

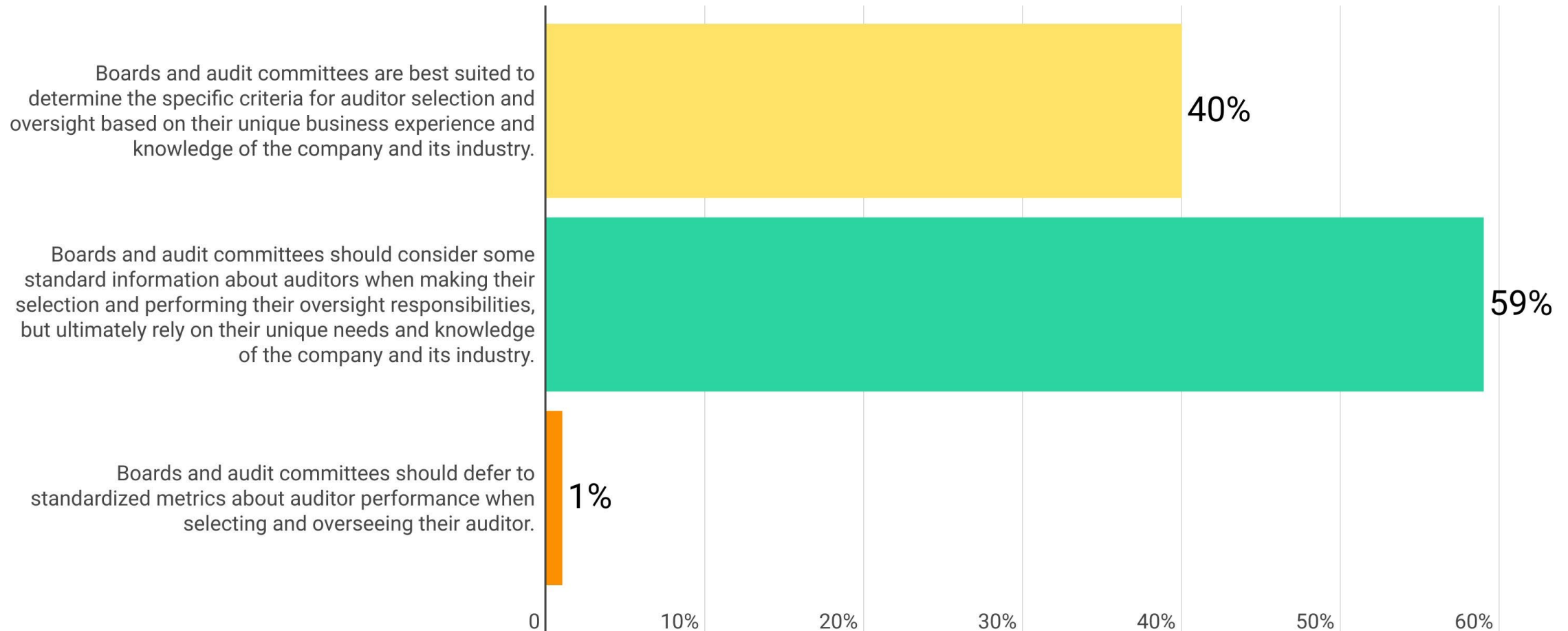


Audit Firm & Engagement Disclosures; Stakeholder Information Needs

Audit Committee Survey

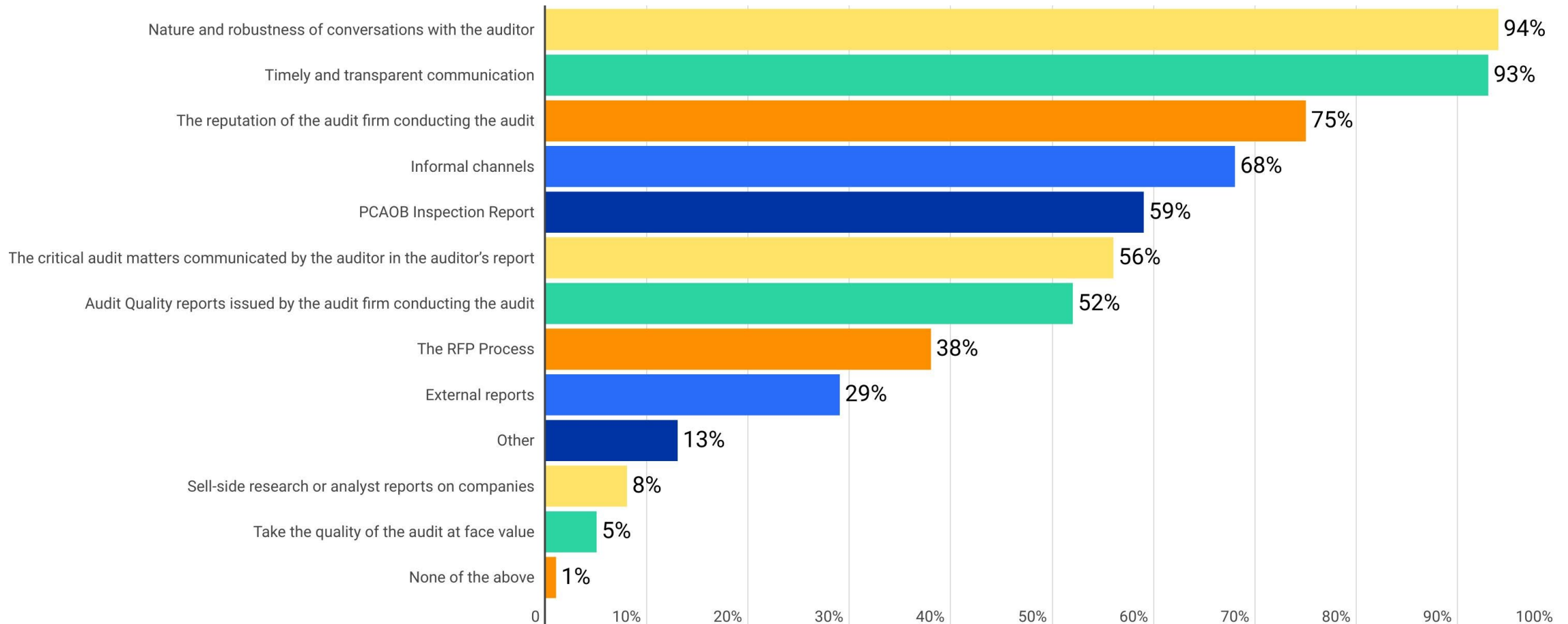
The majority of audit committees agree some standard information about auditors should be considered when making their selection and performing their oversight responsibilities, but ultimately rely on their unique needs and knowledge about the company and its industry. Only 1% would