, plant and equipment | | 3 | 1 | - | - |
| Loss on disposal of other intangible assets | | 1 | - | - | - |
| Gain on disposal of business | 5 | - | (11) | - | (11) |
| Amortisation of other investments | 13 | 3 | - | 3 | - |
| Remeasurement gains on other investments | 13 | - | (3) | - | - |
| Share of profit in joint ventures | 12 | (6) | (2) | - | - |
| Foreign-exchange movements | | (7) | (3) | - | - |
| Gain on acquisition of subsidiary | 10 | (4) | - | - | - |
| Gain on lease terminations | 9 | (1) | - | - | - |
| Income from investments in subsidiaries | | - | - | (183) | (197) |
| Finance income | 6 | (35) | (43) | (27) | (33) |
| Finance expense | 6 | 33 | 31 | - | - |
| Changes in working capital: | | | | | |
| Increase in trade and other receivables | | (160) | (235) | (41) | (18) |
| Increase (decrease) in trade and other payables | | 59 | (12) | (144) | (88) |
| Increase (decrease) in provisions | | 19 | 47 | (2) | (16) |
| Movement in retirement benefits | | 6 | (19) | (2) | (24) |
| Cash generated from operations | | 1,519 | 1,190 | 774 | 609 |
| Tax paid | | (118) | (125) | (1) | (5) |
| Net cash inflow from operating activities | | 1,401 | 1,065 | 773 | 604 |

Statements of cash flows for the financial year ended 30 June 2025 (continued)

| | Note | Group | | LLP | |
|---|------|----------------|----------------|--------------|----------------|
| | | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Cash flows from investing activities | | | | | |
| Payment for acquisition of subsidiary, net of cash acquired | 10 | (3) | - | (1) | - |
| Purchase of property, plant and equipment | | (67) | (48) | - | - |
| Proceeds from sale of property, plant and equipment | | 2 | 2 | - | - |
| Purchase of intangible assets, excluding on acquisition of subsidiary | | (11) | (3) | - | - |
| Purchase of other investments | 13 | (21) | (77) | - | - |
| Proceeds from redemption of other investments | 13 | 74 | 12 | - | - |
| Interest received | | 26 | 33 | 18 | 23 |
| Income received from subsidiaries | | - | - | 183 | 197 |
| Net cash (outflow) inflow from investing activities | | - | (81) | 200 | 220 |
| Cash flows from financing activities | | | | | |
| Repayment of borrowings | 17 | (17) | (10) | - | - |
| Lease liabilities: | | | | | |
| Finance charges | 6 | (17) | (16) | - | - |
| Principal payments | 9 | (90) | (88) | - | - |
| Interest paid | 6 | (4) | (6) | - | - |
| Contributions by members | 24 | 86 | 40 | 86 | 40 |
| Repayments to members | 24 | (50) | (29) | (50) | (29) |
| Drawings and distributions to members | 24 | (985) | (1,077) | (985) | (1,077) |
| Contributions by non-controlling interest partners | 21 | 50 | 101 | - | - |
| Repayments to non-controlling interest partners | 21 | (68) | (83) | - | - |
| Drawings and distributions to non-controlling interest partners | | (141) | (178) | - | - |
| Net cash outflow from financing activities | | (1,236) | (1,346) | (949) | (1,066) |
| Net movement in cash and cash equivalents | | 165 | (362) | 24 | (242) |
| Foreign-exchange movements | | (17) | 1 | - | - |
| Cash and cash equivalents at beginning of financial year | | 712 | 1,073 | 479 | 721 |
| Cash and cash equivalents at end of financial year | 15 | 860 | 712 | 503 | 479 |

The above statements of cash flows should be read in conjunction with the accompanying notes.

Statements of changes in equity for the financial year ended 30 June 2025

| | | | Group | LLP |
|---|---|---|----------------|----------------|
| | Available for division among members £m | Attributable to non- controlling interests £m | Total £m | Total £m |
| Balance at beginning of prior financial year (note 24) | 1,136 | 196 | 1,332 | 623 |
| Profit for the financial year | 902 | 235 | 1,137 | 993 |
| Other comprehensive expense for the financial year | (15) | (7) | (22) | (15) |
| Total comprehensive income | 887 | 228 | 1,115 | 978 |
| Profit allocated in the financial year | (1,077) | (178) | (1,255) | (1,077) |
| Transactions with owners | (1,077) | (178) | (1,255) | (1,077) |
| Balance at end of prior financial year (note 24) | 946 | 246 | 1,192 | 524 |
| Profit for the financial year | 1,098 | 270 | 1,368 | 1,168 |
| Other comprehensive expense for the financial year | (40) | (35) | (75) | (40) |
| Total comprehensive income | 1,058 | 235 | 1,293 | 1,128 |
| Profit allocated in the financial year | (1,023) | (180) | (1,203) | (1,023) |
| Transactions with owners | (1,023) | (180) | (1,203) | (1,023) |
| Balance at end of financial year (note 24) | 981 | 301 | 1,282 | 629 |

The above statements of changes in equity should be read in conjunction with the accompanying notes.

Notes to the financial statements for the financial year ended 30 June 2025

1. Accounting policies

1.1. Basis of preparation

These financial statements consolidate the results and financial position of PricewaterhouseCoopers LLP ('the LLP') and its subsidiary undertakings (together 'the Group').

The financial statements have been prepared in accordance with International Accounting Standards ('IAS') as adopted by the United Kingdom ('UK'), and the requirements of the Companies Act 2006 as applicable to limited liability partnerships ('LLPs') reporting under IAS.

Accounting policies that relate to the financial statements as a whole are set out below, while those that relate to specific areas of the financial statements are shown in the corresponding note. All accounting policies have been consistently applied to all the financial years presented. The new standards and interpretations adopted during the financial year, as set out below, have not had an impact on the financial statements.

The financial statements are presented in sterling, the functional currency of the LLP and the presentation currency, and all values are rounded to the nearest million (£m), except when otherwise indicated.

The Management Board has, at the time of approving the financial statements, a reasonable expectation that the Group and the LLP will be able to continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis using the historical cost convention, except as otherwise described in the accounting policies and the detailed notes to these financial statements.

1.2. New standards and interpretations adopted in the financial year

During the financial year ended 30 June 2025, the Group adopted the Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants, the Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback, IAS 7 – Supplier Finance Arrangements and the Amendments to IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements. These changes have not had a material impact on these financial statements.

1.3. New standards and interpretations not yet adopted

Other new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2025 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable transactions.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

1. Accounting policies (continued)

1.4. Critical accounting estimates and key judgements

The preparation of consolidated financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent assets and liabilities.

The estimates and judgements are continually evaluated and are based on historical experience and other factors, including market data and expectations of future events that are believed to be reasonable and constitute management's best judgement at the date of the financial statements. In the future, actual experience could differ from those estimates and adjustments could be required to the carrying value of assets and liabilities. Where appropriate, present values are calculated using discount rates reflecting the currency and maturity of the items being valued.

Set out below is a summary of the critical accounting estimates that could have a significant impact on the Group's financial results:

- Revenue recognition (note 2) and the valuation of contract assets and liabilities (notes 14 and 16) – assessing the likely engagement outcome and the valuation of contract assets and liabilities where estimation of the stage of contract completion, including the costs still to be incurred, is required. A 5% movement in the valuation of contract assets would result in a change in revenue of £36m.
- Provisions for claims and regulatory proceedings (note 19) – assessing the probable outcome of claims and regulatory proceedings and estimating the level of costs likely to be incurred in defending and concluding such matters. Amounts provided are based on management's judgement in assessing the specific circumstances and likely outcome of each individual matter, including assessing the potential outcome and timing of future events, taking into consideration all available evidence, including the opinion of experts where relevant. Additional sensitivity disclosures are provided when management assesses that a material adjustment to the carrying amount of provisions for claims and regulatory matters may arise as a result of a future change in estimate.
- Defined benefit and end-of-service benefit schemes (note 23) – determining the actuarial assumptions to be applied in estimating the defined benefit obligation for each scheme, with the key actuarial assumptions being discount rate, inflation and life expectancy.

The above critical accounting estimates also include elements of key judgements in applying the Group's accounting policies. Further details of significant estimates and key judgements are set out in the related notes to the financial statements.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

1. Accounting policies (continued)

1.5. Consolidation

Subsidiary undertakings are entities over which the Group has control. Control is defined as the power to direct the entity's relevant activities, exposure to variable returns from involvement with the entity and the ability to use this power to affect the amount of the returns. Subsidiary undertakings are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. On consolidation, intercompany transactions, balances and unrealised gains and losses on transactions between Group entities are eliminated. The accounting policies of subsidiary undertakings have been amended, where necessary, to ensure consistency with the policies adopted by the Group.

1.6. Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated using the rates of exchange at the reporting date and the gains and losses on translation are included in the income statement.

For the purpose of these consolidated financial statements, the results and financial position of each subsidiary undertaking are expressed in sterling, which is the functional currency of the LLP and the presentation currency for the financial statements.

The assets and liabilities of the Group's foreign undertakings are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising on consolidation on the retranslation of foreign undertakings are recognised in other comprehensive income.

1.7. Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets, other than goodwill, that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date. The budgets and forecasts that form the basis for the value in use models used for impairment testing take into consideration forecast capital investment and operational impacts related to sustainability initiatives.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

2. Revenue

Revenue is measured as the fair value of consideration received or receivable for satisfying performance obligations contained in contracts with clients, including expenses and disbursements but excluding discounts and Value Added Tax. Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal will not be required when the uncertainties determining the level of variable consideration are subsequently resolved. Revenue is recognised when, or as, the Group satisfies performance obligations by transferring control of services to clients. This occurs as follows for the Group's various contract types:

- Time-and-materials contracts are recognised over time as services are provided, at the fee rate agreed with the client, where there is an enforceable right to payment for performance completed to date.
- Fixed-fee contracts are recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided where there is an enforceable right to payment for performance completed to date. This is determined based on the actual inputs of time and expenses relative to total expected inputs.
- Performance-fee contracts are recognised when the right to consideration arises on having met the relevant performance-related elements.
- Contingent-fee contracts, over and above any agreed minimum fee, are recognised when the contingent event occurs, and the Group has become entitled to the revenue.
- Licence-fee contracts that provide a right to use the Group's intellectual property ('IP') as it exists at the date the licence is granted are recognised when the licence agreement is entered into, and the licensee is able to use and benefit from the licence. Licence-fee contracts that provide a right of access to the Group's IP as it exists throughout the licence period, are recognised over time to reflect the pattern in which the benefits of access transfer to the client over the licence period.

Where contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on its relative stand-alone selling price. Where these are not directly observable, they are estimated based on the expected cost-plus margin. Adjustments are made to allocate discounts proportionately relative to the stand-alone selling price of each performance obligation.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the income statement in the period in which the circumstances that give rise to the revision become known.

For time-and-materials, fixed-fee and licence-fee contracts, fees are usually billed on account based on a payment schedule. For performance-fee and contingent-fee contracts, fees are usually billed and paid when entitlement to the revenue has been established. If the revenue recognised by the Group exceeds the amounts billed, a contract asset is recognised. Conversely, if the amounts billed exceed the revenue recognised, a contract liability is recognised. Contract assets are reclassified as trade receivables when billed and the consideration has become unconditional because only the passage of time is required before payment is due. The Group's standard payment terms require settlement of invoices within 14 days of receipt.

The Group does not adjust transaction prices for the time value of money as it does not have any large contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

2. Revenue (continued)

Disaggregation of revenue

The Group derived revenue from the provision of professional services across the following lines of service:

| Line of service | 2025 £m | Restated 2024 £m | Effect of reclassification £m | Previously reported 2024 £m |
|-----------------|--------------|------------------------|-------------------------------------|-----------------------------------|
| Consulting | 1,984 | 2,047 | 16 | 2,031 |
| Audit | 1,496 | 1,491 | – | 1,491 |
| Tax | 1,227 | 1,161 | (90) | 1,251 |
| Deals | 1,050 | 1,013 | (1) | 1,014 |
| Risk | 596 | 614 | 75 | 539 |
| | 6,353 | 6,326 | – | 6,326 |

As part of a strategic review of the Group's activities in the financial year ended 30 June 2025, certain United Kingdom service areas were reclassified amongst lines of service. The comparative figures for the financial year ended 30 June 2024 have been restated on a consistent basis to ensure comparability.

The Group derived revenue from the provision of professional services across the following industry segments:

| Industry segment | 2025 £m | 2024 £m |
|--|--------------|--------------|
| Financial services | 2,096 | 1,979 |
| Government and health industries | 1,320 | 1,379 |
| Industrial manufacturing and services | 1,067 | 963 |
| Consumer markets | 742 | 796 |
| Technology, media and telecommunications | 594 | 657 |
| Energy, utilities and resources | 534 | 552 |
| | 6,353 | 6,326 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

2. Revenue (continued)

The table below disaggregates revenue from external clients by managed territory within the Group:

| | 2025 £m | 2024 £m |
|-----------------|--------------|--------------|
| United Kingdom | 4,271 | 4,257 |
| Middle East | 1,981 | 1,973 |
| Channel Islands | 101 | 96 |
| | 6,353 | 6,326 |

Assets and liabilities related to contracts with customers

Details of the Group's and the LLP's trade receivables and contract assets are disclosed in note 14 and contract liabilities in note 16.

Unsatisfied long-term contracts

The aggregate amount of the transaction price allocated to fixed-price, long-term contracts that were partially or fully unsatisfied at 30 June was:

| | Group | | Group | |
|---------------------------|------------|------------|------------|------------|
| | 2025 £m | 2025 % | 2024 £m | 2024 % |
| Within one financial year | 229 | 71 | 198 | 65 |
| 1–2 financial years | 61 | 19 | 72 | 24 |
| 2–3 financial years | 20 | 6 | 22 | 7 |
| 3–4 financial years | 6 | 2 | 6 | 2 |
| 4–5 financial years | 8 | 2 | 6 | 2 |
| | 324 | 100 | 304 | 100 |

In accordance with IFRS 15 'Revenue from Contracts with Customers', these amounts do not include variable consideration that is constrained. All other contracts with customers are for periods of one year or less or carried a right to consideration directly aligned to the performance completed to date.

Where the contract is for a period of one year or less or where the right to consideration is directly aligned to the performance completed to date, the Group has applied the practical expedient set out in IFRS 15 in respect of the presentation of the transaction price allocated to partially or fully unsatisfied contracts with customers.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

3. Staff costs

| | Group | | LLP | |
|---|--------------|--------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Salaries | 2,711 | 2,878 | 99 | 118 |
| Social security costs | 212 | 219 | 11 | 14 |
| Pension costs in respect of defined contribution schemes (note 23) | 216 | 212 | 20 | 20 |
| Current service cost in respect of end-of-service benefit schemes (note 23) | 18 | 16 | - | - |
| Past service cost in respect of end-of-service benefit schemes (note 23) | 1 | - | - | - |
| | 3,158 | 3,325 | 130 | 152 |

Salaries include wages and salaries, bonuses, employee benefits and termination benefits.

The Group recognises termination benefits when it is demonstrably committed to terminating the employment of current employees before their retirement or providing termination benefits as a result of voluntary severance. During the financial year ended 30 June 2025, the Group recognised £40m (2024: £69m) and the LLP recognised £6m (2024: £7m) of termination benefits within salaries.

The average monthly number of employees during the financial year was:

| | Group | | LLP | |
|------------------------|----------------|----------------|----------------|----------------|
| | 2025 Number | 2024 Number | 2025 Number | 2024 Number |
| Client service staff | 26,361 | 28,907 | 374 | 449 |
| Practice support staff | 7,409 | 7,099 | 612 | 652 |
| | 33,770 | 36,006 | 986 | 1,101 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

4. Operating charges

| | 2025 £m | 2024 £m |
|--|------------|------------|
| Depreciation, amortisation and impairment of non-financial assets | | |
| Depreciation of property, plant and equipment (note 8) | 49 | 52 |
| Depreciation of right-of-use assets (note 9) | 86 | 81 |
| Amortisation of other intangible assets (note 10) | 5 | 7 |
| Impairment of goodwill (note 10) | 4 | 2 |
| | 144 | 142 |

Impairment losses on financial assets

| | | |
|---|----|----|
| Trade receivables and contract assets (note 14) | 37 | 24 |
|---|----|----|

Other operating charges

Other operating charges comprise firmwide overheads including technology and marketing; people-related costs, such as recruitment and training; gains and losses on the disposal of property, plant and equipment, intangible assets and other investments; charges relating to claims and regulatory proceedings; occupancy costs, including property service charges and lease-related expenditure; and annuity charges mainly in relation to current and former Middle East partners.

Auditor's remuneration

Total fees and expenses payable to the auditor, Crowe U.K. LLP, and its associates were as follows:

| | 2025 £m | 2024 £m |
|-------------------------------|------------|------------|
| Audit of the LLP and Group | 0.4 | 0.4 |
| Audit of subsidiary companies | 0.3 | 0.3 |
| Non-audit services | 0.2 | 0.2 |
| | 0.9 | 0.9 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

5. Gains on disposal of businesses

The gain or loss on disposal of a business, including subsidiary undertakings, is calculated as the difference between the fair value of the consideration received or receivable, including any contingent consideration, and the carrying value of the attributable assets and liabilities, reflecting the conditions at the date of the disposal and the attributable terms agreed with the purchaser. Transaction costs incurred in connection with the disposal, such as legal fees, that represent direct incremental costs are also deducted, otherwise they are recognised in the income statement as incurred.

During the prior financial year ended 30 June 2024, the Group entered into two business disposal contracts within the Risk and Tax lines of service. The total consideration receivable in respect of these transactions was £14m, resulting in a net gain on disposal of £11m after adjusting for the £3m carrying value of the net assets sold.

6. Finance income and expense

| | 2025 £m | 2024 £m |
|--|-------------|-------------|
| Finance income | | |
| Interest receivable | 26 | 34 |
| Net interest income on defined benefit schemes (note 23) | 9 | 9 |
| | 35 | 43 |
| Finance expense | | |
| Finance charges on lease liabilities (note 9) | (17) | (16) |
| Interest payable | (4) | (6) |
| Unwinding of discount on provisions (note 19) | (7) | (5) |
| Interest expense on end-of-service benefit schemes (note 23) | (5) | (4) |
| | (33) | (31) |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

7. Tax expense

Income tax payable on the profits of the LLP and other LLPs consolidated within the Group is the personal liability of the individual members of those LLPs, with the only exception being in respect of certain overseas permanent establishments, and consequently is not dealt with in these financial statements.

Subsidiary entities and overseas permanent establishments are subject to income taxes on their profits in numerous jurisdictions during the ordinary course of business. These tax expenses are reported in these financial statements and are the sum of the current and deferred tax charges, calculated using tax rates that have been enacted or substantively enacted by the relevant jurisdiction at the reporting date. Any differences between the final tax determination and initially recorded liabilities are recognised in the relevant financial year in which they arise.

Current and deferred taxes are recognised in the income statement, except where they relate to items that are recognised in other comprehensive income, in which case the relevant taxes are also recognised in other comprehensive income. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The tax expense included within the consolidated income statement comprises:

| Group | 2025 £m | 2024 £m |
|---|------------|------------|
| Current tax on income of subsidiary entities for the financial year | 106 | 143 |
| Deferred tax movements (note 22) | (10) | 17 |
| | 96 | 160 |

The following table reconciles the tax expense at the standard rate to the actual tax expense:

| | 2025 £m | 2024 £m |
|---|------------|------------|
| Profit of corporate subsidiaries and permanent establishments before taxation | 453 | 502 |
| Tax expense at UK standard rate of 25% (2024: 25%) | 113 | 126 |
| Adjustments to tax charge in respect of prior financial years: | | |
| UK subsidiaries | – | (3) |
| Overseas subsidiaries | 9 | 18 |
| Impact of items not deductible for tax purposes | 2 | 2 |
| Effect of different overseas tax rates across the Group | (28) | 17 |
| | 96 | 160 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

7. Tax expense (continued)

Pillar Two of the Organisation for Economic Co-operation and Development's ('OECD') Global Tax Deal is designed to ensure that multinational enterprises pay a minimum level of tax on the income arising in each of the jurisdictions in which they operate. The OECD Pillar Two ('Pillar Two') legislation was enacted in the United Kingdom on 11 July 2023, the jurisdiction in which the LLP is incorporated, and the Group is within the scope of the Pillar Two model for the financial year ended 30 June 2025.

