

Audit Board Remuneration Committee Activity report

For the year ended
30 September 2025



KPMG. Make the Difference.

Activities during the year ended 30 September 2025

During the year, the RemCo focused on several key areas related to the Partner and RI promotion process and outcomes. These included:

- Overseeing the performance management and remuneration of Audit Partners and RIs.
- Reviewing Audit Quality Monitoring reports to ensure alignment with performance standards.
- Focusing on succession planning to ensure continuity of leadership.
- Evaluating the RI appointment process.
- Ensuring a strong link between audit quality, performance and remuneration by establishing principles for the remuneration of Audit Partners and RIs.
- Partner and RI balanced scorecard implementation and embeddedness.

In numbers

- The RemCo met on two occasions during the reporting period.

Looking ahead to FY26

The Audit Board will:

- Continue its monitoring of the firm's efforts to enhance audit quality. This will involve considering the adequacy of the firm's policies and procedures supporting audit quality, as well as evaluating the effectiveness of the measures taken to address the underlying issues, including those aimed at strengthening the root cause analysis process.
- Gain insight of the interactions between the UK and Swiss Audit Practices and ensure that the UK Audit practice maintains its commitment to the delivery of high-quality audits.
- Understand how the firm incorporates regulatory requirements into its processes and controls.
- Monitor the firm's overarching operations and its global network to determine their influence on audit quality and the robustness of the Audit Practice, including enhancements to the quality management system and implementation of the new QC 1000 standard.
- Monitor the resolution of legacy regulatory issues, ensuring that any corrective actions are effectively implemented. Furthermore, understand how the Audit practice will enhance risk management procedures to effectively navigate the complex and interconnected risk environment.
- Understand how the Audit practice will continue to adapt to digital disruption and advancements in Artificial Intelligence (AI) by managing the associated risks, its impact on the required skills and audit quality.