defer to standardized metrics about auditor performance when selecting and overseeing their auditor.

Which of the following statements most closely matches your opinion about the corporate board's responsibility to select and appoint an auditor? N = 242



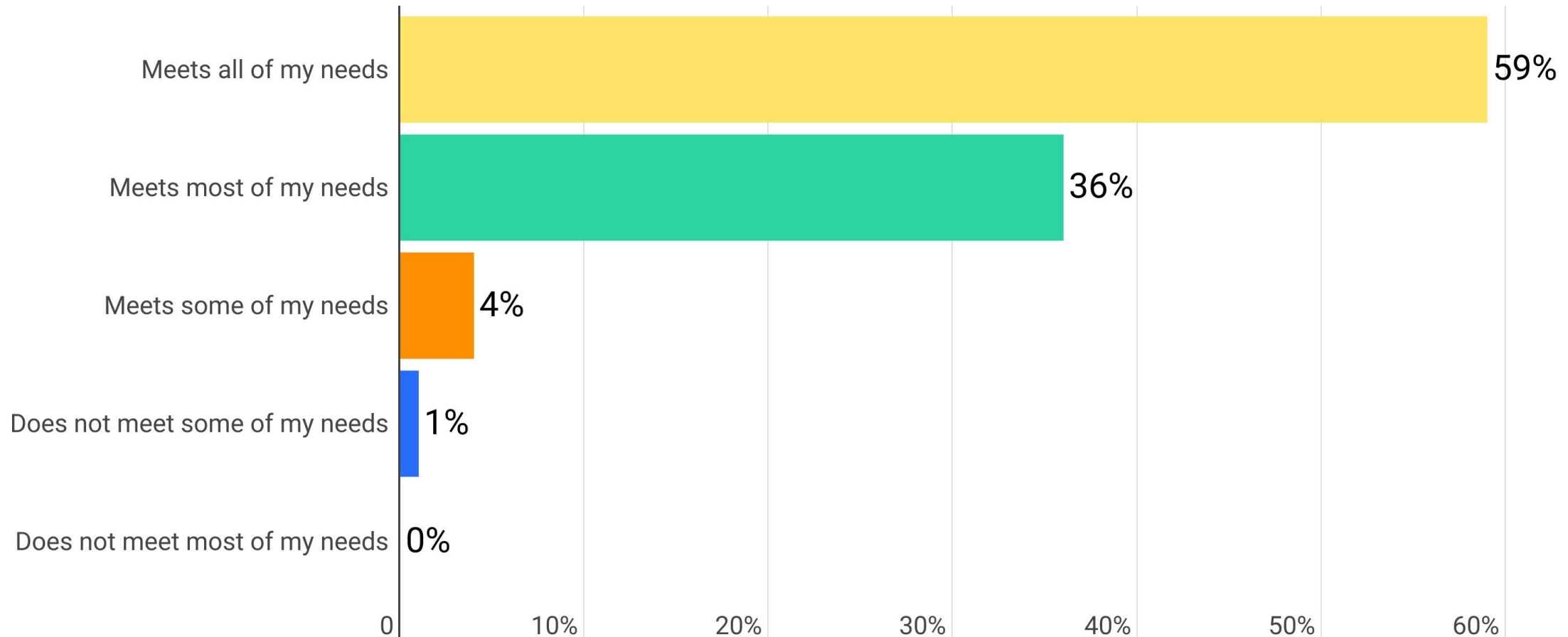
Communication, including robust conversations with the auditor, is cited most frequently as key to evaluate quality of audit, followed by firm reputation