The Pillar Two legislation applies a global minimum effective tax rate of 15%. Under the legislation, the Group may be required to pay a top-up tax for the difference between its Global Anti-Base Erosion ('GloBE') effective tax rate per jurisdiction and the 15% minimum rate. Although the statutory tax rates in certain jurisdictions are below 15% in many cases, specific adjustments required by the Pillar Two legislation result in a higher effective tax rate.

The current tax impact on the Group of the Pillar Two legislation for the financial year ended 30 June 2025 is £0.3m (2024: £nil) and this has been recognised in the financial statements. The Group has applied the exemption available in accordance with the amendments to IAS 12 'Income Taxes', adopted by the United Kingdom on 19 July 2023, with respect to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

8. Property, plant and equipment

Group

| | Freehold property £m | Leasehold improvements £m | Fittings, furniture and equipment £m | Total £m |
|---|----------------------------|---------------------------------|---|-------------|
| Cost | | | | |
| At beginning of prior financial year | 2 | 125 | 346 | 473 |
| Additions | 2 | 13 | 33 | 48 |
| Disposals | – | (1) | (26) | (27) |
| At end of prior financial year | 4 | 137 | 353 | 494 |
| Exchange differences | – | (4) | (7) | (11) |
| Additions | – | 26 | 48 | 74 |
| Disposals | – | (8) | (38) | (46) |
| At end of financial year | 4 | 151 | 356 | 511 |
| Accumulated depreciation / impairment | | | | |
| At beginning of prior financial year | – | 61 | 201 | 262 |
| Depreciation charge for the financial year | – | 9 | 43 | 52 |
| Disposals | – | (1) | (23) | (24) |
| At end of prior financial year | – | 69 | 221 | 290 |
| Exchange differences | – | (2) | (3) | (5) |
| Depreciation charge for the financial year | – | 9 | 40 | 49 |
| Disposals | – | (8) | (33) | (41) |
| At end of financial year | – | 68 | 225 | 293 |
| Net book amount at end of prior financial year | 4 | 68 | 132 | 204 |
| Net book amount at end of financial year | 4 | 83 | 131 | 218 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

8. Property, plant and equipment (continued)

Property, plant and equipment is measured at cost less accumulated depreciation and any recognised impairment loss. Depreciation is primarily provided on a straight-line basis from the point the asset is available for use over the following estimated useful economic lives:

| | |
|------------------------|------------------------------------|
| Freehold property | 50 years |
| Leasehold improvements | 25 years or shorter leasehold term |
| Fittings | 10 years or shorter leasehold term |
| Furniture | 10 years |
| Equipment | 5 years |

Repairs and maintenance costs arising on property, plant and equipment are charged to the income statement as incurred.

There were £53m (2024: £48m) of capital commitments relating to property, plant and equipment contracted but not provided for at 30 June 2025 in the Group. There were £28m (2024: £14m) of assets under construction included within fittings, furniture and equipment and £26m (2024: £9m) within leasehold improvements. The assets under construction relate principally to the fit-out of office accommodation.

LLP

During the financial year ended 30 June 2025, there were no property, plant or equipment assets or capital commitments within the LLP (2024: £nil).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

9. Right-of-use assets and lease liabilities

Group

Payments associated with all short-term leases and leases of low-value assets are recognised on a straight-line basis as operating costs in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise office-related technology equipment.

All other leases are recognised as right-of-use assets and corresponding lease liabilities at the date at which the leased assets are available for use by the Group. Right-of-use assets are measured initially at cost comprising:

- the amount of the initial measurement of the lease liability;
- any lease payments less lease incentives at or before the lease commencement date;
- any initial direct costs; and
- any restoration costs.

Subsequently, the right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for remeasurements of the lease liability due to reassessments or lease modifications. Right-of-use assets are depreciated over the lease term on a straight-line basis.

Lease liabilities are initially measured at an amount equal to the present value of the expected future lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the relevant incremental borrowing rate. The lease term is a non-cancellable period of the lease. Periods covered by options to extend and terminate the lease are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated. Where the Group has the option to extend the lease term beyond the non-cancellable period, or of not exercising a termination option, all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option are considered.

Each lease payment is allocated between a repayment of the liability and a finance cost. Lease liabilities are subsequently measured using the effective interest method. The carrying amount of the liability is remeasured to reflect reassessments and lease modifications.

Where the Group is an intermediate lessor and has assessed those leases to be operating leases, it accounts for its interests in the head lease and the sub-lease separately and recognises lease payments received as income on a straight-line basis over the lease term in the income statement. Such leases are not material to the Group.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

9. Right-of-use assets and lease liabilities (continued)

Movements in right-of-use assets during the financial year ended 30 June 2025 were as follows:

| | Land and buildings £m | Other assets £m | Total £m |
|---|-----------------------------|-----------------------|--------------|
| Cost | | | |
| At beginning of prior financial year | 844 | 26 | 870 |
| Exchange differences | (1) | – | (1) |
| Additions | 16 | 14 | 30 |
| Lease terminations | (6) | (6) | (12) |
| At end of prior financial year | 853 | 34 | 887 |
| Exchange differences | (11) | – | (11) |
| Additions | 159 | 10 | 169 |
| Lease terminations | (33) | (12) | (45) |
| At end of financial year | 968 | 32 | 1,000 |
| Accumulated depreciation / impairment | | | |
| At beginning of prior financial year | 245 | 6 | 251 |
| Exchange differences | (1) | – | (1) |
| Depreciation charge for the financial year | 71 | 10 | 81 |
| Lease terminations | (6) | (6) | (12) |
| At end of prior financial year | 309 | 10 | 319 |
| Exchange differences | (4) | – | (4) |
| Depreciation charge for the financial year | 74 | 12 | 86 |
| Lease terminations | (27) | (12) | (39) |
| At end of financial year | 352 | 10 | 362 |
| Net book amount at end of prior financial year | 544 | 24 | 568 |
| Net book amount at end of financial year | 616 | 22 | 638 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

9. Right-of-use assets and lease liabilities (continued)

Movements in lease liabilities during each financial year were as follows:

| | 2025 £m | 2024 £m |
|---|--------------------|--------------------|
| Balance at beginning of financial year | 646 | 704 |
| Exchange differences | (8) | – |
| Additions | 162 | 30 |
| Lease terminations | (7) | – |
| Finance charges (note 6) | 17 | 16 |
| Payments | (107) | (104) |
| Balance at end of financial year | 703 | 646 |
| Disclosed as: | 2025 £m | 2024 £m |
| Current | 103 | 93 |
| Non-current | 600 | 553 |
| | 703 | 646 |

The maturity profile at 30 June of the undiscounted future cash flows required to settle these lease liabilities is as follows:

| | 2025 £m | 2024 £m |
|--------------------------------|------------|------------|
| Within one financial year | 113 | 103 |
| 1–2 financial years | 102 | 93 |
| 2–3 financial years | 96 | 92 |
| 3–4 financial years | 95 | 88 |
| 4–5 financial years | 95 | 87 |
| More than five financial years | 323 | 359 |
| | 824 | 822 |

During the financial year ended 30 June 2025, total cash outflows in respect of leases were £109m (2024: £107m), including £2m (2024: £4m) on short-term leases and leases of low-value assets. The value recognised in the income statement in respect of these short-term leases and leases of low-value assets during the financial year ended 30 June 2025 was £2m (2024: £4m).

LLP

During the financial year ended 30 June 2025, there were no right-of-use assets or lease liabilities held by the LLP (2024: £nil).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

10. Goodwill and other intangible assets

Group

| | Goodwill £m | Computer software £m | Customer relationships £m | Total other intangible assets £m |
|---|----------------|----------------------------|---------------------------------|---|
| Cost | | | | |
| At beginning of prior financial year | 101 | 67 | 25 | 92 |
| Exchange differences | – | – | 1 | 1 |
| Additions | – | 3 | – | 3 |
| Disposals | – | (3) | – | (3) |
| At end of prior financial year | 101 | 67 | 26 | 93 |
| Exchange differences | (3) | – | (2) | (2) |
| Additions | – | 11 | 5 | 16 |
| Disposals | – | (2) | (23) | (25) |
| At end of financial year | 98 | 76 | 6 | 82 |
| Accumulated amortisation / impairment | | | | |
| At beginning of prior financial year | 24 | 60 | 22 | 82 |
| Amortisation charge for the financial year | – | 4 | 3 | 7 |
| Impairment charge for the financial year | 2 | – | – | – |
| Disposals | – | (3) | – | (3) |
| At end of prior financial year | 26 | 61 | 25 | 86 |
| Exchange differences | – | – | (1) | (1) |
| Amortisation charge for the financial year | – | 3 | 2 | 5 |
| Impairment charge for the financial year | 4 | – | – | – |
| Disposals | – | (1) | (23) | (24) |
| At end of financial year | 30 | 63 | 3 | 66 |
| Net book amount at end of prior financial year | 75 | 6 | 1 | 7 |
| Net book amount at end of financial year | 68 | 13 | 3 | 16 |

There were £2m (2024: £1m) of computer software assets under development within other intangible assets in the Group at 30 June 2025.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

10. Goodwill and other intangible assets (continued)

LLP

| | Goodwill £m | Computer software £m |
|---|----------------|----------------------------|
| Cost | | |
| At beginning and end of prior financial year | 6 | 4 |
| Disposals | – | (2) |
| At end of financial year | 6 | 2 |
| Accumulated amortisation / impairment | | |
| At beginning of prior financial year | – | 1 |
| Amortisation charge for the financial year | – | 1 |
| At end of prior financial year | – | 2 |
| Amortisation charge for the financial year | – | 1 |
| Disposals | – | (2) |
| At end of financial year | – | 1 |
| Net book amount at end of prior financial year | 6 | 2 |
| Net book amount at end of financial year | 6 | 1 |

There were no assets under development in the LLP at 30 June 2025 (2024: £nil).

Acquisitions and goodwill

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary undertaking is the fair value of the assets and liabilities acquired by the Group, including those from any contingent consideration arrangement. Acquisition related costs are charged to the income statement as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values at the acquisition date.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

10. Goodwill and other intangible assets (continued)

Acquisitions and goodwill (continued)

Goodwill arises where the fair value of the consideration transferred for a business exceeds the fair value of identifiable assets, liabilities and contingent liabilities. If the consideration is less than the fair value of the identifiable assets, in the case of a bargain purchase, the difference is recognised immediately in the income statement. Goodwill arising on acquisitions is capitalised with an indefinite useful economic life and tested annually for impairment. Assets are grouped at the lowest levels for which there are separately identifiable cash flows ('cash generating units'). For the purposes of assessing impairment, goodwill is allocated to the group of cash generating units which represents the lowest level at which goodwill is monitored for internal management purposes.

On 1 March 2025, the Group acquired a 100% interest in Emkan Education Company, a consultancy firm based in the Kingdom of Saudi Arabia, which specialises in education and skills development advisory services. The consideration for the acquisition was £8m, which included £5m of deferred consideration falling outside the scope of IFRS 3 'Business combinations'. The fair value of the assets and liabilities recognised on acquisition was £7m, which included separately recognised intangible assets comprising customer contracts and relationships of £5m. The gain on bargain purchase of £4m is recognised in other operating charges in the consolidated income statement.

At 30 June 2025, the consolidated income statement for the year ended 30 June 2025 includes £1m of revenue in respect of the acquired business.

Impairment reviews

The largest element of goodwill held within the Group is £51m (2024: £54m) in respect of the Group's strategic alliance in the Middle East, with the decrease in this reflecting exchange differences on US dollar denominated goodwill. The recoverable amount for goodwill has been determined based on value in use, being the present value of future cash flows based on two-year financial budgets, together with cash flows for the periods beyond existing budgets that have been extrapolated using a 3% long-term GDP annual regional growth rate (2024: 3%). The discount rate applied against the anticipated future cash flows is based on a pre-tax estimated weighted average cost of capital of 11% (2024: 11%).

The remaining goodwill represents United Kingdom acquisitions and relates primarily to the provision of consulting services. The discount rate applied against the anticipated future cash flows is based on a pre-tax estimated weighted average cost of capital of 12% (2024: 13%). During the financial year ended 30 June 2025, impairment charges of £4m (2024: £2m) were recognised against this goodwill in relation to a business acquired in a prior financial year, having given consideration to its value in use.

A reasonable change in the key assumptions used in assessing the goodwill for impairment, such as revenue growth, cost base growth and the discount rate, would not have had a significant impact on the difference between value in use and the carrying value.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

10. Goodwill and other intangible assets (continued)

Computer software

Costs directly associated with the purchase or development of computer software are stated at cost less accumulated amortisation and amortised on a straight-line basis over the expected useful economic life of the software, typically three to five years.

Costs directly attributable to the development of identifiable software are recognised as intangible assets only if the development costs can be reliably measured, the product or process is technically and commercially feasible, future economic benefits are probable and the Group has adequate resources available to complete the development and use or sell the software. Directly attributable costs that are capitalised as part of the asset include employee costs and an appropriate portion of direct overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

Expenditure on research and costs associated with maintaining computer software are recognised as an expense as incurred.

Customer relationships

Customer relationships recognised on the acquisition of a business are initially measured at fair value and amortised on a straight-line basis over the expected useful economic life of the relationship, typically three to ten years.

Software as a service

Software as a service cloud computing arrangements are treated as service contracts and recognised as an expense in the income statement over the contract term unless the Group has both a contractual right to take possession of the software at any time without significant penalty and the ability to run the software independently of the host vendor.

Configuration and customisation costs incurred in a cloud computing arrangement are recognised as an expense in the income statement when the related services are received unless the configuration and customisation costs create a separately identifiable asset and meet the recognition criteria of an intangible asset, in which case they are capitalised as computer software and amortised over the contract term.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

11. Investments in subsidiaries

Group

The financial statements consolidate the results and financial position of the Group, including all subsidiary undertakings listed in note 27.

When the Group no longer controls a subsidiary undertaking, the subsidiary is deconsolidated.

LLP

Investments in subsidiaries are measured at cost less impairment.

| | Investments in subsidiaries £m |
|--|-----------------------------------|
| Cost | |
| At beginning and end of prior financial year | 68 |
| Additions | 1 |
| At end of financial year | 69 |
| Accumulated impairment | |
| At beginning and end of prior and current financial year | 11 |
| Net book amount at end of prior financial year | 57 |
| Net book amount at end of financial year | 58 |

Non-controlling interests in subsidiary undertakings

The non-controlling interest profits attributable to the individuals who are members of PricewaterhouseCoopers CI LLP and to the Middle East partners of PricewaterhouseCoopers (Middle East Group) Limited are shown as non-controlling interests in the consolidated financial statements.

PricewaterhouseCoopers (Middle East Group) Limited is the only subsidiary with a non-controlling interest that is material to the Group. The Group owns 100% of the ordinary shares of PricewaterhouseCoopers (Middle East Group) Limited and the local Middle East partners own I, R and V shares, which provide the partners with certain income access rights. The pre-consolidated reserves of this company and its subsidiaries at 30 June 2025 attributable to non-controlling interests amounted to £264m (2024: £209m). At 30 June 2025, the Middle East partners had also provided capital loans totalling £235m (2024: £235m).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

11. Investments in subsidiaries (continued)

Non-controlling interests in subsidiary undertakings (continued)

Set out below is summarised consolidated financial information for PricewaterhouseCoopers (Middle East Group) Limited and its subsidiaries, before intercompany eliminations with the remainder of the Group:

| Summarised consolidated statement of financial position | 2025 £m | 2024 £m |
|---|--------------|--------------|
| Current | | |
| Assets | 1,116 | 1,074 |
| Borrowings | – | (17) |
| Lease liabilities | (19) | (13) |
| Local partner capital | (15) | (11) |
| Other liabilities | (440) | (411) |
| Total current net assets | 642 | 622 |
| Non-current | | |
| Assets | 225 | 144 |
| Lease liabilities | (93) | (47) |
| Local partner capital | (220) | (224) |
| Other liabilities | (154) | (153) |
| Retirement benefits | (88) | (81) |
| Total non-current net liabilities | (330) | (361) |
| Net assets | 312 | 261 |
| Equity | | |
| Share capital | 48 | 52 |
| Reserves | 264 | 209 |
| Total equity | 312 | 261 |
| Shareholder and local partners' interests | | |
| Share capital | 48 | 52 |
| Local partner capital | 235 | 235 |
| Reserves | 264 | 209 |
| Total shareholder and local partners' interests | 547 | 496 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

11. Investments in subsidiaries (continued)

Non-controlling interests in subsidiary undertakings (continued)

| Summarised consolidated income statement | 2025 £m | 2024 £m |
|---|--------------------|--------------------|
| Revenue | 1,998 | 2,005 |
| Profit before income tax expense | 323 | 345 |
| Income tax expense | (61) | (119) |
| Other comprehensive expense | (2) | (8) |
| Total comprehensive income | 260 | 218 |
| Total comprehensive income attributable to members | 6 | 7 |
| Total comprehensive income attributable to non-controlling interests | 254 | 211 |
| Summarised consolidated statement of cash flows | 2025 £m | 2024 £m |
| Cash generated from operations | 381 | 293 |
| Income tax paid | (82) | (84) |
| Net cash generated from operating activities | 299 | 209 |
| Net cash outflow from investing activities | (8) | (97) |
| Net cash outflow from financing activities | (239) | (199) |
| Net movement in cash and cash equivalents | 52 | (87) |
| Foreign-exchange movements | (17) | 1 |
| Cash and cash equivalents at beginning of financial year | 208 | 294 |
| Cash and cash equivalents at end of financial year | 243 | 208 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

12. Interests in joint ventures and associates

| | 2025 £m | 2024 £m |
|---|------------|------------|
| Value at beginning of financial year | 5 | 3 |
| Share of profit | 6 | 2 |
| Value at end of financial year | 11 | 5 |

The Group's interests in joint ventures and associates are consolidated using the equity method of accounting. The investment is initially recognised at cost and the carrying value adjusted to recognise the Group's share of the profit or loss of the joint venture or associate after the date of acquisition. The Group's share of profit or loss is recognised in the income statement with a corresponding adjustment to the carrying value of the investment.

At 30 June 2025, the Group held interests in the following four joint ventures and associates, each being a holding company for a delivery centre providing services to PwC network firms – PricewaterhouseCoopers Service Delivery Centre Holdings (Katowice) B.V., PwC Poland Services Limited, PwC Service Delivery Centre South Africa Holdings Proprietary Limited and PwC Service Delivery Centre (Egypt) Holdings No. 1 Limited.

