



The Executive Board
The Netherlands Authority for the Financial Markets
PO Box 11723
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13 October 2015

Subject: Dashboard 2015: Change and measures for improvement

Dear Sirs,

This past year, we have increased the pace of transformation within our organisation. This transformation is focusing on quality, greater adaptability and capacity to learn, and on transparency and accountability to society, all within the context of our global purpose and our belief that the key to restoring trust lies in greater transparency about what we stand for as an organisation and about the dilemmas we face. We have made serious firm-wide progress this year in the cultural and behavioural change needed for this. We take your view that PwC largely meets your expectations for 2015 primarily as a major expression of appreciation for all of the PwC people who have worked hard to achieve this.

Your view that our new root cause analysis approach has the potential to provide thorough and comprehensive insight into the underlying causes of positive and negative aspects of quality supports our belief that we are on the right track.

In our Annual Report 2014/2015 and Transparency Report 2014-2015, we provide a comprehensive overview of our vision, strategy and procedures. Our Annual Report sets out our vision and explains how we use the PwC Experience and the PwC Professional to translate this into the conduct and behaviour we are striving for and how we influence that conduct and behaviour continuously through our Moments that Matter cultural change movement. Amongst other things, the Transparency Report describes our quality-focused evaluation and remuneration policies.

These documents also provide the status of the measures we are in the process of implementing. Since 1 May of this year, for instance, we introduced the claw back scheme in June and we recently finalised and published our investment and Board of Management remuneration policies. Since 1 May of this year, we also now have a Supervisory Board in place, comprising seven external members. This Board provides us with critical input from outside, and this is leading to a greater level of transparency and a clearer reflection of external factors in our decision-making processes.

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At the same time, we are very conscious of the fact that we are not there yet. We are embracing the matters for attention that you have raised. We share your view that many of the measures for improvement need time to come fully to fruition in our daily practice, and we understand your decision to limit your current investigation to the design of the measures for change and improvement and not to focus at this stage on their operating effectiveness.

Your Dashboard 2015 reports on your investigation into whether we, as an audit firm, have met your expectations for 2015. In the run up to the finalisation of the Dashboard, we have tried to get a clear view of precisely what these expectations are for the various modules. We believe that further clarity is needed on a number of these expectations.

We would therefore very much appreciate continuing this dialogue as soon as possible, as a better level of insight on the part of all parties concerned into the expectations would put us and the sector in a better position to anticipate and respond.

Yours faithfully,
PricewaterhouseCoopers Accountants N.V.

Michael de Ridder, Chair of the Assurance Board