How do you evaluate the quality and reliability of the audit of financial statements of the publicly traded companies for which you sit on the board? N = 242



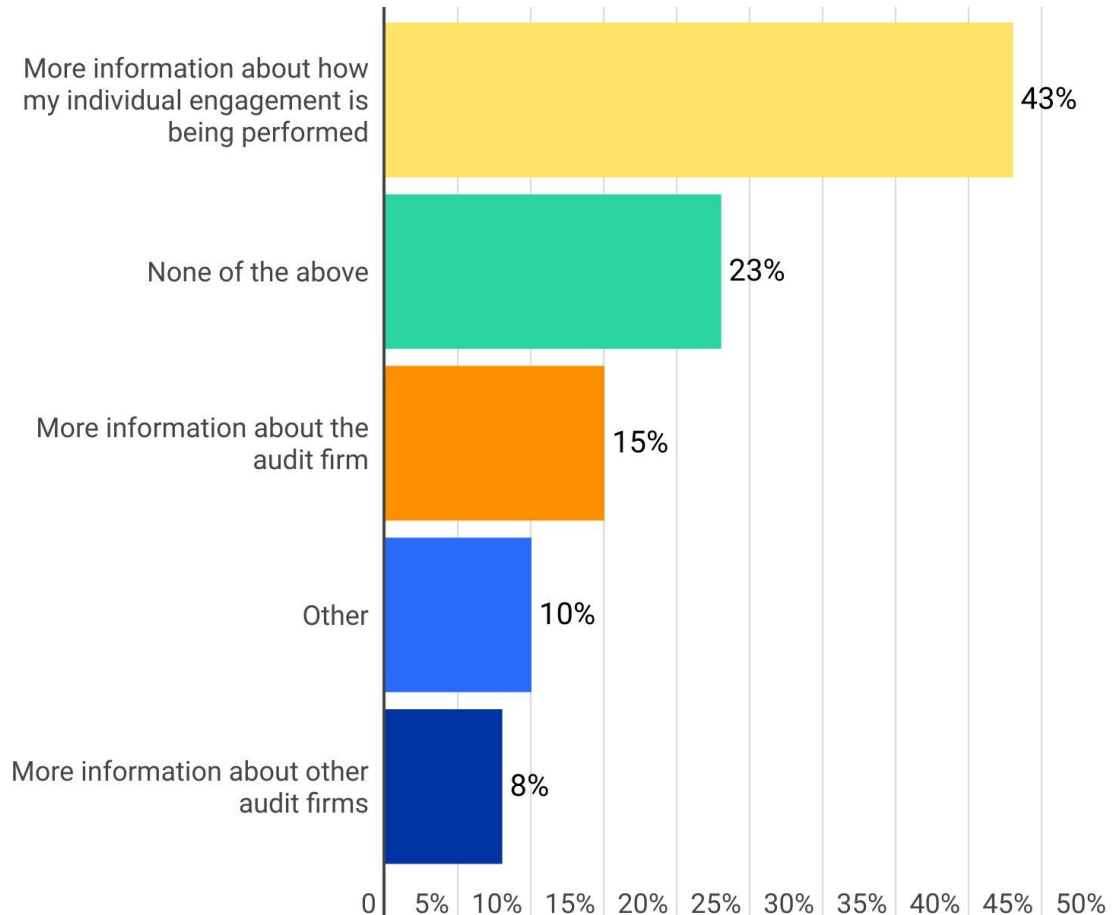
95% of audit committees say the information available to them to fulfill their external auditor oversight responsibilities meets most to all of their needs.

What is your opinion on the information available to you to fulfill your audit oversight responsibilities and assess the quality of your external auditor at both a firm and engagement level? N = 242