13. Other investments

| | Group | | LLP | |
|---|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Non-current assets | | | | |
| Reservoir trust restricted assets held at amortised cost | – | 60 | – | 60 |
| Other investments held at amortised cost | 50 | 47 | 6 | 6 |
| Other investments held at fair value through profit or loss | 4 | 4 | – | – |
| | 54 | 111 | 6 | 66 |
| Current assets | | | | |
| Reservoir trust restricted assets held at amortised cost | 57 | – | 57 | – |
| Other investments held at amortised cost | 2 | 61 | – | – |
| | 59 | 61 | 57 | – |

Other investments are measured at amortised cost less impairment where the investment is held to collect contractual cash flows that represent solely payments of principal and interest. Otherwise, they are measured at fair value. Income from investments is recognised in the income statement when entitlement is established.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

13. Other investments (continued)

Reservoir trust restricted assets held at amortised cost

| | Group | | LLP | |
|--|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Value at beginning of financial year | 60 | 60 | 60 | 60 |
| Amortisation charge for the financial year | (3) | – | (3) | – |
| Value at end of financial year | 57 | 60 | 57 | 60 |

The LLP has entered into a deed with the trustees of its two defined benefit pension schemes establishing a reservoir trust. Under the terms of the deed, the assets in the reservoir trust are restricted and are reserved to be used to meet any deficit, calculated in accordance with the terms of the deed, in the schemes at 31 March 2026, being the end of the trust term, or earlier if certain triggers are met. The trust assets will only be available to the LLP to the extent that they are not needed to meet any deficit in the schemes at that date.

Notwithstanding these conditions, the trust assets do not constitute plan assets under IAS 19 'Employee benefits' and are therefore presented as restricted assets within other investments. The trust assets have been reclassified to current assets in the financial year ended 30 June 2025 owing to the short period to maturity of the arrangement.

The LLP has also entered into an additional deed with the trustees of its two defined benefit pension schemes to establish a second reservoir trust. The Group has undertaken to contribute up to £27m over the period from 1 July 2025 to 31 July 2026, dependent on the size of the funding deficit. Under the terms of the deed, the assets in this reservoir trust will also be restricted and reserved to be used to meet any deficit, calculated in accordance with the terms of the deed, in the schemes at certain designated dates, being: 31 March 2026, 31 March 2027, 31 March 2028 and 31 March 2029, or earlier if certain triggers are met.

The LLP did not make any contributions into this trust during the financial year ended 30 June 2025 (2024: £nil) and does not expect to be required to do so over the remainder of the trust term.

Reservoir trust restricted assets, primarily comprising United Kingdom gilts, are considered to have a low credit risk and the loss allowance is therefore limited to the 12 month expected credit loss. The Group and the LLP have assessed the expected credit loss on these assets and no loss allowance has been recognised in the financial year ended 30 June 2025 (2024: £nil). No other impairment charges were recognised in the financial year ended 30 June 2025 (2024: £nil).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

13. Other investments (continued)

Other investments held at amortised cost

| | Group | | LLP | |
|---|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Value at beginning of financial year | 108 | 31 | 6 | 6 |
| Exchange differences | (3) | – | – | – |
| Additions | 21 | 77 | – | – |
| Redemptions | (74) | – | – | – |
| Value at end of financial year | 52 | 108 | 6 | 6 |

During the financial year ended 30 June 2025, the Group invested £13m (2024: £61m) in, and redeemed £69m (2024: £nil) of, deposits held with banks having maturities of between three and 12 months. At 30 June 2025, the Group held £2m (2024: £61m) of these deposits, denominated in US dollars and presented as current assets.

During the financial year ended 30 June 2025, the Group invested £8m (2024: £16m) in repayable interest-bearing subordinated loan notes issued by an entity in the PwC global network. At 30 June 2025, the Group's total investment in repayable interest-bearing subordinated loan notes from entities in the PwC global network was £45m (2024: £37m), after foreign exchange movements. The subordinated loan notes are primarily denominated in US dollars, with £7m in euros (2024: £7m). At 30 June 2025, the LLP held £6m (2024: £6m) of these loans, denominated in euros. The loan notes are presented as non-current assets by the Group and the LLP.

At 30 June 2025, the Group's total investment in repayable interest-bearing preference shares issued by PwC Poland Services Limited, a joint venture entity, was £5m (2024: £10m), denominated in euros and after foreign-exchange movements. During the financial year ended 30 June 2025, the Group redeemed £5m (2024: £nil) of the preference shares. No profit or loss was recognised on the redemption. The preference shares are presented as non-current assets.

The amortised cost of repayable interest-bearing subordinated loan notes and preference shares is calculated as the present value of the expected future cash flows from these instruments, discounted at the relevant market-related rate of interest.

The repayable interest-bearing subordinated loan notes and preference shares are considered to have a low credit risk and the loss allowance is therefore limited to the 12 month expected credit loss. The Group and the LLP have assessed the expected credit loss on these assets and no loss allowance has been recognised in the financial year ended 30 June 2025 (2024: £nil).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

13. Other investments (continued)

Other investments held at fair value through profit or loss

| | Group | | LLP | |
|---|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Value at beginning of financial year | 4 | 13 | - | - |
| Remeasurement gains | - | 3 | - | - |
| Redemptions | - | (12) | - | - |
| Value at end of financial year | 4 | 4 | - | - |

Other investments held at fair value through profit or loss represent equity investments in entities in the PwC global network. During the financial year ended 30 June 2025, no remeasurement gains or losses arose on these investments (2024: gain of £3m). During the financial year ended 30 June 2024, £12m of preference shares issued by the PwC Central and Eastern European firm were redeemed. No profit or loss was recognised on the redemption of these preference shares.

The fair values of investments in entities in the PwC global network have been determined using the dividend discount model. The key assumption used is the discount rate applied against anticipated future returns. A reasonable change in the key assumption used in assessing the fair values would not have had a significant impact on the carrying value.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

14. Trade and other receivables

| | Group | | LLP | |
|--|--------------|--------------|--------------|--------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Client receivables | 1,140 | 1,066 | 611 | 570 |
| Due from PwC network firms | 106 | 100 | 90 | 80 |
| Trade receivables | 1,246 | 1,166 | 701 | 650 |
| Contract assets | 721 | 708 | 407 | 409 |
| Trade receivables and contract assets | 1,967 | 1,874 | 1,108 | 1,059 |
| Amounts due from subsidiary undertakings | - | - | 5 | 10 |
| Other receivables | 48 | 43 | 16 | 24 |
| Prepayments | 85 | 88 | 6 | 1 |
| | 2,100 | 2,005 | 1,135 | 1,094 |

Group and LLP trade receivables and contract assets are carried at amortised cost less provisions for lifetime estimated credit losses and impairments. Estimated future credit losses, subsequent to the initial recognition of a receivable, are based on the ageing of the receivable balance, historical credit loss experience and forward-looking considerations. Individual trade receivables and contract assets are written off when management deem them not to be collectible. Further details on credit risk are disclosed in note 25.

Contract assets are reclassified as trade receivables when billed to clients and the consideration has become unconditional because only the passage of time is required before payment is due.

The expected loss rates for trade receivables and contract assets, as presented below, are based on the payment profile and the shared credit risk characteristics arising in the different regions and industries in which the Group operates, including assessments incorporating forward-looking information based on client industries and financial position.

| | | 30 days or less | 31 to 90 days | 91 to 180 days | 181 to 270 days | 271 to 365 days | More than 365 days |
|---------------------------------------|------------------------|--------------------|------------------|-------------------|--------------------|--------------------|--------------------------|
| United Kingdom and Channel Islands | Current financial year | 0.1 % | 0.3 % | 1.7 % | 7.3 % | 13.6 % | 50.3 % |
| | Prior financial year | 0.1 % | 0.2 % | 1.1 % | 3.8 % | 11.5 % | 54.0 % |
| Middle East | Current financial year | 0.7 % | 1.2 % | 4.4 % | 13.8 % | 26.7 % | 77.8 % |
| | Prior financial year | 0.8 % | 1.4 % | 4.4 % | 14.4 % | 30.2 % | 75.0 % |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

14. Trade and other receivables (continued)

The ageing of trade receivables and contract assets and the resulting provisions are presented below:

| | Group | | LLP | |
|--|--------------|--------------|--------------|--------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| 30 days or less | 589 | 600 | 443 | 402 |
| 31 to 90 days | 429 | 359 | 203 | 181 |
| 91 to 180 days | 189 | 155 | 46 | 51 |
| 181 to 270 days | 42 | 41 | 11 | 8 |
| 271 to 365 days | 15 | 19 | 4 | 3 |
| More than 365 days | 39 | 34 | 11 | 13 |
| Gross trade receivables | 1,303 | 1,208 | 718 | 658 |
| Gross contract assets | 723 | 710 | 407 | 409 |
| | 2,026 | 1,918 | 1,125 | 1,067 |
| Expected credit losses | (44) | (37) | (10) | (8) |
| Other impairment provisions | (15) | (7) | (7) | – |
| | (59) | (44) | (17) | (8) |
| Trade receivables and contract assets | 1,967 | 1,874 | 1,108 | 1,059 |

Movements in lifetime expected credit losses and other impairment provisions on trade receivables and contract assets were as follows:

| | Group | | LLP | |
|---|-------------|-------------|-------------|-------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Balance at beginning of financial year | (44) | (36) | (8) | (10) |
| Exchange differences | 3 | – | – | – |
| Income statement: | | | | |
| Charge for the financial year | (58) | (40) | (15) | (4) |
| Released unused during the financial year | 21 | 16 | 1 | – |
| Utilised during the financial year | 19 | 16 | 5 | 6 |
| Balance at end of financial year | (59) | (44) | (17) | (8) |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

14. Trade and other receivables (continued)

Amounts due from subsidiary undertakings are considered to have a low credit risk and the loss allowance is therefore limited to the 12 month expected credit loss. The LLP has assessed the expected credit loss on these assets and no loss allowance has been recognised in the financial year ended 30 June 2025 (2024: £nil).

The other classes of assets within trade and other receivables do not contain impaired assets.

The carrying value of trade and other receivables in the Group and the LLP is consistent with fair value in the current and prior financial years.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

15. Cash and cash equivalents

| | Group | | LLP | |
|--------------------------|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Cash at bank and in hand | 269 | 220 | 13 | 74 |
| Short-term deposits | 591 | 492 | 490 | 405 |
| | 860 | 712 | 503 | 479 |

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Fair values of cash and cash equivalents approximate to carrying value owing to the short maturity of these instruments.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

16. Trade and other payables

| | Group | | LLP | |
|---|--------------|--------------|------------|--------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Trade payables | 245 | 176 | - | - |
| Amounts owed to subsidiary undertakings | - | - | 637 | 818 |
| Social security and other taxes | 171 | 181 | 15 | 15 |
| Other payables | 106 | 54 | 75 | 39 |
| Accruals | 533 | 576 | 65 | 38 |
| Contract liabilities | 216 | 203 | 139 | 127 |
| | 1,271 | 1,190 | 931 | 1,037 |

Trade and other payables are measured at amortised cost.

During the financial year ended 30 June 2025, £191m of the Group's £203m and £117m of the LLP's £127m recorded contract liabilities at 30 June 2024 were recognised as revenue. During the prior financial year ended 30 June 2024, £232m of the Group's £248m and £136m of the LLP's £151m recorded contract liabilities at 30 June 2023 were recognised as revenue.

Due to the short maturity of trade and other payables in the Group and the LLP, the carrying value is consistent with fair value in the current and prior financial years. Group current trade payables include £153m of amounts owing to PwC network firms (2024: £124m).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

17. Borrowings

| | Group | | LLP | |
|---------|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Current | - | 17 | - | - |

Borrowings are initially measured at fair value, net of transaction costs incurred, and subsequently measured at amortised cost. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs and charged to the income statement at draw-down. Where there is no evidence that any of the facility will be drawn down, the fee is charged to the income statement over the period of the facility.

The Group's previously held borrowings were unsecured and denominated in US dollars. These borrowings were subject to floating interest rates, partially swapped to a fixed rate through the use of interest rate swap agreements, and were fully repaid during the financial year ended 30 June 2025.

The Group complied with the financial covenants of its borrowing facilities during the current and prior financial years.

The carrying values of borrowings approximated their fair value.

Further details of the Group's exposure to financial risks arising from borrowings are set out in note 25.

18. Liabilities arising from financing activities

The Group and the LLP's liabilities arising from financing activities were as follows:

| | Group | | LLP | |
|-----------------------------|--------------|--------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Bank borrowings (note 17) | - | 17 | - | - |
| Lease liabilities (note 9) | 703 | 646 | - | - |
| Members' capital (note 20) | 333 | 297 | 333 | 297 |
| Other liabilities (note 21) | 241 | 241 | - | - |
| | 1,277 | 1,201 | 333 | 297 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

18. Liabilities arising from financing activities (continued)

The following table illustrates the movements in liabilities arising from financing activities:

| | Group | | LLP | |
|---|----------------|----------------|--------------|----------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Non-cash flows from financing activities | | | | |
| Interest payable (note 6) | 4 | 6 | - | - |
| Finance charges on lease liabilities (note 6) | 17 | 16 | - | - |
| Allocated profit (note 24) | 1,203 | 1,255 | 1,023 | 1,077 |
| Allocated profit payable to retired members (note 24) | (38) | - | (38) | - |
| Additions to lease liabilities (note 9) | 162 | 30 | - | - |
| Lease terminations (note 9) | (7) | - | - | - |
| Changes in contractual terms for annuities (note 19) | - | 28 | - | - |
| Non-controlling interest partners: | | | | |
| Profit distributions | (39) | - | - | - |
| Capital contributions (note 21) | 39 | - | - | - |
| Exchange differences | (29) | - | - | - |
| | 1,312 | 1,335 | 985 | 1,077 |
| Cash flows from financing activities as per statements of cash flows | (1,236) | (1,346) | (949) | (1,066) |
| Net increase (decrease) in liabilities arising from financing activities | 76 | (11) | 36 | 11 |
| Liabilities arising from financing activities at beginning of financial year | 1,201 | 1,212 | 297 | 286 |
| Liabilities arising from financing activities at end of financial year | 1,277 | 1,201 | 333 | 297 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

19. Provisions and contingent liabilities

Group

| | Annuities £m | Property £m | Claims and regulatory proceedings £m | Total £m |
|--|-----------------|----------------|---|-------------|
| Balance at beginning of prior financial year | 101 | 18 | 35 | 154 |
| Income statement: | | | | |
| Additional provisions for the financial year | 43 | 4 | 181 | 228 |
| Released unused during the financial year | - | - | (16) | (16) |
| Unwinding of discount | 5 | - | - | 5 |
| Transfer to accruals | - | - | (19) | (19) |
| Changes in contractual terms | (28) | - | - | (28) |
| Cash payments | (2) | (1) | (162) | (165) |
| Balance at end of prior financial year | 119 | 21 | 19 | 159 |
| Exchange differences | (10) | - | - | (10) |
| Income statement: | | | | |
| Additional provisions for the financial year | 23 | - | 13 | 36 |
| Released unused during the financial year | - | - | (4) | (4) |
| Unwinding of discount | 6 | 1 | - | 7 |
| Additional provisions for the financial year recognised as right-of-use assets | - | 7 | - | 7 |
| Transfer to accruals | - | - | (2) | (2) |
| Cash payments | (4) | (2) | (7) | (13) |
| Balance at end of financial year | 134 | 27 | 19 | 180 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

19. Provisions and contingent liabilities (continued)

| | Claims and regulatory proceedings £m |
|---|---|
| Balance at beginning of prior financial year | 33 |
| Income statement: | |
| Additional provisions for the financial year | 181 |
| Released unused during the financial year | (16) |
| Transfer to accruals | (19) |
| Cash payments | (162) |
| Balance at end of prior financial year | 17 |
| Income statement: | |
| Additional provisions for the financial year | 11 |
| Released unused during the financial year | (4) |
| Transfer to accruals | (2) |
| Cash payments | (7) |
| Balance at end of financial year | 15 |

Disclosed as:

| | Group | | LLP | |
|-------------|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Non-current | 177 | 155 | 15 | 17 |
| Current | 3 | 4 | - | - |
| | 180 | 159 | 15 | 17 |

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Non-current provisions are measured at their present value. The discount rates used are based on risk-free rates.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

19. Provisions and contingent liabilities (continued)

Annuities

The Group's financial statements consolidate the provision made for the annuities payable by certain subsidiary undertakings to current and former partners in those undertakings, principally in relation to the Middle East. These annuities are unfunded. The provision reflects the present value of the obligations arising from service to date. Any changes in the provision for these annuities arising from changes in entitlements, financial estimates or actuarial assumptions are recognised in the income statement. The unwinding of the discount is presented in the income statement as a finance expense.

When the entitled individuals retire and their annuities come into payment, these payments are shown as a movement against the provision.

The principal actuarial assumptions used in calculating the annuities provision are an assumed retirement age of 57 (2024: 57), discount rates of 5.7% for US dollar denominated annuities (2024: 5.3% for US dollar denominated) and an inflation rate of 3.0% for US dollar denominated annuities (2024: 2.5% for US dollar denominated). Each annuity is payable for a fixed period of time to the original beneficiary or, in the event of their death, to their surviving beneficiaries. The annuities provision is expected to unwind over 25 years.

During the financial year ended 30 June 2024, the terms of certain annuity arrangements were amended. As a result, the relevant obligations were recognised as other liabilities from 1 July 2023 (note 21), representing capital loans provided by non-controlling interest partners in subsidiary undertakings consolidated into the Group.

Members of the LLP are required to make their own provision for pensions and do so mainly through contributions to personal pension policies and other appropriate investments. Members, in their capacity as partners in the PricewaterhouseCoopers United Kingdom Partnership, have agreed to pay pension annuities and other post-retirement payments to certain former partners of that partnership and the surviving spouses and dependants of deceased former partners. These annuities and other post-retirement payments are personal obligations of the individuals and are not obligations of, or guaranteed by, the LLP or its subsidiary undertakings. Accordingly, these annuities are not recognised within these financial statements.

Property

Provisions are recognised for obligations to restore premises to their original condition upon vacating them where such an obligation exists under the lease. The provisions are based on estimated future cash flows that have been discounted to present value, with the unwinding of the discount presented in the income statement as a finance expense.

Property provisions at 30 June 2025 and 30 June 2024 are based on estimated future cash flows that have been discounted to present value at an average rate of 5.5% (2024: 4.8%). The property provisions are expected to unwind over 15 years.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

19. Provisions and contingent liabilities (continued)

Claims and regulatory proceedings

In common with comparable professional service practices, the Group is involved in a number of disputes in the ordinary course of business which may give rise to claims by clients or investigations commenced by regulatory bodies which may lead to regulatory proceedings. The Group defends such claims where appropriate and where costs are likely to be incurred in defending and concluding such matters and can be measured reliably they are provided for in the financial statements.

Amounts provided for are based on management's assessment of the specific circumstances in each case. The Group recognises expected reimbursements from professional indemnity insurance within other receivables on the statement of financial position when it is virtually certain that the reimbursement will be received. No separate disclosure is made of the detail of such claims or proceedings, or the costs recovered by insurance, as to do so could seriously prejudice the position of the Group. Claims are assessed as being settled in full within the next five years.

Contingent liabilities

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or present obligations where the outflow of resources is considered less than probable or cannot be measured reliably. Contingent liabilities are not recognised in the financial statements but are disclosed unless they are remote. In line with the policy above, details of contingent liabilities relating to claims and regulatory proceedings are not disclosed.

Financial guarantee contracts are initially recognised at fair value, which is calculated as the present value of the difference between the net contractual cash flows required under the debt instrument being guaranteed, and the net contractual cash flows that would have been required without the guarantee. Financial guarantees are subsequently measured at the higher of their initial fair value less cumulative amortisation, and the best estimate of the loss allowance determined in accordance with the expected credit loss model. The carrying value of the financial guarantees disclosed below is £nil (2024: £nil).

The Group has entered into US\$216m (2024: US\$165m) of guarantees with third-party banks in connection with professional services work performed in foreign territories, predominantly in the Middle East. The Group has also entered into, subject to certain conditions, other cross guarantees and indemnities in respect of other entities in the PwC global network, which are considered remote and therefore not disclosed.