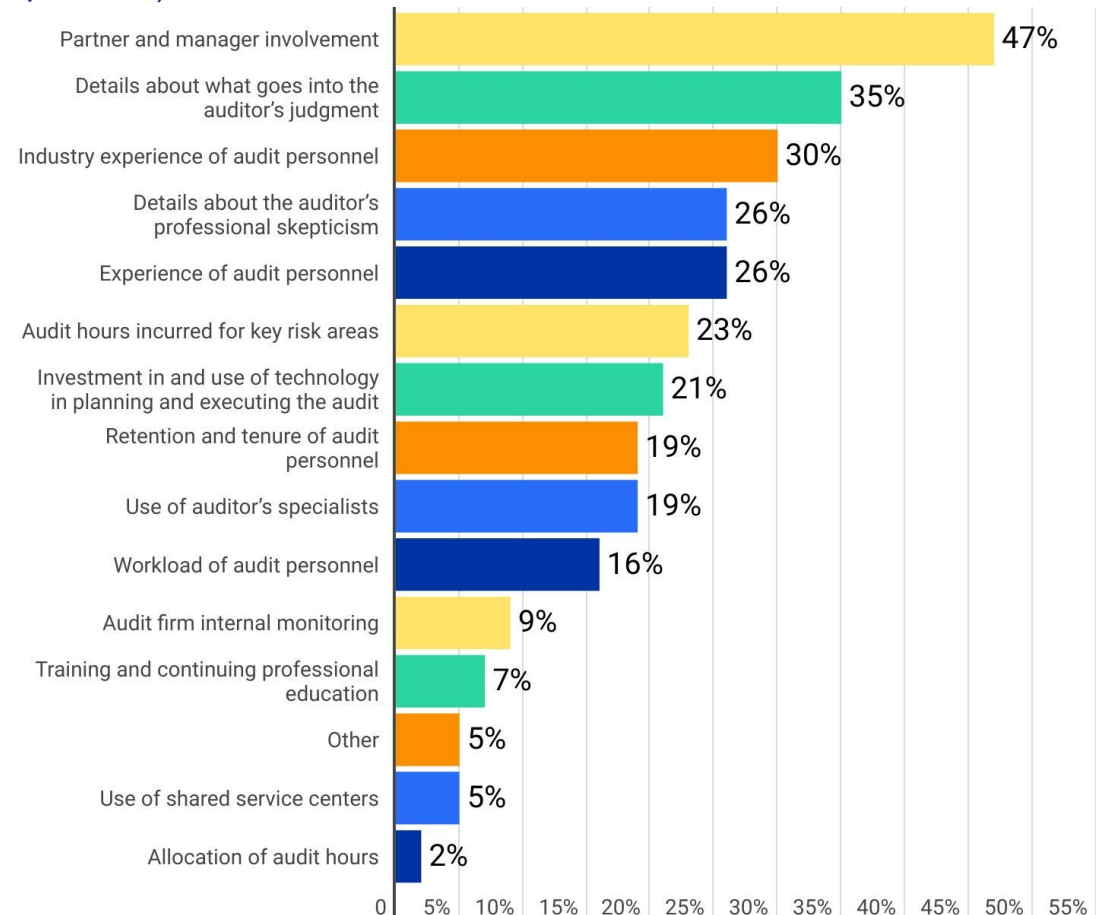


43% of audit committees seek more information on their company's engagement. Details on partner engagement, auditor judgment identified most frequently.

What are the top three areas in which you want additional information about your individual audit engagement(s)? N = 99 (respondents who did not answer information meets "all" of my needs in prior question)

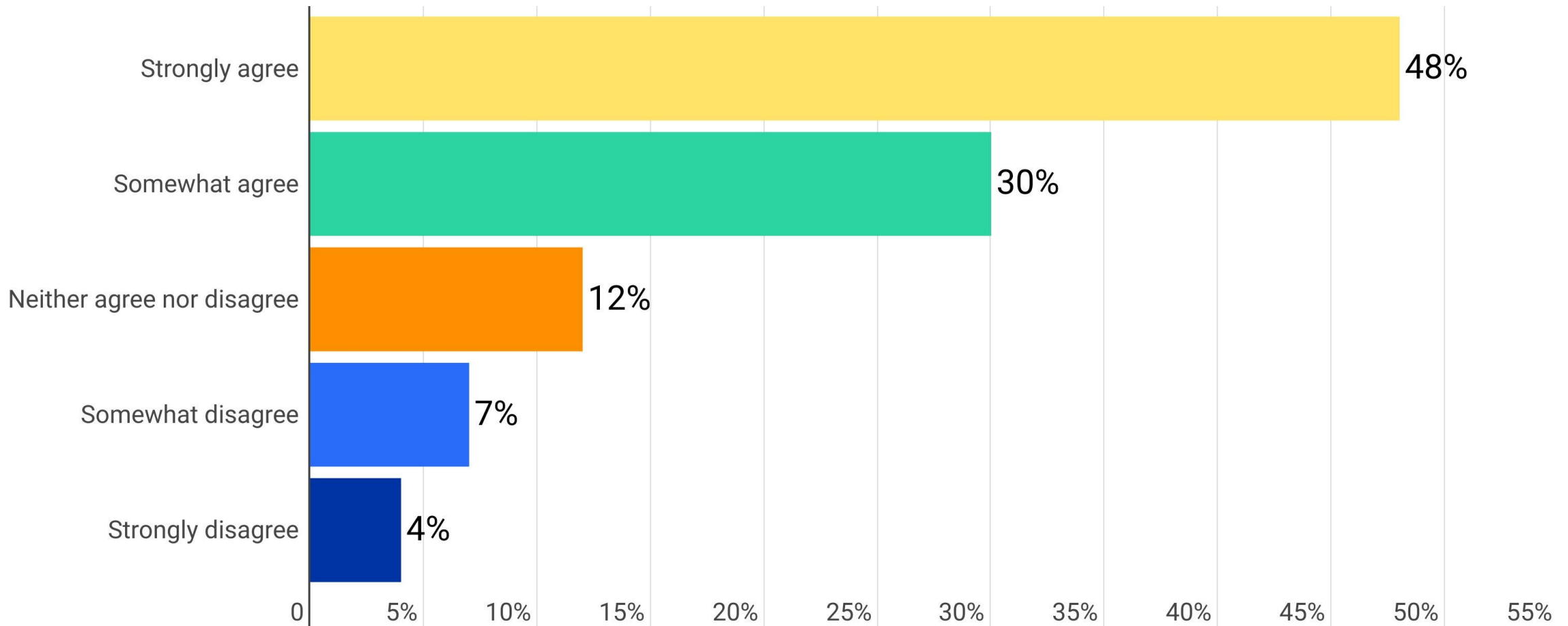


What are the top three areas in which you want additional information about the firm? N = 43 (respondents who answered "more information about how my individual engagement is being performed" in prior question)



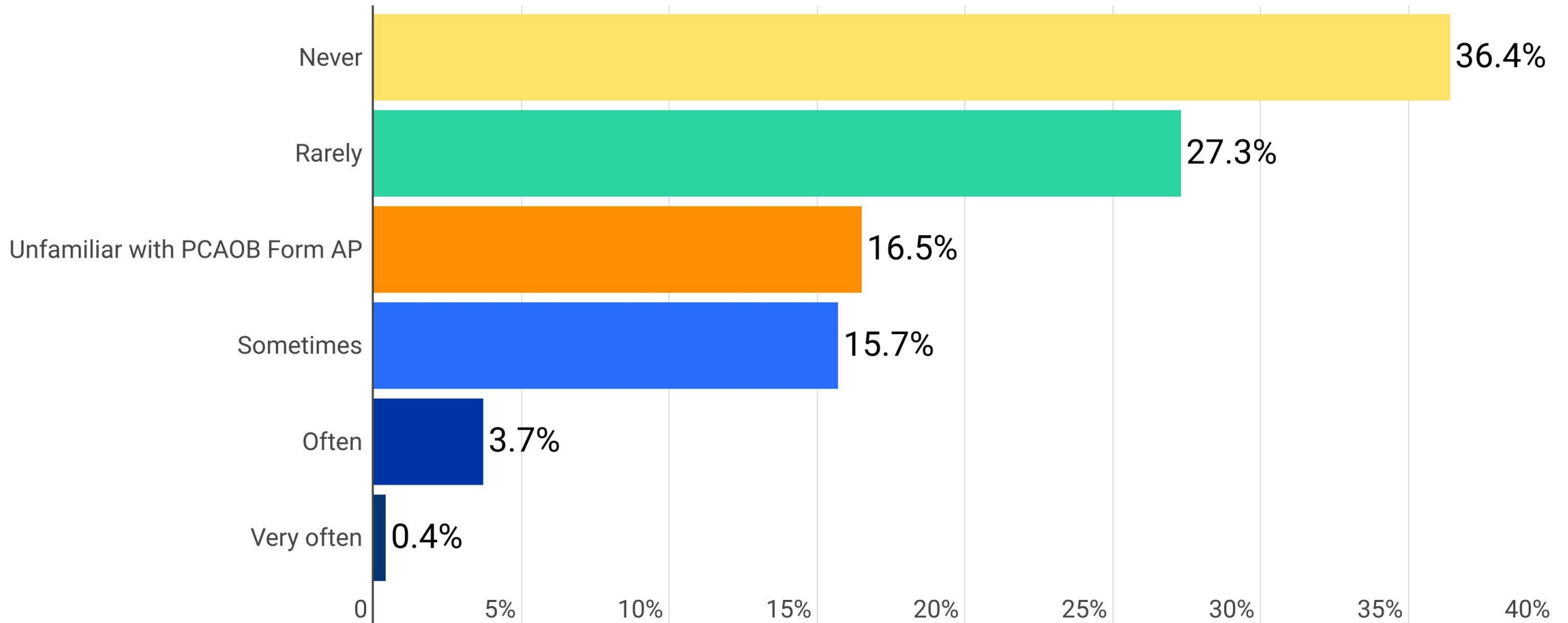
Audit committee members are concerned that mandated public disclosure of engagement-level performance metrics, including issuer name, could lead to unintended consequences and should be voluntary.

Mandated public disclosure of engagement-level performance metrics, including issuer name, could lead to unintended consequences and as such should be voluntary. N = 242