The LLP has provided guarantees in respect of certain future lease commitments of PricewaterhouseCoopers Services Limited, a subsidiary company, totalling £391m over the remaining lease terms (2024: £389m). The majority of these commitments relate to the office premises at 7 More London and 1 Embankment Place. The LLP also guarantees the bank borrowings of PricewaterhouseCoopers Services Limited. At 30 June 2025, PricewaterhouseCoopers Services Limited had not drawn down on any of its banking facilities (2024: £nil).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

20. Members' capital

| | Group and LLP £m |
|---|---------------------|
| Balance at beginning of prior financial year | 286 |
| Contributions by members | 40 |
| Repayments to members | (29) |
| Balance at end of prior financial year | 297 |
| Contributions by members | 86 |
| Repayments to members | (50) |
| Balance at end of financial year | 333 |

Capital attributable to members retiring within one financial year is shown as current as it will be repaid within 12 months of the reporting date. Total members' capital analysed by repayable dates is as follows:

| | Group and LLP 2025 £m | Group and LLP 2024 £m |
|-------------|-----------------------------|-----------------------------|
| Non-current | 313 | 290 |
| Current | 20 | 7 |
| | 333 | 297 |

Members' capital is classified as a financial liability. The carrying value of members' capital is consistent with its fair value in the current and prior financial years.

Members' capital contributions are determined by the Management Board, with the approval of the Supervisory Board, having regard to the working capital needs of the business. Individual member capital contributions are set by reference to equity unit profit share proportions and are not repayable until the member retires. Members are required to provide up to 12 months' notice of retirement.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

21. Other liabilities

The Group's other liabilities represent capital loans provided by non-controlling interest partners in subsidiary undertakings consolidated into the Group, primarily in relation to the Middle East.

| | Group £m | LLP £m |
|--|-------------|-----------|
| Balance at beginning of prior financial year | 195 | - |
| Changes in contractual terms for annuities (note 19) | 28 | - |
| Contributions paid | 101 | - |
| Repayments paid | (83) | - |
| Balance at end of prior financial year | 241 | - |
| Exchange differences | (21) | - |
| Contributions from profit distributions | 39 | - |
| Contributions paid | 50 | - |
| Repayments paid | (68) | - |
| Balance at end of financial year | 241 | - |

Disclosed as:

| | Group | | LLP | |
|-------------|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Non-current | 226 | 230 | - | - |
| Current | 15 | 11 | - | - |
| | 241 | 241 | - | - |

Non-controlling interest partners are required to provide 12 months' notice of retirement.

These other liabilities are classified as financial liabilities. The carrying value of these liabilities is consistent with their fair value in the current and prior financial year.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

22. Deferred tax

Group

| | 2025 £m | 2024 £m |
|--------------------------|-------------|-------------|
| Deferred tax assets | 3 | 8 |
| Deferred tax liabilities | (16) | (34) |
| | (13) | (26) |

The movements in the Group's net deferred tax (liability) asset balances during the financial year were as follows:

| | 2025 £m | 2024 £m |
|---|-------------|-------------|
| Balance at beginning of financial year | (26) | (9) |
| Exchange differences | 3 | - |
| Credited (charged) to the income statement | 10 | (17) |
| Balance at end of financial year | (13) | (26) |

Deferred tax assets and liabilities are recognised using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit. Temporary differences relating to investments in subsidiaries are only provided for to the extent that it is probable that they will reverse in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset related current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is measured at the tax rates that are enacted or substantively enacted at the reporting date and expected to apply in the periods in which the temporary differences reverse. Deferred tax assets in the current financial year arose in the United Kingdom and are calculated using a tax rate of 25% (2024: 25%). Deferred tax liabilities in the current and prior financial years are calculated using the rates prevailing in the relevant jurisdictions in which they arose.

Deferred tax assets primarily comprised accumulated tax losses and temporary differences between capital allowances and depreciation. Deferred tax liabilities include temporary timing differences between the recognition of revenue and the timing of billing for work performed, as well as the timing and substance of related party transactions between entities across the regions in which the Group operates, and other temporary timing differences.

At 30 June 2025, the Group had cumulative unrecognised tax losses of £32m (2024: £30m). Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

LLP

There was no deferred tax arising in the LLP for the financial years ended 30 June 2025 and 30 June 2024.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits

Defined contribution schemes

The Group's contributions to defined contribution schemes are charged to the consolidated income statement as they fall due. Costs of £216m (2024: £212m) were recognised by the Group and £20m (2024: £20m) by the LLP in respect of these schemes.

Defined benefit schemes

The Group's two defined benefit schemes in the United Kingdom are the PwC Pension Fund ('the Fund') and the DH&S Retirement and Death Benefits Plan ('the Plan'). Both of the Group's defined benefit scheme arrangements are closed to future service accrual, although certain current employee member benefits remain linked to final salary. Both schemes are funded and their assets are held separately from those of the Group. The liabilities arising in the defined benefit schemes have been assessed for accounting purposes using the projected unit credit method and 31 March 2023 individual member data, with allowance for transfers out since this date, rolled forward to the reporting date.

The net surplus or deficit in each scheme is calculated in accordance with IAS 19 'Employee Benefits', based on the difference between the present value of the defined benefit obligation at the reporting date and the fair value of the scheme assets. At each reporting date, any calculated accounting surplus is recognised as an asset in the statement of financial position on the basis of the Group's unconditional right to refund, having given consideration to the powers of the trustees of each scheme, and assuming gradual settlement of each schemes' liabilities over time.

The consolidated income statement includes interest on the net defined benefit asset or obligation. Past service costs arising from changes to scheme benefits are recognised immediately in the consolidated income statement, unless the benefits are conditional on the employees remaining in service for a specified period of time, in which case the past service costs are amortised over the vesting period.

Actuarial gains and losses are recognised in full in other comprehensive income in the financial period in which they arise. Other income and expenses associated with the defined benefit schemes are recognised in the consolidated income statement.

Assumptions

The principal actuarial assumptions used for the purposes of these financial statements are:

| | 2025 | 2024 | 2023 |
|--|------|------|------|
| Discount rate | 5.5% | 5.1% | 5.2% |
| Inflation (RPI) | 3.0% | 3.3% | 3.3% |
| Inflation (CPI) | 2.6% | 2.8% | 2.8% |
| Expected rate of increase in salaries | 2.1% | 2.4% | 2.4% |
| Expected average rate of increase in pensions in payment | 2.4% | 2.5% | 2.6% |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

Defined benefit schemes (continued)

Assumptions (continued)

The majority of liabilities for the Fund and the Plan are indexed on an RPI basis, while further increases to deferred member pensions before retirement primarily increase based on CPI, with all subject to annual caps and floors. The salary increase assumption is applied to pre-2003 benefits only for in-service deferred members and is not significant to these financial statements.

Sensitivity analysis

The following table shows the sensitivity of the present value of the defined benefit obligations to changes in each of the individual principal actuarial assumptions:

| | 2025 | | | 2024 | | |
|--------------------------------------|--------------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------------|---------------------------------|
| | Fund obligation increase £m | Plan obligation increase £m | Total obligation increase £m | Fund obligation increase £m | Plan obligation increase £m | Total obligation increase £m |
| 0.5% decrease to discount rate | 54 | 32 | 86 | 63 | 37 | 100 |
| 0.5% increase to inflation | 26 | 15 | 41 | 29 | 16 | 45 |
| 0.5% increase to salary increases | - | - | - | - | - | - |
| One year increase to life expectancy | 29 | 18 | 47 | 32 | 20 | 52 |

The figures at 30 June 2025 used in these financial statements assume that the mortality of the schemes' members will be in line with nationally published S3PA mortality tables (mid tables for females), adjusted to reflect the longer life expectancy of the schemes' members versus the standard table by a 93% scaling factor for males and 94% for females. Future improvements are assumed to be in line with Continuous Mortality Investigation ('CMI') 2023 projections, with a 1.25% long-term rate, a smoothing parameter of 7.0, an initial addition to mortality improvements of 0.5% p.a., a w2020 and w2021 parameter of 0% and a w2022 and w2023 parameter of 25%.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

Defined benefit schemes (continued)

Sensitivity analysis (continued)

The following table illustrates the life expectancy for a current pensioner member aged 65 at 30 June and a future pensioner member aged 45 at 30 June:

| | 2025 | 2025 | 2024 | 2024 |
|--|------------|------------|------------|------------|
| | Fund years | Plan years | Fund years | Plan years |
| Life expectancy of current pensioners at age 65: | | | | |
| Male | 22.4 | 22.4 | 22.4 | 22.4 |
| Female | 24.3 | 24.3 | 24.2 | 24.2 |
| Life expectancy of future pensioners at age 65: | | | | |
| Male | 23.6 | 23.6 | 23.6 | 23.6 |
| Female | 25.8 | 25.8 | 25.7 | 25.7 |

Income statement

The amounts recognised in the consolidated income statement are as follows:

| | 2025 | | | 2024 | | |
|------------------------------|------------|------------|-------------|------------|------------|-------------|
| | Fund £m | Plan £m | Total £m | Fund £m | Plan £m | Total £m |
| Net interest income (note 6) | 6 | 3 | 9 | 6 | 3 | 9 |

Pensions accrued prior to 6 April 1997 are not required by statute to increase in payment and most such pensions in the Fund have no entitlement to increases.

In June 2023, the United Kingdom High Court in *Virgin Media Limited v NTL Pension Trustees II Limited* ruled that certain historical amendments to contracted-out defined benefit schemes between 6 April 1997 and 5 April 2016 were invalid without confirmation under Section 37 of the Pension Schemes Act 1993 from the scheme's actuary. Subsequent to this, in June 2025, the United Kingdom Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards.

Considering all current factors, including the Group's own review of historical amendments, the Group assesses the risk of significant impact from the *Virgin Media* ruling as low, with any potential effects currently remaining unquantifiable. Consequently, no provision has been made for the financial year ended 30 June 2025 (2024: £nil). The Group will continue to monitor developments closely.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

Defined benefit schemes (continued)

Scheme assets and defined benefit obligations

The amounts recognised in the Group and the LLP statements of financial position and the analysis of the movement in the defined benefit scheme assets and obligations are as follows:

| | Fund | | | Plan | | | Total |
|--|---------------------|----------------------------------|-------------|---------------------|----------------------------------|-------------|------------|
| | Scheme assets £m | Defined benefit obligation £m | Total £m | Scheme assets £m | Defined benefit obligation £m | Total £m | £m |
| Fair value at beginning of prior financial year | 1,209 | (1,116) | 93 | 666 | (606) | 60 | 153 |
| Interest income (expense) | 62 | (56) | 6 | 34 | (31) | 3 | 9 |
| Recognised in the income statement | 62 | (56) | 6 | 34 | (31) | 3 | 9 |
| Remeasurements: | | | | | | | |
| Return on plan assets excluding amounts included in net interest | 11 | – | 11 | 7 | – | 7 | 18 |
| Changes in financial assumptions | – | (23) | (23) | – | (12) | (12) | (35) |
| Changes in demographic assumptions | – | 8 | 8 | – | 3 | 3 | 11 |
| Experience adjustments on defined benefit obligation | – | (7) | (7) | – | (2) | (2) | (9) |
| Recognised as other comprehensive income (expense) | 11 | (22) | (11) | 7 | (11) | (4) | (15) |
| Contributions by employer | 18 | – | 18 | 6 | – | 6 | 24 |
| Benefits paid | (65) | 65 | – | (28) | 28 | – | – |
| Fair value at end of prior financial year | 1,235 | (1,129) | 106 | 685 | (620) | 65 | 171 |
| Interest income (expense) | 61 | (55) | 6 | 34 | (31) | 3 | 9 |
| Recognised in the income statement | 61 | (55) | 6 | 34 | (31) | 3 | 9 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

Defined benefit schemes (continued)

Scheme assets and defined benefit obligations (continued)

| | Fund | | Total £m | Plan | | Total £m | Total £m |
|--|------------------------|--|-------------|------------------------|--|-------------|-------------|
| | Scheme assets £m | Defined benefit obligation £m | | Scheme assets £m | Defined benefit obligation £m | | |
| Remeasurements: | | | | | | | |
| Return on plan assets excluding amounts included in net interest | (78) | – | (78) | (47) | – | (47) | (125) |
| Changes in financial assumptions | – | 60 | 60 | – | 37 | 37 | 97 |
| Experience adjustments on defined benefit obligation | – | (6) | (6) | – | (6) | (6) | (12) |
| Recognised as other comprehensive (expense) income | (78) | 54 | (24) | (47) | 31 | (16) | (40) |
| Contributions by employer | 2 | – | 2 | – | – | – | 2 |
| Benefits paid | (69) | 69 | – | (33) | 33 | – | – |
| Fair value at end of financial year | 1,151 | (1,061) | 90 | 639 | (587) | 52 | 142 |

Contributions paid during the financial year ended 30 June 2025 included a £1m dividend from the reservoir trust (2024: £1m) and £1m of other funding costs (2024: £2m). There were no deficit reduction contributions paid during the financial year ended 30 June 2025 (2024: £21m).

As explained in note 13, the LLP has entered into agreements with the schemes' trustees to establish two reservoir trusts. The LLP did not make any contributions to these trusts during the financial year ended 30 June 2025 (2024: £nil), and it does not expect to be required to do so over the remainder of the trusts' terms.

The actual return on scheme assets during the financial year ended 30 June 2025 was a decrease of £30m (2024: an increase of £114m).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

Defined benefit schemes (continued)

Scheme assets and defined benefit obligations (continued)

The allocation and market value of assets of the defined benefit schemes were as follows:

| | 2025 | | | 2024 | | |
|--------------------------------------|--------------|------------|--------------|--------------|------------|--------------|
| | Fund £m | Plan £m | Total £m | Fund £m | Plan £m | Total £m |
| Bond and other credit funds | 584 | 323 | 907 | 701 | 362 | 1,063 |
| Gilts | 432 | 243 | 675 | 405 | 245 | 650 |
| Cash | 44 | 30 | 74 | 86 | 59 | 145 |
| Multi-asset / hedge funds | 105 | 55 | 160 | 67 | 41 | 108 |
| Derivative financial instruments | (14) | (12) | (26) | (24) | (22) | (46) |
| Total scheme assets | 1,151 | 639 | 1,790 | 1,235 | 685 | 1,920 |
| Defined benefit obligations | (1,061) | (587) | (1,648) | (1,129) | (620) | (1,749) |
| Net retirement benefit assets | 90 | 52 | 142 | 106 | 65 | 171 |

Both the Fund and the Plan have significant liability driven investments ('LDIs'), the purpose of which is to reduce exposure to changes in interest rates and inflation. The LDI holdings primarily comprise fixed interest and inflation linked gilts, repurchase and reverse repurchase holdings in these gilts and interest rate and inflation swaps.

Within derivative financial instruments are foreign-exchange contracts, the purpose of which is to reduce the exposure of bonds and multi-asset / hedge funds denominated in US dollars to changes in foreign-exchange.

Future cash funding

The Fund and the Plan are valued formally every three years by a qualified independent actuary. The most recent finalised full actuarial valuations for both the Fund and the Plan were as at 31 March 2023. These valuations were conducted under the Scheme Funding Regulations (Pensions Act 2004) and indicated a combined surplus of £4m at that time on the technical provisions basis.

In agreement with the schemes' trustees, the Group made deficit reduction payments of £25m per annum from 1 April 2017 to 31 March 2024, at which point it was agreed following the most recent actuarial valuation that ongoing deficit reduction payments would cease. The Group therefore made no deficit reduction contributions during the financial year ended 30 June 2025 and currently expects to make no such contributions in the financial year ending 30 June 2026. However, as described in note 13, the Group has undertaken to contribute up to £27m in the period from 1 July 2025 to 31 July 2026 into a second reservoir trust arrangement, although the conditions requiring this are not currently being met. The next full actuarial valuation of the schemes will be carried out with an effective date of 31 March 2026 and is expected to be finalised in the financial year ending 30 June 2027.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

End-of-service benefit schemes

The Group's end-of-service benefits are for employees in the Middle East, as required by labour laws in certain Middle Eastern countries. The value of these benefits is primarily based on cumulative periods of service and the level of employees' final basic salaries. The end-of-service benefits are unfunded. The liabilities have been assessed for accounting purposes using the projected unit credit method and individual member data at the reporting date.

The liability recognised in the consolidated statement of financial position is the present value of the defined benefit obligation calculated at the end of the reporting period in accordance with IAS 19. Estimated future cash outflows are discounted at rates reflecting the market yield of high quality corporate bonds denominated in the currency in which the benefits will be paid and having terms approximating the estimated term of the retirement benefit obligations at the end of the reporting period. Actuarial gains and losses are recognised in full in other comprehensive income in the period in which they arise. Other income and expenses associated with the end-of-service benefit schemes are recognised in the consolidated income statement.

Assumptions

| | United Arab Emirates | Kingdom of Saudi Arabia | Oman | Qatar | Kuwait | Bahrain |
|---------------------------------------|----------------------|-------------------------|------|-------|--------|---------|
| 2025 | | | | | | |
| Discount rate | 5.9% | 6.4% | 8.3% | 5.9% | 6.4% | 12.8% |
| Expected rate of increase in salaries | 5.9% | 6.4% | 8.3% | 5.9% | 6.4% | 12.8% |
| 2024 | | | | | | |
| Discount rate | 6.0% | 6.5% | 9.0% | 6.2% | 6.5% | 13.6% |
| Expected rate of increase in salaries | 6.0% | 6.5% | 9.0% | 6.2% | 6.5% | 13.6% |

Sensitivity analysis

The following table shows the sensitivity of the present value of the end-of-service benefit obligations to changes in each of the individual principal actuarial assumptions:

| | 2025 | 2024 |
|--------------------------------------|---------------------------------|---------------------------------|
| | Total obligation increase £m | Total obligation increase £m |
| 0.5% decrease to discount rate | 3 | 5 |
| 0.5% increase to salary increases | 3 | 5 |
| One year increase to life expectancy | 1 | 1 |

The figures at 30 June 2025 used in these financial statements assume that the mortality of the schemes' members will be in line with the published Canadian Pensioners' Mortality ('CPM') 1999 mortality table, with improvement factors as per CPM scale B (2000-2030). The valuation would not be materially affected by using a different table with similar rates of mortality.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

End-of-service benefit schemes (continued)

End-of-service benefit obligations

The amounts recognised in the Group's statement of financial position and the analysis of the movement in the end-of-service benefit obligations are as follows:

| | £m |
|--|-----------|
| Fair value at beginning of prior financial year | 67 |
| Income statement: | |
| Current service cost | 16 |
| Interest expense | 4 |
| Other comprehensive expense: | |
| Remeasurements of end-of-service benefits | 5 |
| Benefits paid | (11) |
| Fair value at end of prior financial year | 81 |
| Exchange differences | (7) |
| Income statement: | |
| Current service cost | 18 |
| Past service cost | 1 |
| Interest expense | 5 |
| Other comprehensive expense: | |
| Remeasurements of end-of-service benefits | 1 |
| Benefits paid | (11) |
| Fair value at end of financial year | 88 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

23. Retirement benefits (continued)

Remeasurement of retirement benefits

Remeasurements of retirement benefits recognised in other comprehensive expense are as follows:

| | 2025 £m | 2024 £m |
|------------------------------------|-------------|-------------|
| Defined benefit schemes | (40) | (15) |
| End-of-service benefit obligations | (1) | (5) |
| | (41) | (20) |

24. Total members' interests

The Management Board sets the level of interim profit distributions and members' monthly drawings after considering the working capital needs of the Group. The final allocation of profits and distribution to members is made after the annual financial statements of the Group are approved. Unallocated profits are included in reserves. To the extent that interim profit allocations exceed drawings, the excess profit is included in the statement of financial position under amounts due to members. Where drawings exceed the allocated profits, the excess is included in amounts due from members. The same treatment is used for members who retire during the financial year.