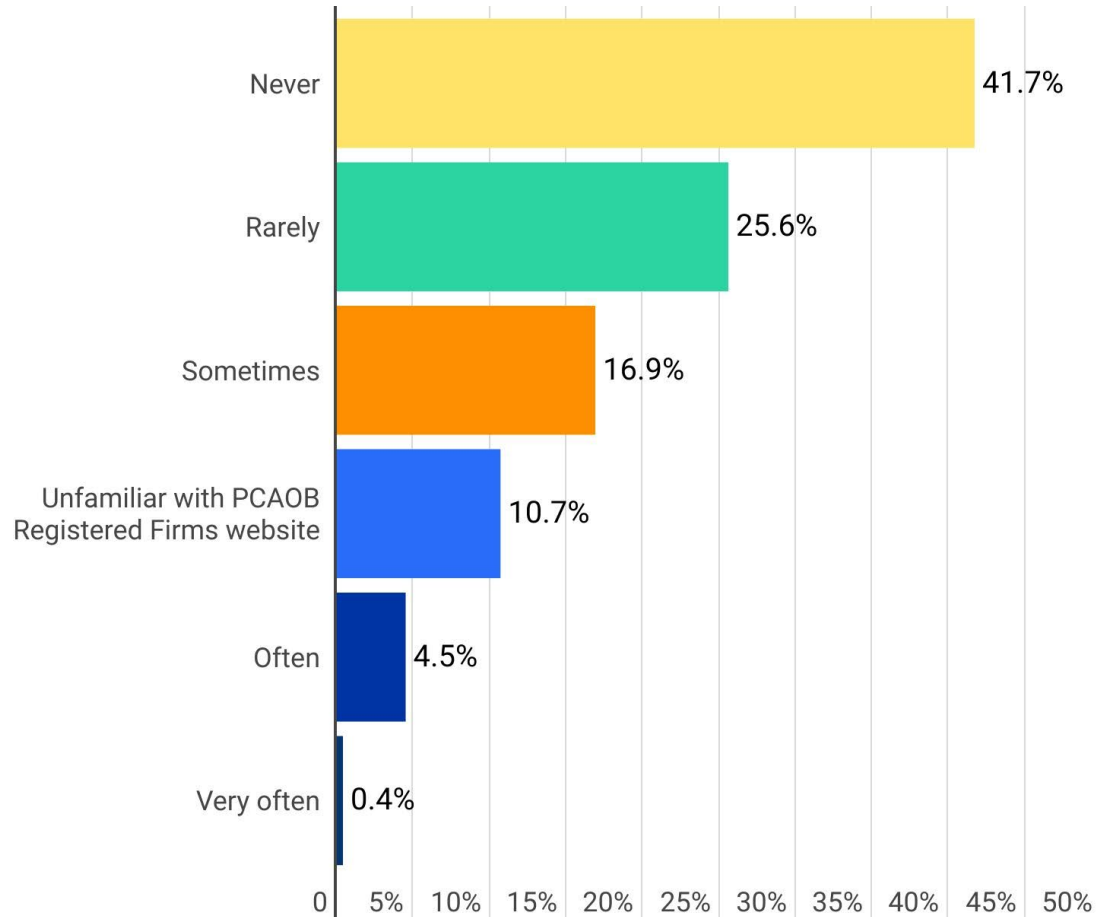
80% of audit committee members rarely or never use PCAOB Form AP or are unfamiliar with it.

How often do you navigate to the Auditor Search on the PCAOB's Form AP, Auditor Reporting of Certain Audit Participants website? N = 242