Amounts due to (from) members represent allocated profits not yet paid to members and are due within one financial year. In the event of a winding-up, members' reserves rank after unsecured creditors.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

24. Total members' interests (continued)

Group

| | | | Members' interests | | Non-controlling interests | |
|--|------------------------|----------------|-------------------------------------|--------------|---------------------------|---|
| | Members' capital £m | Reserves £m | Amounts due to (from) members £m | Total £m | Reserves £m | Amounts due to (from) non-controlling interests £m |
| Balance at beginning of prior financial year | 286 | 1,136 | - | 1,422 | 196 | - |
| Profit for the financial year available for allocation | - | 902 | - | 902 | 235 | - |
| | 286 | 2,038 | - | 2,324 | 431 | - |
| Allocated profit | - | (1,077) | 1,077 | - | (178) | 178 |
| Movement on cash flow hedges | - | - | - | - | (1) | - |
| Remeasurements of retirement benefits | - | (15) | - | (15) | (5) | - |
| Translation of foreign operations | - | - | - | - | (1) | - |
| Contributions by members | 40 | - | - | 40 | - | - |
| Repayments to members | (29) | - | - | (29) | - | - |
| Drawings and distributions | - | - | (1,077) | (1,077) | - | (178) |
| Balance at end of prior financial year | 297 | 946 | - | 1,243 | 246 | - |
| Profit for the financial year available for allocation | - | 1,098 | - | 1,098 | 270 | - |
| | 297 | 2,044 | - | 2,341 | 516 | - |
| Allocated profit | - | (1,023) | 1,023 | - | (180) | 180 |
| Remeasurements of retirement benefits | - | (40) | - | (40) | (1) | - |
| Translation of foreign operations | - | - | - | - | (34) | - |
| Contributions by members | 86 | - | - | 86 | - | - |
| Repayments to members | (50) | - | - | (50) | - | - |
| Drawings and distributions | - | - | (985) | (985) | - | (180) |
| Allocated profit payable to retired members | - | - | (38) | (38) | - | - |
| Balance at end of financial year | 333 | 981 | - | 1,314 | 301 | - |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

24. Total members' interests (continued)

LLP

| | Members' capital £m | Reserves £m | Amounts due to (from) members £m | Total £m |
|--|------------------------|----------------|-------------------------------------|-------------|
| Balance at beginning of prior financial year | 286 | 623 | - | 909 |
| Profit for the financial year available for allocation | - | 993 | - | 993 |
| | 286 | 1,616 | - | 1,902 |
| Allocated profit | - | (1,077) | 1,077 | - |
| Remeasurements of retirement benefits | - | (15) | - | (15) |
| Contributions by members | 40 | - | - | 40 |
| Repayments to members | (29) | - | - | (29) |
| Drawings and distributions | - | - | (1,077) | (1,077) |
| Balance at end of prior financial year | 297 | 524 | - | 821 |
| Profit for the financial year available for allocation | - | 1,168 | - | 1,168 |
| | 297 | 1,692 | - | 1,989 |
| Allocated profit | - | (1,023) | 1,023 | - |
| Remeasurements of retirement benefits | - | (40) | - | (40) |
| Contributions by members | 86 | - | - | 86 |
| Repayments to members | (50) | - | - | (50) |
| Drawings and distributions | - | - | (985) | (985) |
| Allocated profit payable to retired members | - | - | (38) | (38) |
| Balance at end of financial year | 333 | 629 | - | 962 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments

Financial instruments are initially measured at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Derivatives, such as forward foreign-exchange contracts and interest rate swaps, are held or issued in order to manage the Group's currency and interest rate risks arising from its operations and sources of finance. Hedge accounting is applied where the relevant criteria are met. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income or expense within the statement of comprehensive income. The gain or loss relating to any ineffective portion is recognised immediately in the income statement. Amounts accumulated in equity are reclassified to profit or loss in the financial periods when the hedged item affects profit or loss, for example when the forecast sale that is hedged takes place.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

Financial risk management and management of capital

The Group's objectives when managing capital are to safeguard the Group's ability to operate as a going concern and to maintain an optimal capital structure to cover the expected peak cash requirements of the business. The Group's capital sources primarily comprise members' capital, undistributed profits and borrowing facilities. The Group holds or issues financial instruments in order to finance its operations and manage foreign currency and interest rate risks arising from its operations and sources of finance. The principal financial instruments held or issued by the Group are:

- Other investments (note 13) – investments held at amortised cost, comprising reservoir trust restricted assets, subordinated loan notes and preference shares from entities in the PwC global network; and investments held at fair value through profit or loss, comprising equity holdings in entities in the PwC global network.
- Trade and other receivables (note 14) – primarily trade receivables, in respect of services provided to clients.
- Cash and cash equivalents (note 15) – the Group manages its cash resources in order to meet its daily working capital requirements. Cash and any outstanding debt are kept to a minimum and liquid fund deposits are maximised.
- Trade and other payables (note 16) – primarily trade payables and accruals in respect of services provided by suppliers, including amounts owing to PwC network firms.
- Borrowings (note 17) – amounts drawn down as required, under the Group's banking facility arrangements.
- Lease liabilities (note 9) – the present value of the Group's expected future lease payments for the underlying right-of-use assets during the lease term.
- Provisions (note 19) – comprising the Group's annuity obligations.
- Members' capital (note 20) – the Group requires members to provide long-term financing, which is classified as a liability.
- Other liabilities (note 21) – comprising capital loans provided by non-controlling interest partners in subsidiary undertakings consolidated into the Group, primarily in relation to the Middle East.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

Financial risk management and management of capital (continued)

The Management Board determines the treasury policies of the Group. These policies, designed to manage risk, relate to specific risk areas that management wish to control, including liquidity, credit, interest rate and foreign currency exposures. Hedging is undertaken against specific exposures to reduce risk and no speculative trading is permitted. The Group's hedges are in respect of foreign currency risk and interest rate risk.

When measuring the fair value of an asset or liability, the Group uses observable inputs, including quoted prices in active markets for identical assets and liabilities, where possible. The measurement bases are consistent in the current and prior financial year. The fair values of all derivatives are based on observable inputs other than quoted prices in active markets. The other investments classified as fair value through profit or loss are measured using inputs that are not based on observable market data, such as internal models or other valuation methods. For other financial assets and liabilities, fair value approximates their carrying value in the current and prior financial year.

Group financial assets and liabilities by category

| | 2025 | | 2024 | |
|-----------------------------|---|----------------------|---|----------------------|
| | Fair value through profit or loss £m | Amortised cost £m | Fair value through profit or loss £m | Amortised cost £m |
| Assets | | | | |
| Other investments | 4 | 109 | 4 | 168 |
| Trade and other receivables | - | 1,294 | - | 1,209 |
| Cash and cash equivalents | - | 860 | - | 712 |
| Liabilities | | | | |
| Trade and other payables | - | (884) | - | (806) |
| Borrowings | - | - | - | (17) |
| Lease liabilities | - | (703) | - | (646) |
| Provisions | - | (134) | - | (119) |
| Members' capital | - | (333) | - | (297) |
| Other liabilities | - | (241) | - | (241) |
| Total | 4 | (32) | 4 | (37) |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

LLP financial assets and liabilities by category

| | 2025 | 2024 |
|-----------------------------|-------------------------|-------------------------|
| | Amortised cost £m | Amortised cost £m |
| Assets | | |
| Other investments | 63 | 66 |
| Trade and other receivables | 722 | 684 |
| Cash and cash equivalents | 503 | 479 |
| Liabilities | | |
| Trade and other payables | (777) | (796) |
| Members' capital | (333) | (297) |
| Total | 178 | 136 |

Liquidity risk

The Group's most significant treasury exposures relate to liquidity. The Group manages the risk of uncertainty in its funding operations by spreading the maturity profile of its borrowings and deposits, taking into account expected cash receipts and payments, and arranging committed facilities to provide a minimum headroom of 25% of forecast peak borrowing levels.

The Group's facilities at 30 June 2025 were predominantly held with 11 (2024: 11) leading international banks.

The maturity profile at 30 June of the Group's borrowing facilities was as follows:

| Expiry | Group | | LLP | |
|---------------------------|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Within one financial year | 162 | 170 | - | - |
| 1 – 2 financial years | - | 83 | - | - |
| 3 – 4 financial years | 425 | - | - | - |
| 4 – 5 financial years | 219 | 425 | - | - |
| | 806 | 678 | - | - |

The outstanding borrowings of £17m at 30 June 2024 related solely to amounts drawn down in the financial year ended 30 June 2020 by PricewaterhouseCoopers (Middle East Group) Limited and its subsidiaries, which were repaid during the financial year ended 30 June 2025. The Group did not make any further draw-downs on its facilities during the years ended 30 June 2024 and 30 June 2025.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

Credit risk

Cash deposits and other financial instruments held with banks and other financial institutions give rise to counterparty risk. The Group manages this risk by reviewing counterparties' credit ratings regularly and limiting the aggregate amount and duration of exposure to any one counterparty, taking into account criteria such as credit rating, market capitalisation and relative credit default swap price. The minimum long-term credit rating of all banks and financial institutions who held the Group's short-term deposits during the financial year ended 30 June 2025 was BB+.

The Group's other significant credit risk relates to receivables from clients. Exposure to this risk is monitored on a routine basis and credit evaluations are performed on clients as appropriate. The Group's exposure is influenced mainly by the individual characteristics of each client. Risk is managed by maintaining close contact with clients and by routine billing and cash collection for work performed.

Interest rate risk

The Group's borrowings and any surplus cash balances held at variable interest rates are referenced to benchmark rates linked to Sterling Overnight Index Average ('SONIA') for sterling denominated instruments or US Secured Overnight Financing Rate ('SOFR') for US dollar denominated instruments.

During the financial year ended 30 June 2024, a portion of the Group's recurring borrowings, arising primarily from the operations of PricewaterhouseCoopers (Middle East Group) Limited and its subsidiaries, were partially swapped to a fixed rate through the use of interest rate swap agreements. This arrangement matured during the financial year ended 30 June 2024. A movement of 50 basis points in the interest rate on borrowings and surplus cash balances through the financial year would not have had a material impact on the pre-tax profits of the Group.

Foreign currency risk

The majority of the Group's income and expenditure is in sterling, with the exception of the operations of PricewaterhouseCoopers (Middle East Group) Limited and its subsidiaries, which are primarily denominated in US dollars / US dollar linked currencies. Refer to note 11 for summarised consolidated financial information for PricewaterhouseCoopers (Middle East Group) Limited.

Other fees and costs denominated in foreign currencies are mainly in connection with professional indemnity insurance and transactions with PwC global network firms. The Group seeks to minimise its exposure to fluctuations in exchange rates by hedging against foreign currency exposures. These hedges are designated as cash flow hedges where this is deemed necessary and the relevant criteria are met. The Group's policy is to enter into appropriate forward or derivative transactions after a net economic exposure has been identified.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

Derivative financial instruments

Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group performs an assessment of effectiveness and if the critical terms of the hedging instrument no longer match with the terms of the hedged item the Group uses the hypothetical derivative method to assess effectiveness.

Foreign-exchange derivative contracts all mature in less than two years and are valued using market prices prevailing at the reporting date. Foreign currency forwards and options are denominated in the same currency as the highly probable future payments, therefore achieving a hedge ratio of 1:1.

During the financial year ended 30 June 2024, the Group's interest rate swaps matured. The durations of the swap agreements matched the duration of the debt instruments, therefore achieving a hedge ratio of 1:1. As a result, there were no amounts reported as ineffective in the income statement in the prior financial year.

Group

| | 2025 | | | 2024 | | |
|---|---|---------------------------|-------------|---|---------------------------|-------------|
| | Foreign-exchange derivative contracts £m | Interest rate swaps £m | Total £m | Foreign-exchange derivative contracts £m | Interest rate swaps £m | Total £m |
| Notional principal amount | 161 | - | 161 | 109 | - | 109 |
| Effective portion recognised in other comprehensive expense | - | - | - | - | (1) | (1) |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

Interest rate profile of financial assets and liabilities

| | Interest rate profile | Group | | LLP | |
|----------------------------|-----------------------|------------|------------|------------|------------|
| | | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Other investments | | | | | |
| Reservoir trust | Fixed | 57 | 60 | 57 | 60 |
| Subordinated loan notes | Floating | 45 | 37 | 6 | 6 |
| Preference shares | Fixed | 5 | 10 | - | - |
| | | 107 | 107 | 63 | 66 |
| Deposits with banks | | | | | |
| Less than three months | Floating | 591 | 492 | 490 | 405 |
| Three to twelve months | Floating | 2 | 61 | - | - |
| | | 593 | 553 | 490 | 405 |
| Borrowings | | | | | |
| Current | Floating | - | (17) | - | - |
| | | - | (17) | - | - |
| Total | | 700 | 643 | 553 | 471 |

Analysed as:

| | Group | | LLP | |
|-------------------------|------------|------------|------------|------------|
| | 2025 £m | 2024 £m | 2025 £m | 2024 £m |
| Fixed interest rates | 62 | 70 | 57 | 60 |
| Floating interest rates | 638 | 573 | 496 | 411 |
| | 700 | 643 | 553 | 471 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

Group currency profile of financial assets and liabilities

| 2025 | Sterling £m | US dollar / US dollar linked £m | Euro £m | Others £m |
|-----------------------------|----------------|---------------------------------------|------------|--------------|
| Assets | | | | |
| Other investments | 57 | 44 | 12 | - |
| Trade and other receivables | 626 | 601 | 54 | 13 |
| Cash and cash equivalents | 645 | 198 | 2 | 15 |
| Liabilities | | | | |
| Trade and other payables | (519) | (316) | (40) | (9) |
| Lease liabilities | (591) | (112) | - | - |
| Provisions | - | (134) | - | - |
| Members' capital | (333) | - | - | - |
| Other liabilities | (6) | (235) | - | - |
| Total | (121) | 46 | 28 | 19 |
| | | | | |
| 2024 | Sterling £m | US dollar / US dollar linked £m | Euro £m | Others £m |
| Assets | | | | |
| Other investments | 60 | 95 | 17 | - |
| Trade and other receivables | 597 | 548 | 51 | 13 |
| Cash and cash equivalents | 500 | 200 | - | 12 |
| Liabilities | | | | |
| Trade and other payables | (497) | (274) | (26) | (9) |
| Borrowings | - | (17) | - | - |
| Lease liabilities | (584) | (62) | - | - |
| Provisions | - | (119) | - | - |
| Members' capital | (297) | - | - | - |
| Other liabilities | - | (241) | - | - |
| Total | (221) | 130 | 42 | 16 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

25. Financial instruments (continued)

LLP currency profile of financial assets and liabilities

| 2025 | Sterling £m | US dollar / US dollar linked £m | Euro £m | Others £m |
|-----------------------------|----------------|---------------------------------------|------------|--------------|
| Assets | | | | |
| Other investments | 57 | - | 6 | - |
| Trade and other receivables | 602 | 62 | 53 | 5 |
| Cash and cash equivalents | 503 | - | - | - |
| Liabilities | | | | |
| Trade and other payables | (777) | - | - | - |
| Members' capital | (333) | - | - | - |
| Total | 52 | 62 | 59 | 5 |
| | | | | |
| 2024 | Sterling £m | US dollar / US dollar linked £m | Euro £m | Others £m |
| Assets | | | | |
| Other investments | 60 | - | 6 | - |
| Trade and other receivables | 578 | 54 | 48 | 4 |
| Cash and cash equivalents | 479 | - | - | - |
| Liabilities | | | | |
| Trade and other payables | (796) | - | - | - |
| Members' capital | (297) | - | - | - |
| Total | 24 | 54 | 54 | 4 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

26. Related party transactions

The LLP and the PricewaterhouseCoopers United Kingdom Partnership ('United Kingdom Partnership') are related parties because they are both controlled by the same group of individuals. This controlling group of individuals consists of all the members of the LLP, who are also all the partners in the United Kingdom Partnership. Related party transactions with the United Kingdom Partnership and other related parties are summarised below.

Services provided to PricewaterhouseCoopers United Kingdom Partnership in respect of client assignments

Arrangements are in place for the LLP to supply services to the United Kingdom Partnership in connection with certain client assignments. For the financial year ended 30 June 2025, the LLP provided services to the United Kingdom Partnership to the value of £94,000 (2024: £101,000) under these arrangements. There were no balances outstanding at 30 June 2025 in respect of these services (2024: £nil).

Administrative support to PricewaterhouseCoopers United Kingdom Partnership

On behalf of its members, the LLP provides certain administrative services to support the United Kingdom Partnership, including the calculation of annuities and paying agent arrangements in connection with the annuity and certain other post-retirement payments due to certain former partners of that partnership. For the financial year ended 30 June 2025, the LLP charged the United Kingdom Partnership £200,000 (2024: £200,000) for these support services. At 30 June 2025, there were no balances due to the LLP from the United Kingdom Partnership (2024: £nil). Amounts paid during the financial year ended 30 June 2025 to the annuitants on behalf of the continuing members in their capacity as partners of the United Kingdom Partnership totalled £93m (2024: £100m).

Key management personnel

The Management Board represents key management personnel for the purposes of these financial statements. A new Management Board was installed on 1 July 2024 following Marco Amitrano's election as Alliance Senior Partner, PwC UK and Middle East. The profit attributable to the 13 members (2024: 13 members) of the Management Board was £24m for the financial year ended 30 June 2025 (2024: £27m attributable to the previous Board).

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

26. Related party transactions (continued)

Group transactions with joint ventures and associates

Details of the Group's interests in joint ventures and associates are provided in note 12.

The transactions during the financial year with these related parties were as follows:

| | 2025 £m | 2024 £m |
|---|------------|------------|
| Purchase of services from related parties | | |
| PricewaterhouseCoopers Service Delivery Centre Holdings (Katowice) B.V. and subsidiary undertakings | 29 | 30 |
| PwC Poland Services Limited and subsidiary undertakings | 20 | 19 |
| PwC Service Delivery Centre South Africa Holdings Proprietary Limited and subsidiary undertakings | 11 | 2 |
| PwC Service Delivery Centre (Egypt) Holdings No. 1 Limited and subsidiary undertakings | 13 | 10 |
| Finance income from related parties | | |
| PwC Poland Services Limited | - | (1) |

The Group's receivable (payable) balances at 30 June with related parties were as follows:

| | 2025 £m | 2024 £m |
|---|------------|------------|
| PricewaterhouseCoopers Service Delivery Centre Holdings (Katowice) B.V. and subsidiary undertakings | - | (1) |
| PwC Poland Services Limited and subsidiary undertakings | 5 | 10 |
| PwC Service Delivery Centre (Egypt) Holdings No. 1 Limited and subsidiary undertakings | - | (1) |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

26. Related party transactions (continued)

LLP transactions with subsidiary undertakings, joint ventures and associates

The subsidiary undertakings, joint ventures and associates listed in note 27 are related parties of the LLP. The transactions during the financial year with these related parties were as follows:

| | 2025 £m | 2024 £m |
|--|------------|------------|
| Purchase of services from related parties | | |
| PricewaterhouseCoopers Services Limited | 2,622 | 2,840 |
| Other subsidiaries, joint ventures and associates | 33 | 26 |
| Provision of services to related parties | | |
| PricewaterhouseCoopers (Middle East Group) Limited | (17) | (32) |
| Other subsidiaries, joint ventures and associates | (4) | (5) |
| Income received from investments in related parties | | |
| PwC Holdings (UK) Limited | (175) | (190) |
| Other subsidiaries | (8) | (7) |

The LLP's receivable (payable) balances at 30 June with related parties were as follows:

| | 2025 £m | 2024 £m |
|--|------------|------------|
| PricewaterhouseCoopers Services Limited | (621) | (793) |
| PricewaterhouseCoopers (Middle East Group) Limited | 4 | 8 |
| PricewaterhouseCoopers Overseas Limited | (8) | (7) |
| PricewaterhouseCoopers Business Services Limited | - | (5) |
| Accounting Advisory (UK) LLP | 1 | (4) |
| PricewaterhouseCoopers Advisory Services Limited | (2) | (2) |
| PwC Business Consulting Services Limited | (1) | (2) |
| PwC Strategy& (UK) Ltd. | - | (1) |
| Price Waterhouse MCS UK Holdings B.V. | (3) | (3) |
| PwC Digital Technology Services Limited | (1) | - |
| Amounts due from other subsidiaries | - | 2 |
| Amounts due to other subsidiaries | (1) | (1) |

It was identified that in the prior financial year, the table above included an error and as a result, the balance payable to PricewaterhouseCoopers Services Limited at 30 June 2024 has been restated from £697m to £793m. This restatement only impacts the disclosure above and does not affect the primary statements or any supporting notes.

Details of movements in investments in subsidiary undertakings are provided in note 11.

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures

Subsidiary undertakings

The entities listed below are those consolidated in the Group's financial statements, including partnerships, LLPs and other unincorporated entities, some of which have branches operating in overseas territories. There are no entities directly or indirectly held by the LLP that have been excluded from the consolidated financial statements.

All subsidiary undertakings are 100% owned by the Group.

| UK group companies | Country of incorporation | Share class | % directly held by the LLP |
|--|--------------------------|--------------------------|----------------------------|
| Registered office: 1 Embankment Place, London, WC2N 6RH | | | |
| AIMS Holdings No. 1 Limited | England | £1.00 ordinary shares | – |
| AIMS Holdings No. 2 Limited | England | £1.00 ordinary shares | – |
| Barbinder Executors & Trustees – (an unlimited company) | England | £1.00 ordinary shares | 100 |
| Barbinder Freehold – (an unlimited company) (in liquidation) | England | £1.00 ordinary shares | 100 |
| Barbinder Trust.(The) – (an unlimited company) | England | £1.00 ordinary shares | 100 |
| Beyond Food Community Interest Company | England | £1.00 ordinary shares | – |
| Cooper Brothers & Co. Limited | England | £1.00 ordinary shares | 100 |
| Coopers & Lybrand Limited | England | £1.00 ordinary shares | 100 |
| Embankment Place Primary Healthcare Limited | England | £1.00 ordinary shares | – |
| Farringdon Trustees – (an unlimited company) | England | £0.10 ordinary shares | 100 |
| Frederick's Place Nominees Limited (in liquidation) | England | £1.00 ordinary shares | 100 |
| P&D Reservoir Trustee Limited | England | £1.00 ordinary shares | 100 |
| Price Waterhouse Limited | England | £1.00 ordinary shares | – |
| Price Waterhouse MCS UK Holdings B.V. | The Netherlands | EUR 1.00 ordinary shares | 99 |
| PricewaterhouseCoopers (UK) Advisory Services (IE) Limited | England | £1.00 ordinary shares | – |
| PricewaterhouseCoopers (UK) Advisory Services (KU) Limited | England | £1.00 ordinary shares | – |
| PricewaterhouseCoopers (UK) Advisory Services (FI) Limited | England | £1.00 ordinary shares | – |
| PricewaterhouseCoopers Advisory Services Limited | England | £1.00 ordinary shares | – |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| UK group companies | Country of incorporation | Share class | % directly held by the LLP |
|--|--------------------------|--|----------------------------|
| Registered office: 1 Embankment Place, London, WC2N 6RH | | | |
| PricewaterhouseCoopers ASM Limited | England | £1.00 ordinary shares | 100 |
| PricewaterhouseCoopers Business Advisory Services Limited (in liquidation) | England | A and B class ordinary £1.00 shares | – |
| PricewaterhouseCoopers Business Services Limited | England | £1.00 ordinary shares | – |
| PricewaterhouseCoopers Consulting Services UK Limited | England | £1.00 ordinary shares | – |
| PricewaterhouseCoopers CFR Limited | England | £1.00 ordinary shares | – |
| PricewaterhouseCoopers Corporate Business Services Limited | England | £1.00 ordinary shares | 100 |
| PricewaterhouseCoopers Overseas Limited | England | £1.00 ordinary shares | 100 |
| PricewaterhouseCoopers Services Limited | England | £1.00 ordinary shares | – |
| PwC Business Consulting Services Limited | England | A, B and C class ordinary £1.00 shares | – |
| PwC Change Management Holdings Limited | England | A and B class ordinary £0.10 shares | – |
| PwC Change Management Limited | England | £1.00 ordinary shares | – |
| PwC Consulting Associates Limited (in liquidation) | England | £1.00 ordinary shares | – |
| PwC Customs Intermediary Services Limited | England | £1.00 ordinary shares | – |
| PwC Digital Services (UK) Limited | England | A and C class ordinary £1.00 shares | – |
| PwC Digital Technology Services Limited | England | £0.01 ordinary shares | – |
| PwC London Bridge Limited | England | £1.00 ordinary shares | – |
| PwC Holdings (UK) Limited | England | £1.00 ordinary shares | 100 |
| PwC Information Technology Services Limited (in liquidation) | England | £1.00 ordinary shares | – |
| PwC Performance Solutions Limited | England | £0.05 ordinary shares | – |
| PwC Strategy& (UK) Ltd. | England | £1.00 ordinary shares | – |
| PwC Strategy& Services (UK) Limited (in liquidation) | England | £1.00 ordinary shares | – |
| PWSP Limited | England | £1.00 ordinary shares | 100 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| UK group companies | Country of incorporation | Share class | % directly held by the LLP |
|--|--------------------------|---|----------------------------|
| Registered office: 1 Embankment Place, London, WC2N 6RH | | | |
| Sustainable Finance Holdings Limited (in liquidation) | England | A1, A2, B1, B2, C1 and C2 class ordinary £0.50 shares and £1.00 preference shares | - |
| Sustainable Financé Limited | England | £1.00 ordinary shares | - |
| Registered office: 1 Embankment Place, London, WC2N 6DX | | | |
| PricewaterhouseCoopers Legal (Resources) Limited (in liquidation) | England | £1.00 ordinary shares | 100 |
| PwC Legal (UAE) Limited (in liquidation) | England | £1.00 ordinary shares | 100 |
| Registered office: 1 Chamberlain Square, Birmingham, B3 3AX | | | |
| Pecten Secretaries Limited | England | £1.00 ordinary shares | - |
| Petershill Secretaries Limited | England | £1.00 ordinary shares | 100 |
| Sunbury Secretaries Limited | England | £1.00 ordinary shares | 100 |
| Registered office: Atria One, 144 Morrison Street, Edinburgh, Scotland, EH3 8EX | | | |
| PricewaterhouseCoopers Assurance UK Limited (in liquidation) | Scotland | £1.00 ordinary shares | - |
| Barbinder Trust (Scotland) (The) – (an unlimited company) | Scotland | £1.00 ordinary shares | - |
| Registered office: Office No.2047-2055, Spaces Inspire Hub Western Heights, J.P Road, 4 Bungalows, Andhen (West), Mumbai, Mumbai City, Maharashtra, India, 400053 | | | |
| PricewaterhouseCoopers AIMS Support Services India Private Limited | India | INR 500 ordinary shares | - |
| Registered office: Royal Bank Place, 1 Glatigny Esplanade, St Peter Port, Guernsey, GY1 4ND | | | |
| PricewaterhouseCoopers Alliance Limited | Guernsey | £nil ordinary shares | 50 |
| Registered office: One International Towers, Watermans Quay, Bangaroo, NSW, Australia, 2000 | | | |
| PricewaterhouseCoopers Information Technology Services (Australia) Holdings Pty Ltd | Australia | AUD 1.00 ordinary shares | - |
| PricewaterhouseCoopers Information Technology Services (Australia) Pty Ltd | Australia | AUD 1.00 ordinary shares | - |
| Selera Solutions Pty Ltd | Australia | AUD 1.00 ordinary shares | - |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| Channel Islands group companies | Country of incorporation | Share class | % directly held by the LLP |
|---|--------------------------|------------------------------|----------------------------|
| Registered office: P.O. Box 321, Royal Bank Place, 1 Gategny Esplanade, St Peter Port, Guernsey, GY1 4ND | | | |
| Midhurst Properties Limited | Guernsey | £1.00 ordinary shares | - |
| Pembroke House Limited | Guernsey | £1.00 ordinary shares | - |
| PricewaterhouseCoopers Services (Guernsey) Limited | Guernsey | £1.00 ordinary shares | - |
| PwC Properties (Guernsey) Limited | Guernsey | £1.00 ordinary shares | - |
| Registered office: 37 Esplanade, St Helier, Jersey, JE1 4XA | | | |
| PricewaterhouseCoopers Professional Services Limited | Jersey | £1.00 ordinary shares | - |
| PwC Channel Islands Limited | Jersey | £1.00 ordinary shares | - |
| PwC Properties (Jersey) Limited | Jersey | £1.00 ordinary shares | - |
| Middle East group companies | Country of incorporation | Share class | % directly held by the LLP |
| Registered office: Adol Street, Ben Ashour, P.O. Box 81577, Tripoli, Libya | | | |
| Al Motahedoon Company Chartered Accountants and Registered Auditors LLC | Libya | LYD 20.00 ordinary shares | - |
| Registered office: OMC Chambers, Wickams Cay 1, Road Town Tortola, British Virgin Islands | | | |
| HLP Consulting Limited | British Virgin Islands | USD 1.00 ordinary shares | - |
| Registered office: Unit 3302 Saba Tower 1, Jumeirah Lake Towers, Dubai, UAE | | | |
| PwC Digital Services (DMCC) | UAE | AED 1,000.00 ordinary shares | - |
| Registered office: Tornado Tower, 41st Floor, P.O. Box 6689, Doha, Qatar | | | |
| PricewaterhouseCoopers – Qatar LLC | Qatar | USD 1.00 A class shares | - |
| Registered office: Third Circle, Jabal Amman, 14 Hazza' Al-Majali Street, P.O. Box 5175, Amman 11183, Jordan | | | |
| PricewaterhouseCoopers "Jordan" | Jordan | JOD 1.00 ordinary shares | - |
| PricewaterhouseCoopers Middle East Limited Jordan | Jordan | JOD 1.00 ordinary shares | - |
| Yazan Barghouti Legal Services LLC | Jordan | JOD 1.00 ordinary shares | - |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| Middle East group companies | Country of incorporation | Share class | % directly held by the LLP |
|---|--------------------------|-------------------------------|----------------------------|
| Registered office: Royal Bank Place, 1 Gategny Esplanade, St Peter Port, Guernsey, GY1 4ND | | | |
| PricewaterhouseCoopers (Holdings) Guernsey Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers (Middle East Group) Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Bahrain Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Lebanon Holdco Limited (formerly PricewaterhouseCoopers Holdco Middle East Limited) | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Iraq Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers KSA Advisory Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Kuwait Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Kuwait Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Libya Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Middle East Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Oman Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Palestinian Territories Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Jordan Holdco Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Jordan Limited | Guernsey | £nil ordinary shares | - |
| PricewaterhouseCoopers Middle East Holdco Limited | Guernsey | £nil ordinary shares | - |
| PwC Holdings Guernsey Limited | Guernsey | £nil ordinary shares | - |
| PwC Holdings Middle East Limited | Guernsey | £nil ordinary shares | - |
| Registered office: Kingdom Tower, 21st Floor, P.O. Box 13934, 2239 Al Urubah Road, Al Olaya District, Riyadh, 12214, Kingdom of Saudi Arabia | | | |
| PricewaterhouseCoopers Advisory Limited | Saudi Arabia | SAR 2,000.00 ordinary shares | - |
| Registered office: Arraya Tower II, 23rd-24th Floor, Safat 13018, P.O. Box 1753, Al-Shuhada Street, Sharq, Kuwait | | | |
| PricewaterhouseCoopers Advisory Services Co. W.L.L. | Kuwait | KWD 5,000.00 membership units | - |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| Middle East group companies | Country of incorporation | Share class | % directly held by the LLP |
|--|--------------------------|-------------------------------|----------------------------|
| Registered office: Plot No. 211, Second Sector, City Center, New Cairo 11835, Egypt, P.O. Box 170, New Cairo | | | |
| PricewaterhouseCoopers Financial Consultants S.A.E. | Egypt | EGP 100.00 ordinary shares | - |
| Strategy& (Egypt) LLC | Egypt | EGP 100.00 ordinary shares | - |
| Registered office: Building AZ, One-ninety Project, Fifth Settlement, New Cairo, Egypt | | | |
| PricewaterhouseCoopers LLC | Egypt | EGP 100.00 ordinary shares | - |
| Registered office: Salam Square – South 4th Floor, Suites 402-404, Madinat Al Sultan Qaboos, P.O. Box 3075 – Ruwi – P.C. 112, Muscat, Sultanate of Oman | | | |
| PricewaterhouseCoopers L.L.C. | Oman | OMR 1.00 ordinary shares | - |
| Registered office: 3rd Floor, Saba House Building, P.O. Box 11-3155, Block B&C, Said Freiha Street, Hazmieh Beirut, Lebanon | | | |
| PricewaterhouseCoopers (Offshore) S.A.L. | Lebanon | LBP 30,000.00 ordinary shares | - |
| Registered office: Office 801, Level 8, Al Fattan Currency House, Tower 1, Dubai International Financial Centre, P.O. Box 11987, Dubai, UAE | | | |
| PricewaterhouseCoopers Limited (DIFC) | UAE | AED 1.00 ordinary shares | - |
| PricewaterhouseCoopers Bahrain Limited (DIFC) | UAE | £nil ordinary shares | - |
| PricewaterhouseCoopers Holdings ME Limited (DIFC) | UAE | £nil ordinary shares | - |
| PricewaterhouseCoopers Palestinian Territories Limited (DIFC) | UAE | £nil ordinary shares | - |
| PwC Holdings MER Limited (DIFC) | UAE | £nil ordinary shares | - |
| Strategy& (M.E.) Ltd. (DIFC) | UAE | AED 1.00 ordinary shares | - |
| Registered office: Emaar Square, Building 5, P.O. Box 11987, Dubai, UAE | | | |
| PwC Academy LLC | UAE | AED 1.00 ordinary shares | - |
| Registered office: Madinat Al Sultan Qaboos, Bausher, Muscat Governorate, P.O. Box 3075, P.C. 112, Muscat, Oman | | | |
| PWC Academy LLC | Oman | OMR 1.00 ordinary shares | - |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| Middle East group companies | Country of incorporation | Share class | % directly held by the LLP |
|--|--------------------------|------------------------------|----------------------------|
| Registered office: Empire Business Complex, Building C5, Section B, 4th Floor, Erbil, Kurdistan Region, Iraq | | | |
| PricewaterhouseCoopers for Management Consultancy Ltd | Iraq | IQD 1.00 ordinary shares | – |
| Registered office: C/o The Corporation Trust Center, 1209 Orange Street, City of Wilmington, County of New Castle, Delaware, 19801, USA | | | |
| PwC Strategy& Services (Middle East) LLC | USA | USD 1.00 ordinary shares | – |
| Strategy& (Lebanon) LLC | USA | Membership units | – |
| Registered office: Al Khatem Tower, Level 26, ADGM Square, Al Maryah Island, P.O. Box 43754 Abu Dhabi, UAE | | | |
| Strategy& (Middle East) Ltd. (DIFC) | UAE | USD 1.00 ordinary shares | – |
| Registered office: Tornado Tower, 40th and 41st Floor, West Bay, Doha, Qatar | | | |
| PwC Legal Middle East LLC | Qatar | USD 1.00 ordinary shares | – |
| Strategy& (QFC) LLC | Qatar | USD 1.00 ordinary shares | – |
| Registered office: 2239 Al Urubah Road, Al Olaya District, 12214, Riyadh, Kingdom of Saudi Arabia | | | |
| PwC Business Services | Saudi Arabia | SAR 1,000.00 ordinary shares | – |
| PwC Academy for Training LLC | Saudi Arabia | SAR 1,000.00 ordinary shares | – |
| Registered office: 3074 Riyadh, Prince Mohamed Bin Abdul Aziz Road, Olaya District, Kingdom of Saudi Arabia | | | |
| Strategy& Saudi Arabia | Saudi Arabia | SAR 100.00 ordinary shares | – |
| Registered office: Prince Muhammad Ibn Abdulaziz St., Al Andalus Dist., Jeddah, Kingdom of Saudi Arabia | | | |
| Emkan Education Company | Saudi Arabia | SAR 1,000.00 ordinary shares | – |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| UK group partnerships, limited liability partnerships and other unincorporated entities | Legal form | Principal place of business |
|---|-------------------------------|--|
| Registered office: 1 Embankment Place, London, WC2N 6DX | | |
| PricewaterhouseCoopers Legal LLP | Limited liability partnership | 1 Embankment Place, London, WC2N 6DX |
| Registered office: 1 Embankment Place, London, WC2N 6RH | | |
| Accounting Advisory (UK) LLP | Limited liability partnership | 1 Embankment Place, London, WC2N 6RH |
| PricewaterhouseCoopers AS LLP | Limited liability partnership | 1 Embankment Place, London, WC2N 6RH |
| PwC Strategy& UK Holdings LLP | Limited liability partnership | 1 Embankment Place, London, WC2N 6RH |
| Channel Islands group partnerships, limited liability partnerships and other unincorporated entities | Legal form | Principal place of business |
| Registered office: 1 Embankment Place, London, WC2N 6RH | | |
| PricewaterhouseCoopers CI LLP | Limited liability partnership | 37 Esplanade, St Helier, Jersey, JE2 3QE |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Subsidiary undertakings (continued)

| Middle East group partnerships, limited liability partnerships and other unincorporated entities | Legal form | Registered office and principal place of business |
|--|----------------|---|
| PricewaterhouseCoopers Limited Partnership (DIFC) | Partnership | Office 801, Level 8, Al Fattan, Currency House, Tower 1, Dubai International Financial Centre, P.O. Box 11987, Dubai, UAE |
| PricewaterhouseCoopers | Partnership | 1st Floor, Saba House Building, Block B&C, Said Freiha Street, Hazmieh, P.O. Box 11-3155, Beirut, Lebanon |
| PricewaterhouseCoopers – Public Accountants | Partnership | Kingdom Tower, 2239 Al Urubah Road, Al Olaya 9597, District, Riyadh 12214, Kingdom of Saudi Arabia |
| PricewaterhouseCoopers Al Shatti & Co | Sole ownership | Sharq, Block 7, Omar Al Khattab Street, Building No. 6 Al Rayya Tower, Floor No.23, Kuwait |
| PricewaterhouseCoopers EzzEldeen, Diab & Co. | Partnership | Plot No. 211, Second Sector, City Center, New Cairo 11835, Egypt, P.O. Box 170, New Cairo |
| PricewaterhouseCoopers Legal Middle East LLP (in liquidation) | Partnership | 1 Embankment Place, London, WC2N 6DX |
| PwC Legal Middle East LLP (DIFC) | Partnership | Office 801, Level 8, Al Fattan, Currency House, Tower 1, Dubai International Financial Centre, P.O. Box 11987, Dubai, UAE |
| Saadi & Co – CPA | Partnership | EaShufat Street 5, East Jerusalem, P.O. Box 18366, Palestine |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Joint ventures and associates

None of the entities listed below have a material impact on the Group's financial results. All joint ventures and associates are consolidated using the equity method of accounting on the basis that the Group has joint control or significant influence over the entity.