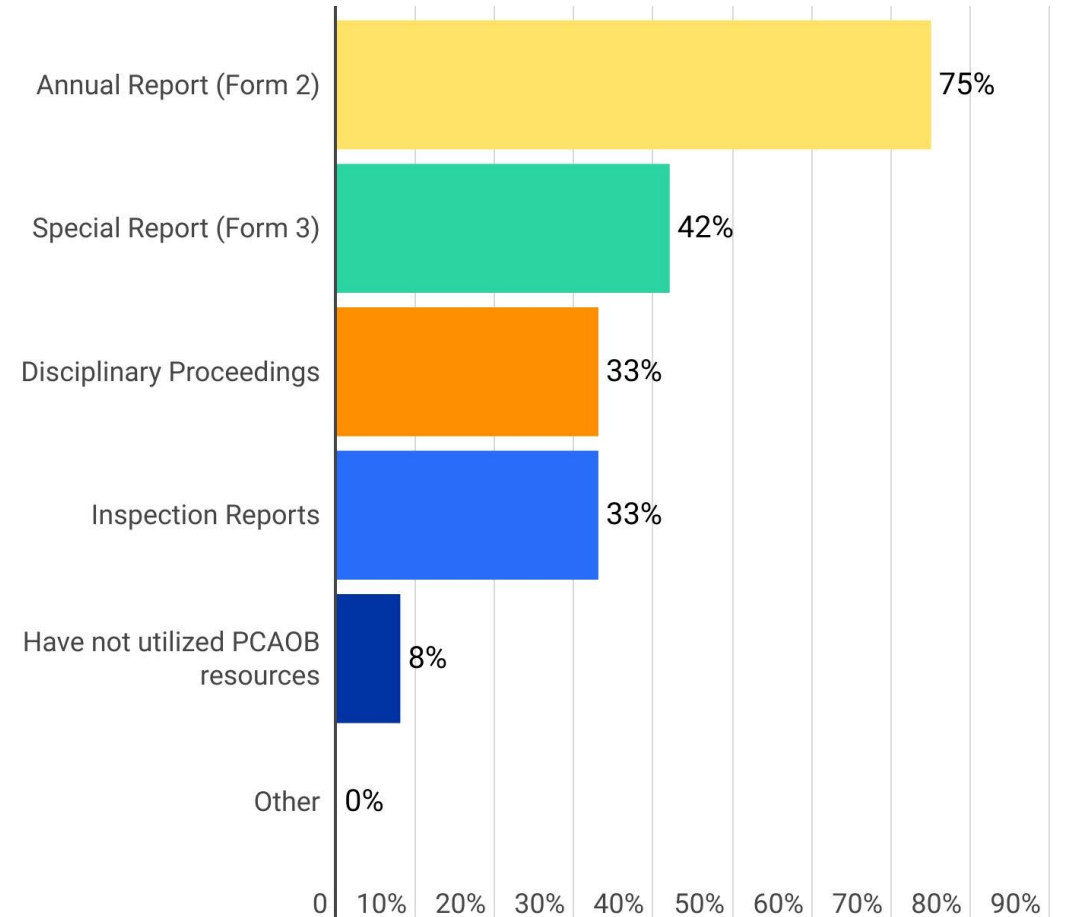


78% of audit committee members rarely or never use the PCAOB's Registered Firms website or are unfamiliar with it.

How often do you navigate to the PCAOB's Registered Firms website? N = 242

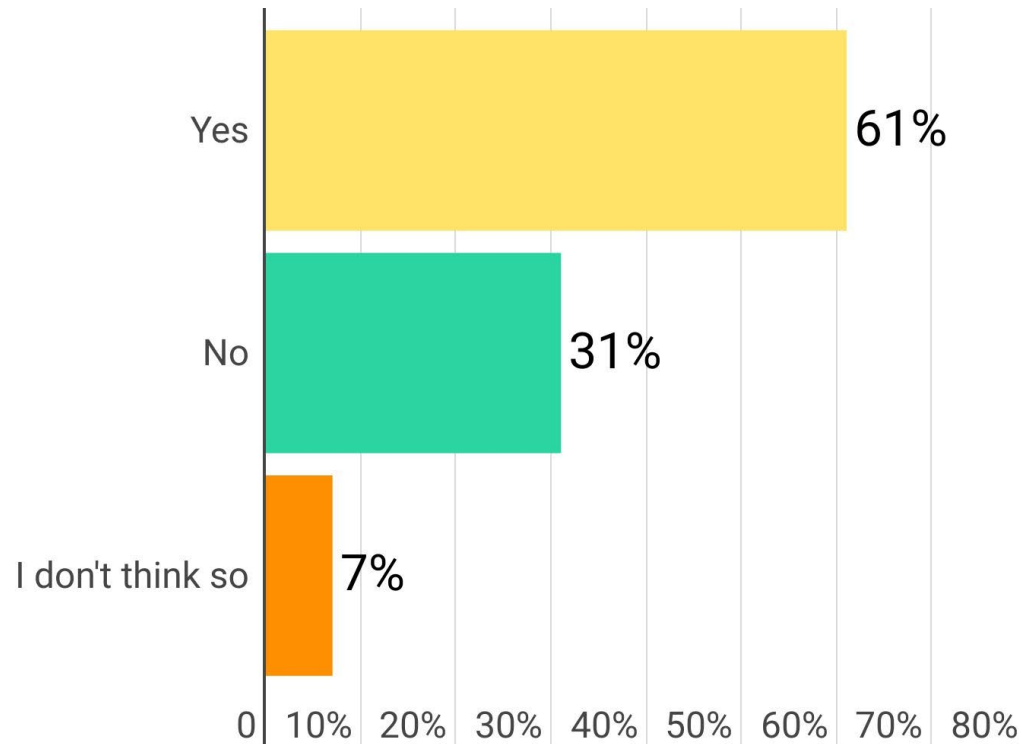


What information do you find most useful on the PCAOB's Registered Firm site? N = 12 (respondents who answered the often or very often navigate to the PCAOB's Registered Firms website in prior question)