| Companies | Country of incorporation | Share class | % directly held by the LLP | % held by the Group |
|--|--------------------------|---|----------------------------|---------------------|
| Registered office: Raamweg 1B, 2596 HL The Hague, The Netherlands | | | | |
| PricewaterhouseCoopers Service Delivery Centre Holdings (Katowice) B.V. | The Netherlands | EUR 1.00 C class shares | – | 33 |
| Registered office: ul. Lecha Kaczyńskiego, 00-638 Warsaw, Poland | | | | |
| PricewaterhouseCoopers Service Delivery Center Poland Sp. z o.o. | Poland | PLN 50.00 ordinary shares | – | 33 |
| Registered office: ul. Puławska 182, 02-670 Warsaw, Poland | | | | |
| PwC IT Services Sp. z o.o. | Poland | PLN 50.00 ordinary shares | – | 50 |
| Registered office: 1 Embankment Place, London, WC2N 6RH | | | | |
| PwC Service Delivery Centre (Egypt) Holdings No.1 Limited | England | A, B, C and D class ordinary USD 1.00 shares | – | 75 |
| PwC Service Delivery Centre (Egypt) Holdings No.2 Limited | England | USD 1.00 ordinary shares | – | 75 |
| PwC Poland Services Limited | England | £1.00 ordinary shares, EUR 1.00 ordinary shares, EUR 1.00 preference shares | – | 50 |
| Registered office: 4 Lisbon Lane, Waterfall City, Jukskei View, Midrand, 2090, South Africa | | | | |
| PwC Service Delivery Centre South Africa Holdings Proprietary Limited | South Africa | ZAR ordinary shares | – | 50 |
| PwC Service Delivery Centre South Africa Proprietary Limited | South Africa | ZAR ordinary shares | – | 50 |

Notes to the financial statements for the financial year ended 30 June 2025 (continued)

27. Subsidiary undertakings and joint ventures (continued)

Joint ventures and associates (continued)

| Companies | Country of incorporation | Share class | % directly held by the LLP | % held by the Group |
|--|--------------------------|-----------------|----------------------------|---------------------|
| Registered office: Plot No. 211, Second Sector, City Centre, New Caro 11835, Egypt, P.O. Box 170, New Cairo | | | | |
| PwC IT Services Egypt LLC | Egypt | USD 1.00 quotas | – | 75 |

Other investments

The subsidiaries listed below have been placed into Members Voluntary Liquidation and, as a result of the loss of control by the Group, the subsidiaries have been reclassified to other investments held at fair value through profit or loss.

| Middle East group companies | Country of incorporation | Share class | % directly held by the LLP |
|--|--------------------------|------------------------------|----------------------------|
| Registered office: Office No. 1, 1st Floor, GHP-CS, Al Markaziyah, Hamdan Street, Abu Dhabi, UAE | | | |
| HLP International Consulting LLC (in liquidation) | UAE | AED 1,000.00 ordinary shares | – |
| Registered office: Kingdom Tower, 20th Floor, Al Oruba Road, P.O. Box 3145, Riyadh 12631, Kingdom of Saudi Arabia | | | |
| Wadi Al Marefah Company for Training (in liquidation) | Saudi Arabia | SAR 1,000.00 ordinary shares | – |

PricewaterhouseCoopers LLP is incorporated in England and Wales.

The registered office address of PricewaterhouseCoopers LLP is 1 Embankment Place, London, WC2N 6RH.

Climate risk statement for the financial year ended 30 June 2025

In accordance with section 415 of the Companies Act 2006, as amended by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ('the Climate-related Financial Disclosure Regulations'), the members present the energy and carbon report (referred to as the 'Climate risk statement') of PricewaterhouseCoopers LLP ('PwC LLP') and its subsidiaries (together 'the Group', 'We') for the financial year ended 30 June 2025.

The consolidated Group's Climate risk statement covers the four themes recommended by the Task Force on Climate-related Financial Disclosures ('TCFD'). Whilst we are required to report in accordance with the Climate-related Financial Disclosure Regulations, we have continued to use the TCFD framework as we have historically reported against it and are in close alignment with the framework's requirements. All references to the "Group" relate to the consolidated PwC LLP Group covering three territories: the UK, the Channel Islands, and the Middle East.

Introduction

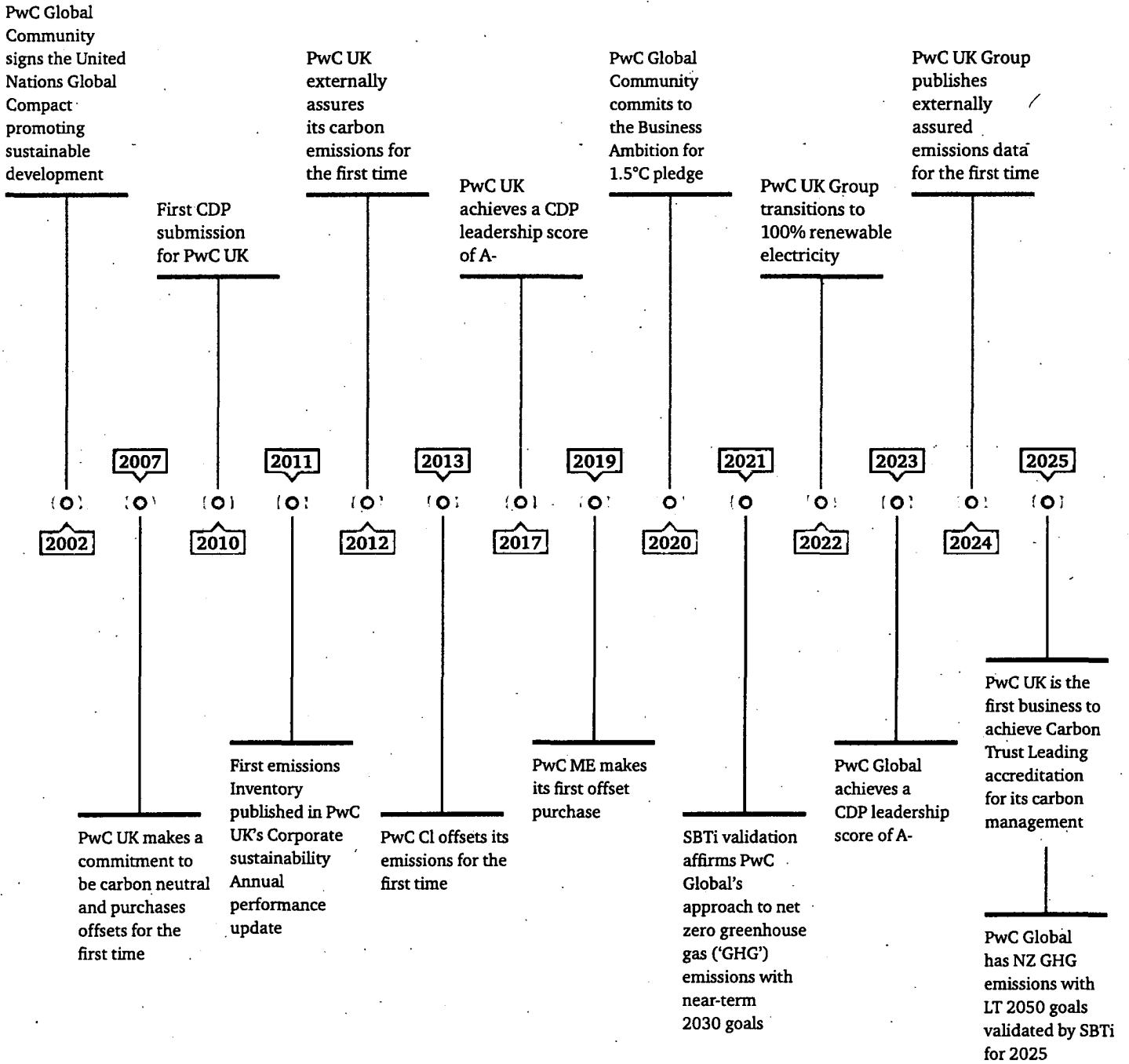
The Group recognises the urgency of the climate and nature crisis, a global challenge with far-reaching consequences beyond our own business. PwC is well placed to support systemic change through collaboration, innovation, and the development of new, more sustainable business models. We're committed to driving progress – working with regulators, supporting clients in their sustainability journeys, and strengthening our own programmes across the Group.

The Group has re-performed both its physical and transitional risk assessment in the year to verify whether previous conclusions reached remain valid. The outcome of this assessment continues to indicate that, in the short, medium and long-term, the direct impacts of climate risk are not currently financially material to the Group.

Further information about the specific risks and opportunities can be found in the 'Strategy' section below. Going forward the Group will look to refresh this assessment every three to five years, unless there is a significant change in regulation, business operations or impact from a climate-related event in the intervening years.

As part of the PwC Network-wide commitment, the Group has committed to a net zero pathway by 2050 and has set near-term (2030) and long-term (2050) targets validated by the SBTi for reducing its emissions in line with a 1.5-degree climate scenario. The Group continues to monitor progress against these targets. More details on each of the targets and the Group's plans can be found in the 'Metrics and Targets' section of this report.

PwC's climate action timeline



Governance

The PwC Global Network



Network Leadership Team (NLT)

Sets the overall strategy for the PwC network and the standards to which member firms agree to adhere. The NLT is made up of the Global Chair of the PwC network and the Territory Senior Partners of the member firms in the UK and the US, plus a fourth member appointed by the Global Board (currently the Territory Senior Partner of PwC Germany and Regional Senior Partner of PwC Europe).



Global Leadership Team (GLT)

Appointed by, and reports to, the NLT. Its members are responsible for leading teams drawn from PwC member firms to coordinate and lead PwC's activities across all areas of the business, including our lines of service and network functional teams.



Global Sustainability Leadership Team (GSLT)

The primary management body relating to our corporate sustainability agenda. It is led by our Global Corporate Sustainability Leader and brings together leaders from our largest member firms, representatives of our regions and subject matter experts to review our corporate sustainability objectives, progress and impact. Its remit covers the network's global environmental and community ambitions.



The Strategy council

Made up of senior partners of the 21 largest PwC firms and regions, including the UK and Middle East, and agrees on the strategic direction of the network and facilitates alignment for the execution of strategy. The leaders of the Strategy Council have a KPI embedded in their performance objectives relating to their progress towards our net zero commitment. In FY18, the Strategy Council (SC) and Network Leadership Team (NLT) provided their official support and approval for our worldwide commitment to reach net zero greenhouse gas (GHG) emissions with 2030 goals.

The Group



UK Management Board

Has strategic oversight of the Group's approach to climate risk, however each territory within the Group undertakes their own operational responsibilities through their respective governance frameworks.



Net Zero Leaders

The Territory Senior Partner of each member firm has appointed a Net Zero Business Leader who is responsible for defining and implementing the net zero plan in their territory, and also provides updates to our Global Corporate Sustainability Team. They sit on, or report directly to, their respective executive body, the UK Management Board in the UK, the Middle East Leadership Team in the Middle East and the Territory Leadership Team in the Channel Islands.

Risk Management

The PwC Global Network¹

At a PwC Network level, Key Network Risks ('KNRs') are identified as those which have the highest potential either to undermine the achievement of the PwC Network strategy and business objectives, or to fundamentally damage the network and compromise its future. For each risk, individual member firms are required to consider the probability of occurrence, the potential operational, forward looking or emerging impact, and develop an appropriate response.

The Environment KNR includes: the impact of physical risks and related disruption; the impact of transitional risks on certain clients, sectors, economies and on our services; and the failure to meet network commitments related to the environment.

Each PwC firm is responsible for their risk framework and systems of internal control with systems of risk control. Additionally, each firm has processes for reviewing new business, monitoring changes in applicable regulatory regimes, reviewing publicly stated sustainability targets, evolving client services and the delivery of quality audit services.

The Group

The Group's overall risk management processes manage strategic and operational business risks, including climate-related risks and opportunities. The Group identifies and manages operational and reputational risks associated with the effects of climate change and environmental degradations on its operations. Climate-related reporting is subject to annual assurance processes, incorporating the Group's internal assurance, supplemented by external assurance regarding the Group's metrics and targets.

Although the assessments to date indicate that the potential direct impact of climate-related risks on the Group's operations is not currently financially material, the risk-exposures continue to be monitored. Territories in the Group recognise the broader strategic significance and potential long-term implications of climate change and therefore continue to recognise climate change as a principal risk. More information on the physical and transitional risks can be found in the 'Strategy' section below.

¹ The PwC network is made up of individual member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

Strategy

In a world where climate change and sustainability challenges are evolving rapidly, the Group recognises the important need to address climate-related risks and embed them within our strategic decision-making.

By aligning our business strategy with global standards and frameworks – and harnessing our expertise to develop innovative solutions – we aim to minimise our environmental footprint, build long-term resilience and help our clients identify, evaluate, and manage climate risks. At the same time, we support them in identifying and implementing emerging opportunities, including navigating the complexities of transitioning to a low-carbon economy. This integrated approach underlines our commitment to responsible leadership and our ambition to help shape a more sustainable and equitable future.

The Group has further updated its physical and transition risk assessment this year. For physical risks, the Group used its own Climate Risk Modelling digital capabilities for our offices and service delivery centres, using the Intergovernmental Panel on Climate Change “IPCC” scenarios and PwC’s proprietary Physical Climate Analytics, powered by Jupiter Intelligence² tool, supplemented with bespoke modelling and external climate datasets where supply chain data was more limited. This analysis was focused on the >4°C scenario which implies greater physical risks to asset values from events related to more extreme weather.

For transition risks, the Group conducted stakeholder interviews with leaders and SMEs across the Group to evaluate previously identified risks. These interviews focussed on re-assessing whether the potential impact and likelihood of each risk was still relevant, including potential timeframes.

The timeframes across which climate-related risks and opportunities have been assessed are short (up to 2030), medium (up to 2049) and long-term (2050 and beyond). The timeframes have been revised during the year to account for the fact that, in the prior year, the short-term period only extended to 2025, necessitating the introduction of updated timeframes. These time horizons align with the short-term emission-based targets and the longer term physical risks that could impact the Group.

The outcome of these assessments continues to indicate that, in the short, medium and long-term, the direct impacts of climate risk are not currently financially material to the Group. However, the Group recognises that it will need to continue to adapt and mitigate the impacts of climate change as these evolve.

² <https://www.pwc.co.uk/services/sustainability-climate-change/insights/physical-climate-analytics-tool-powered-by-jupiter-intelligence.html>

Physical risks

Scenario analysis assessed the exposure to different physical hazards at each of our diverse locations across the UK, the Middle East, and the Channel Islands. The hazards analysed and scenarios used included: extreme rainfall; hail and thunderstorm probability; flood risk; extreme wind speeds; drought frequency; wildfire risk; days of high heat; and extreme cold. The Group's physical risk results outlined below are focussed on the potential impacts arising under a $>4^{\circ}\text{C}$ high-warming scenario, with no additional mitigating activities beyond those already in place, in order to demonstrate the most severe acute effects of climate change and the chronic changes which could materialise over the medium to long-term.

As part of the assessment, existing mitigating measures were considered. For example; as part of the analysis of flood risk in the UK, existing external flood defences were included. An analysis demonstrating the potential impact of flooding with no flood defence measures was not deemed useful given that these already exist.

Each site is assessed for the impacts of physical risks using a hazard score. This is an aggregated measure of hazard level across the underlying metrics associated with each hazard. Each site is scored from 0 to 100 for each hazard in 2025 (current hazard score) and then compared to a projected hazard score for 2050. The two scores are plotted against each other on the score matrix to understand how physical risks might change over time. By approaching the analysis in this way, the Group can analyse how hazards might materialise into financial risk.

Summary of physical risks

| Risks and opportunities identified | Physical hazard score matrix | Time horizon | | | Business impact | Business response |
|---|------------------------------------|--------------|-------------|-----------|---|--|
| | | Short-term | Medium-term | Long-term | | |
| | >4°C high-warming scenario by 2050 | | | | | |
| Physical risks | | | | | | |
| Physical risks to office infrastructure arising from acute and chronic climate events, specifically flood risk in the UK, storm risk in the Channel Islands and heat risk in the Middle East. | | | X | X | Disruption to delivery of services; increased costs through property damage, power and telecommunication outages and improving property resilience. | <p>The Group's overall dispersed office footprint reduces the risk of widespread disruption from extreme weather events because in areas of high headcount we have alternative office locations to enable business continuity.</p> <p>Ongoing investment in business continuity, including certified business continuity management systems such as the ISO 22301:2019 and 14001 standard, supports the Group's management of the risk of disruption to its core operations and buildings.</p> <p>The Group has also invested heavily in technology, enabling our people to work remotely if needed, and to support continued operations should an unexpected climate event materialise.</p> |
| Physical risk to the infrastructure of service delivery centres arising from acute and chronic climate events. | | | X | X | <p>The flooding, heat, precipitation, thunderstorm and windspeed physical risks have the potential to result in disruption to delivery of services, inability to access offices, increased costs through property damage, power and telecommunication outages.</p> <p>This is particularly important given the greater reliance on alternative delivery models to deliver client and firm support services.</p> | These risks continue to be actively monitored and mitigated through local service delivery centre business continuity plans, which are also required by the PwC Network standards. |

Transition risks

As a professional services firm, the impact of climate risk on our own business is likely to materialise as a result of changed circumstances at the clients we serve and the associated revenue we receive for our services. The Group delivers tailored, industry-focused services and solutions for public and private sector clients, across all lines of service, industries and geographies.

The Group conducted stakeholder interviews with leaders and subject matter experts across the Group to re-evaluate previously identified risks. These interviews focused on re-assessing whether the potential impact and likelihood of each risk was still relevant, including potential timeframes. The outcome of this reassessment reaffirms the Group's conclusion that transition risks are not currently financially material. The Group will continue to monitor the direct impacts from the identified transitional risks, paying particular attention to any potential reputational impacts.

Summary of transition risks and opportunities

| Risks and opportunities identified | Time horizon | | | Business impact | Business response |
|---|--------------|-------------|-----------|---|---|
| | Short-term | Medium-term | Long-term | | |
| Transition risk | | | | | |
| Adapting our core services to embed consideration of climate risk in line with regulatory and legislative changes, market expectations and client's evolving risk exposure to the physical effects of climate change. | | X | | Reputational damage and possible financial loss arising from the Group's failure to adapt core services in consideration of the impacts of climate change. If the level of quality in the Group's services was deemed to be impaired, reputational damage could lead to loss of market share to competitors, impacting revenue. | <p>The Group provides sustainability consulting and risk advisory services to clients; this enables us to support clients to report on climate issues and also to adapt their businesses in response to climate change impacts. While the demand for these services may be reduced due to decreases in client earnings, the Group has an opportunity to promote its Navigating Sustainability services and support its clients to transform and address the impacts from climate change or increased regulations.</p> <p>The transition risk differs across territories due to local regulation requirements. Localised regulation may further change in specific regions such as the Middle East. Continued investment in the Group's ESG-related people, technology and service offerings underpin this response.</p> |

| Risks and opportunities identified | Time horizon | | | Business impact | Business response |
|--|--------------|-------------|-----------|--|---|
| | Short-term | Medium-term | Long-term | | |
| Transition risk | | | | | |
| <p>Increased climate related regulation such as carbon taxes or more stringent climate reporting requirements leading to increased costs to the Group for compliance, as well as increased risk of non-compliance leading to fines and/or reputational damage.</p> | X | | | <p>Potential increased costs to the Group from the implementation of carbon taxes, additional compliance costs and fines for non-compliance on the Group. These challenges may necessitate resource reallocation and strategic adjustments, affecting the firm's efficiency and profitability. Poor compliance with new regulatory expectations could result in financial penalties and damage the Group's reputation, affecting client trust and loyalty. This reputational impact may weaken the Group's market position, leading to a loss of clients and increased scrutiny from regulators.</p> | <p>The Group closely monitors the evolving carbon cost landscape and integrates these developments into its financial planning and decision-making processes. This includes tracking emerging carbon pricing mechanisms such as carbon taxes, emissions trading schemes, and potential broader carbon adjustments.</p> <p>We proactively plan to mitigate financial impacts where possible. For instance, the Group has secured an offtake agreement that provides short-term protection against volatility in carbon offset prices and will continue to manage these costs proactively. While the financial impacts of carbon pricing are currently considered immaterial to the business in the short- to medium-term, a rapid escalation in carbon credit prices could significantly affect our existing environmental budget.</p> |
| <p>Clients or sectors who may be significantly impacted by climate-related risks, and fail to transition sufficiently quickly, suffer increased costs, reduced revenue or cessation of operations.</p> | | X | | <p>Potential loss of revenue as clients or sectors face disruption, leading to both reduced client budgets for professional services or clients ceasing to operate, potentially necessitating shifts in the Group's strategic focus and service offerings.</p> | <p>Opportunities to support all clients, including at-risk clients and those facing their own inherent risks, exist through current offerings and through the continued development of the Group's broader service offerings.</p> <p>The transition risk exposure lies in manufacturing, energy, utilities and resources companies together with the pharmaceutical and transportation sectors as these carry out carbon-intensive activities. We continue to monitor these sectors and our clients in the financial services sector as they play an important role in the transition to a net zero economy.</p> |

| Risks and opportunities identified | Time horizon | | | Business Impact | Business response |
|---|--------------|-------------|-----------|--|---|
| | Short-term | Medium-term | Long-term | | |
| Transition risk | | | | | |
| Falling short of contributing in a meaningful way to the climate agenda or working with clients who do not align to a low carbon transition. This may impact the Group's goal to be the pre-eminent professional services firm and reduce PwC's ability to attract and retain talent. | X | X | | Potential negative impact on public perception and brand integrity of the Group by failing to contribute meaningfully to the climate transition or by continuing to work with clients who do not support a low-carbon transition. This reputational risk could lead to a loss of business opportunities and partnerships, diminished client and stakeholder trust, difficulties in recruiting and retaining talent and failure in the Group's goal to be the pre-eminent professional services firm. | <p>The importance placed on trust and transparency is demonstrated through our public net zero targets, our corporate sustainability strategy and associated reporting. The Group is committed to contributing our time and expertise to progressing and advocating for the climate agenda across all sectors through our Navigating Sustainability services.</p> <p>The Group has processes in place to manage risks of brand integrity from client association, such as client engagement and acceptance processes including Line of Service panels and a Firm Client Committee.</p> |
| Transition opportunities | | | | | |
| Supporting clients in addressing climate-related risks and opportunities arising for them. | X | | | Potential for revenue growth / increasing market share from adapting core services and developing and scaling new services to help clients understand, respond to and report on the implications of climate change for their businesses. | To meet this challenge, we have made strategic investments to scale our Group's sustainability services. These offerings bring together our sustainability specialists, aiming to connect expertise, capabilities, and solutions across our global network in an integrated manner. This enables us to better support clients in navigating the rapidly evolving landscape of climate-related risks. Our core focus areas include helping clients understand their exposure to both physical and transition climate risks, and identifying opportunities for net zero transformation – enhancing value, reducing costs, and building long-term resilience. In addition, the Group supports clients in meeting their climate and sustainability reporting obligations. |
| Advocacy and contribution of expertise to wider policy and/or sector-based/market efforts specifically focused on physical risks (adaptation and mitigation) and transition related challenges such as low carbon alternatives. | X | | | Purpose-led responses to support solving of important issues providing reputational benefits and the brand value of the business as well as engaging PwC's people. This could include contribution to pieces of thought leadership or secondments of employees to policy development organisations or sector-wide standard setting bodies. | Through advocacy towards the simplification and improvement of how climate change is reported and measured, the Group can facilitate addressing emerging policy and transition challenges for clients and broader society. |

Metrics and targets

PwC Network net zero targets



Reduce scope 1 and 2 absolute emissions by 50% from a FY19 base by FY30



Transition to 100% renewable electricity in all territories by FY30



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



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

Group progress against PwC network targets

The Group is ahead of target with an 82% reduction in scope 1 and 2 carbon emissions, driven by increased energy efficiency achieved through a combination of improved real estate stock and operational changes. In addition, we are increasingly securing the provision of renewable energy as it becomes available in more markets that we operate in.

The Group has transitioned to 100% renewable electricity since 2022 and will endeavor to maintain continued security of supply.

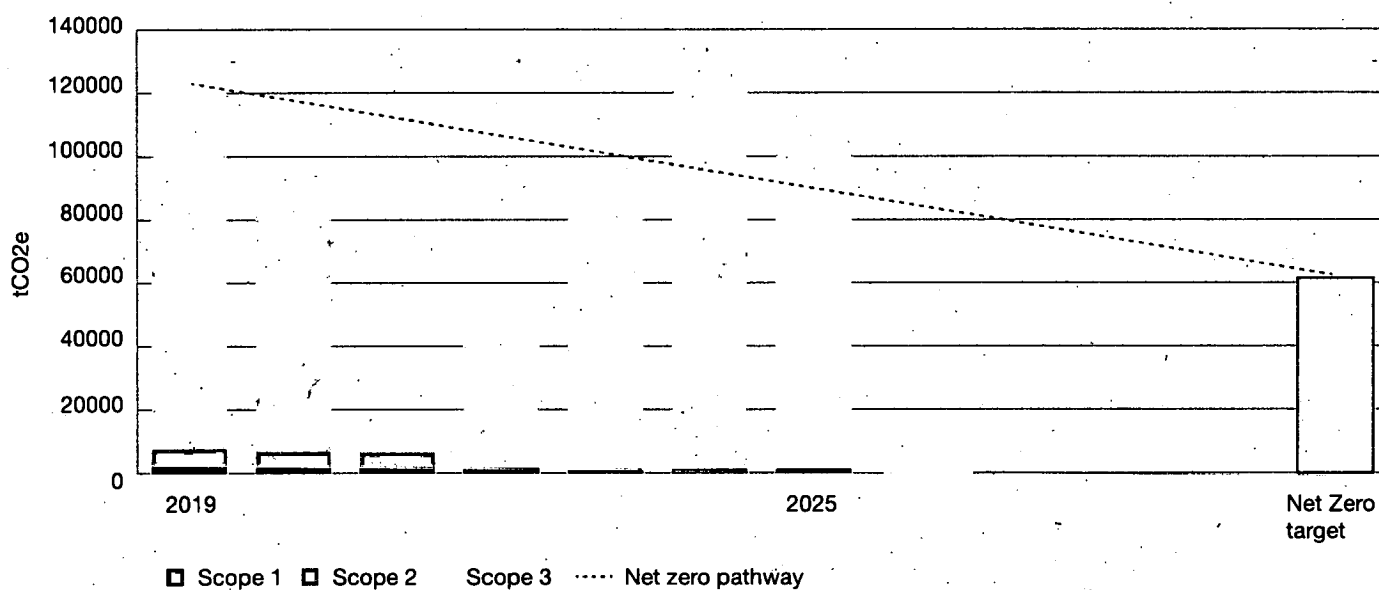
The Group's business-related travel emissions have decreased by 5% against the baseline. The current year 8% decrease was largely driven by changes made in the Middle East; however across the Group we have seen a reduction in the volume of flights and a shift to lower carbon-intensive travel.

The Group has 28% of its supplier emissions covered by SBTis. While the UK has exceeded its target, progress in the Middle East and Channel Islands lagged due to lower market adoption and limited regulatory drivers, reducing supplier readiness to set science-based targets. Although we missed out FY25 target, we continue to support our supply chain in each of the markets that we operate in, we continue to advocate the setting of validated carbon reduction targets and the further development of sustainable operations through various methods, including contract terms where appropriate and one-to-one engagement.



GHG emissions

The graph illustrates the Group's emissions reduction progress towards our net zero goals to halve our operational carbon footprint by 2030 against our 2019 baseline. The dotted line represents the required decarbonisation pathway to net zero, averaging a 4.2% year-on-year reduction. Following a post-covid emissions rebound, the Group has stabilised emissions and has now initiated a downward trajectory. We remain behind our projected pathway and are actively implementing further decarbonisation measures to stay aligned with our net zero pathway.



Source: Group scope 1, 2 and 3 emissions. This does not include Scope 3 extended emissions (purchased goods and services, employee commuting and employee working from home)

Group's GHG emissions¹

| | Tonnes CO ₂ e ² | | | |
|--|---------------------------------------|----------------|----------------|----------------|
| | 2025 variance against baseline | 2025 | 2024 | 2019 Base |
| Scope 1 | -32% | 1,352 | 1,278 | 1,977 |
| Gas (natural and biogas) | -48% | 491 | 666 | 951 |
| Oil | 0% | - | 6 | - |
| Biodiesel | -100% | - | - | 19 |
| Diesel | -49% | 87 | 83 | 170 |
| Vehicles | -32% | 443 | 404 | 656 |
| Fugitive emissions | 83% | 331 | 119 | 181 |
| Scope 2 (market based³) | -100% | - | - | 5,616 |
| Electricity consumption (market based ³) | -100% | - | - | 5,616 |
| Scope 3 | -4% | 110,569 | 120,067 | 115,583 |
| Fuel and energy related activities | 5% | 3,271 | 3,052 | 3,122 |
| Waste generated in operations | 22% | 188 | 162 | 154 |
| Accommodation | -3% | 21,064 | 25,622 | 21,670 |
| Air | -5% | 77,229 | 81,502 | 81,574 |
| Rail | -27% | 1,572 | 1,647 | 2,153 |
| Road ⁴ | 5% | 7,245 | 8,082 | 6,910 |
| Total Business travel | -5% | 107,110 | 116,853 | 112,307 |
| Total Scope 1, 2 and 3 emissions (market based) | -9% | 111,921 | 121,345 | 123,176 |
| Total emissions offset (percentage) | 0% | 100 | 100 | 100 |
| Total emissions intensity (tonnes CO ₂ e/ ⁵ £m revenue) ⁵ | -39% | 17.6 | 19.2 | 29.1 |
| Scope 3 (extended) | 38% | 227,823 | 216,893 | 165,141 |
| Purchased goods and services ⁶ | 41% | 205,843 | 192,974 | 146,035 |
| Employee commuting and working from home ⁷ | 15% | 21,980 | 23,919 | 19,106 |

1 Certain base year and comparative numbers have been updated to reflect revised emission factors. In the prior year accounts – Fugitive emissions 2024: 60, 2019: 125, Fuel and energy related activities: 2024: 2,754, 2019: 2,957 and Waste generated in operations 2024: 544, 2019: 451
2 The emissions presented in this table arise from the Group which includes the emissions in the UK, Middle East and Channel Islands. Emissions relating to services acquired from overseas delivery centres in which the Group has an equity stake are included in the purchased goods and services category.

3 Emissions under the GHG protocol 'Market based' approach³, reflecting the use of Energy Attribution Certificates ('EACs').

4 Road travel emissions include company car business mileage and taxi travel.

5 Our total emissions intensity is based on total Scope 1, 2 and 3 emissions (market based).

6 Includes emissions from capital goods, upstream transport and distribution and SDCs.

7 Includes emissions from employees working from home or commuting to the office and client sites.

The Group has achieved a 9% reduction in total emissions compared to our 2019 baseline, with air travel remaining the most significant contributor. We recognise that business travel is essential to our operations – enabling strong connectivity with clients and colleagues, especially when serving our regionally dispersed clients in the Middle East. However, we remain firmly committed to reducing emissions associated with business travel and to exploring ways to decouple our business growth from our environmental impact. This commitment has already driven a reduction in overall travel volumes, contributing to our emissions reduction progress.

Beyond the current net zero targets, to drive further change within our value chain, the Group engages with its clients, suppliers and regulators to address challenges; these include reviewing nascent climate technology start ups as reported in our Net Zero Future50 report and supporting clients to drive investment in renewable technology.

There are also a number of initiatives to engage our people to live more sustainably and reduce their respective emissions, such as our Sustainable Living at Home guide and Nature Network programme, which acknowledges the interdependencies of nature, climate and resilience through educational workshops and webinars.

The Group uses the 'Market based' approach to calculating our scope 2 emissions from electricity, which reflects its renewable electricity contract.

The Group reports on relevant scope 3 emission categories, in accordance with the GHG Protocol Corporate Standard. Our extended scope 3 reporting relates to our long term target scope, and encompasses emissions not within our direct operational control, including employee commuting work-from-home emissions, and supplier emissions associated with procured goods and services.

UK's GHG emissions

In the UK, we are required to report on local emissions under local regulations, including the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 on Streamlined Energy and Carbon Reporting ('SECR').

| | Tonnes CO ₂ e ¹ | | | |
|--|---------------------------------------|---------------|---------------|---------------|
| | 2025 variance against baseline | 2025 | 2024 | 2019 Base |
| Scope 1 | -36% | 542 | 312 | 841 |
| Gas (natural and biogas) | -60% | 280 | 252 | 697 |
| Biodiesel | -100% | - | - | 19 |
| Total stationary combustion of fuels | -61% | 280 | 252 | 716 |
| Fugitive emissions | 109% | 262 | 60 | 125 |
| Scope 2 (market based) | -100% | - | - | 2,139 |
| Electricity consumption (market based ²) | -100% | - | - | 2,139 |
| Electricity consumption (location based ³) | -44% | 3,831 | 3,990 | 6,879 |
| Scope 3 | -37% | 47,758 | 49,319 | 76,214 |
| Fuel and energy related activities | -30% | 1,447 | 1,553 | 2,076 |
| Waste generated in operations | -81% | 8 | 20 | 44 |
| Accommodation | -71% | 2,642 | 2,524 | 9,043 |
| Air | -34% | 38,808 | 39,683 | 58,531 |
| Rail | -27% | 1,571 | 1,645 | 2,149 |
| Road ⁴ | -25% | 3,282 | 3,894 | 4,371 |
| Company car (SECR) ⁵ | -72% | 1,048 | 1,258 | 3,713 |
| Other road emissions | 240% | 2,234 | 2,636 | 658 |
| Total Business travel | -38% | 46,303 | 47,746 | 74,094 |
| Total Scope 1, 2 and 3 emissions (market based) | -39% | 48,300 | 49,631 | 79,194 |
| Total Scope 1, 2 and 3 emissions (location based) | -38% | 52,131 | 53,621 | 83,934 |
| Total Scope 1, 2 and 3 emissions (SECR) ⁶ | -54% | 5,159 | 5,500 | 11,308 |
| Total emissions offset (percentage) | 0% | 100% | 100% | 100% |
| Total emissions intensity (SECR) (tonnes CO ₂ e/£m revenue) | -63% | 1.2 | 1.3 | 3.3 |
| Total emissions intensity (tonnes CO ₂ e/£m revenue) ⁷ | -51% | 11.3 | 11.7 | 22.9 |
| Scope 3 (extended) | -14% | 90,228 | 86,331 | 104,452 |
| Scope 3 (extended) Purchased goods and services ⁸ | -14% | 78,092 | 72,910 | 90,687 |
| Employee commuting and working from home ⁹ | -12% | 12,136 | 13,421 | 13,765 |

1 The emissions presented in this table arise only in the United Kingdom and exclude the emissions of our subsidiaries activities in the Middle East and the Channel Islands reported in the Group GHG metrics disclosed separately. Emissions relating to services acquired from overseas delivery centres in which the UK firm has an equity stake are included in the purchased goods and services category.

2 Emissions under the GHG protocol 'Market based' approach, reflecting the use of Energy Attribution Certificates ('EACs').

3 Emissions under the GHG protocol 'Location based' approach, reflecting the average emissions intensity of the grid on which energy consumption occurs.

4 Road travel emissions include company car business mileage and taxi travel.

5 In line with SECR requirements, company car emissions are fuel reimbursed to employees following claims for business mileage.

6 The total emissions calculated under the SECR Regulations comprise the stationary combustion of fuels, location based electricity consumption and company car business travel.

7 Our total emissions intensity is based on total Scope 1, 2 and 3 emissions (market based).

8 Includes emissions from capital goods, upstream transport and distribution and SDCs.

9 Includes emissions from employees working from home or commuting to the office and client sites.

We continue to review and enhance the methodology for the calculation of our emissions metrics to adopt best practices. Where enhancements or changes in estimation lead to more accurate data, we will restate comparative information.

| | Units | Variance | 2025 | 2024 |
|---------------------------------|-------------|----------|------|------|
| Total energy consumption | Million kWh | -3% | 31 | 32 |
| Gas (natural and biogas) | Million kWh | 5% | 9 | 9 |
| Electricity | Million kWh | -4% | 19 | 19 |
| Road (company cars) | Million kWh | -13% | 3 | 4 |

The UK's energy reduction programme spans all its offices, 19 at 30 June 2025 (2024: 19), and focuses on consolidating and redesigning office space, operating more efficiently, investing in new technology, and encouraging employees to act sustainably.

During the financial year ended 30 June 2025, the UK continued to meet its target of sourcing

100%

(2024: 100%) of electricity from renewable sources.

The UK has been measuring, reducing and offsetting its operational carbon emissions since 2007. In that time, the total carbon footprint has significantly reduced, with emissions within our operational control declining to 48,300 tCO₂e in the financial year ended 30 June 2025, 39% below our reporting baseline of 2019. Over the same period, the UK's revenue has grown by 24%, whilst total emissions intensity (tCO₂/£m revenue) has fallen from 22.9 in 2019 to 11.3 in 2025.

During the same period, UK energy consumption decreased by 3%, remaining below our 2019 baseline. This reduction reflects our continued commitment to energy efficiency through strategic capital investments and innovative building management practices. Key initiatives included energy-saving projects and the implementation of advanced building analytics systems to optimise operational performance via our Building Management Systems. For example, at our Birmingham office, expanded use of passive infrared (PIR) sensors within the lighting system significantly reduced energy consumption during periods of low occupancy. At Embankment Place, the introduction of heat recovery systems within air handling units minimised energy required for heating outside air. Further reductions were achieved by strategically managing conditioned space during low-occupancy periods, such as summer and the winter holidays.

The UK reduced its total scope 1 and 2 absolute emissions by 82% from a FY19 base to FY25, ahead of the 50% target by FY30. Year on year the total scope 1 and 2 absolute emissions increased by 74%. This was due to a number of refrigerant losses across the portfolio including a large loss in the previous Glasgow office in July 2024, due to aging equipment. PwC has now moved to a new, modern Glasgow office, reducing the risk of similar losses.

*Variance % are to a full degree of accuracy

Management and standards

About this disclosure

Information on targets and related programmes can be found on the UK's website and in its Carbon Reduction Plan. The UK's carbon emissions are also published in the Integrated Reporting Hub: www.pwc.co.uk/who-we-are/reporting-hub.html.

The Group uses a variety of recognised external environmental standards to help maintain rigour and continuously improve its processes.

The Greenhouse Gas Protocol, Intergovernmental Panel on Climate Change ('IPCC') emission factors, IEA conversion factors, UK Government environmental reporting guidelines and emission factors, including UK Government Department for Energy Security and Net Zero ('DESNZ') factors, and European residual mix factors ('RE-DISS') have been used to calculate the GHG footprint in this report.

These metrics focus on the consumption of energy and the associated carbon emissions in the financial year ended 30 June 2025.

A separate report has been issued by Crowe U.K. LLP on their independent limited assurance engagement in accordance with ISAE 3000 & 3410 for which there were no qualifications.

The Climate risk statement on pages 91 to 109 was authorised for issue and signed on 14 August 2025 on behalf of the members of PricewaterhouseCoopers LLP, registered number OC303525, by:

Simon Hunt

Chief Financial and Administrative Officer

A complete list of the members can be found on the Companies House register.



1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100