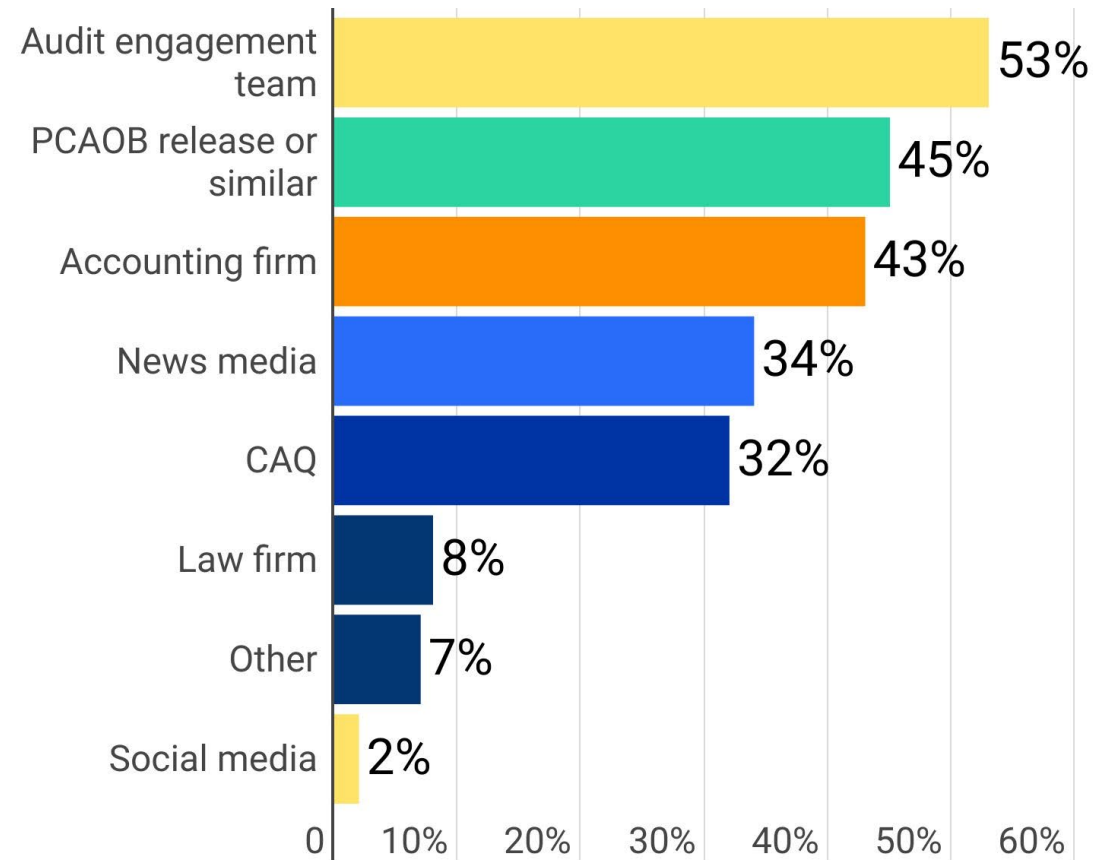


Majority of audit committee members knew of PCAOB's firm and engagement metrics proposal; cite engagement team and PCAOB as main sources of information.

Prior to this survey, were you aware of the PCAOB's recent proposals on Firm and Engagement Performance metrics and Firm Reporting? N = 242

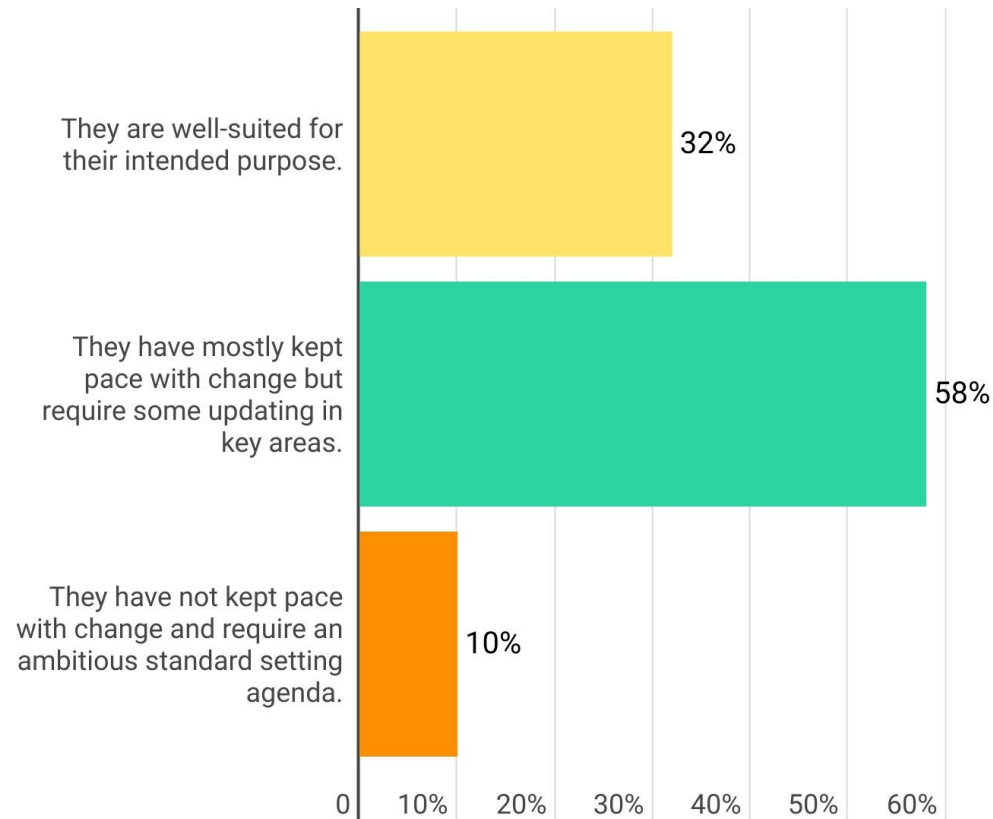


How did you hear about the PCAOB's proposals? N = 148

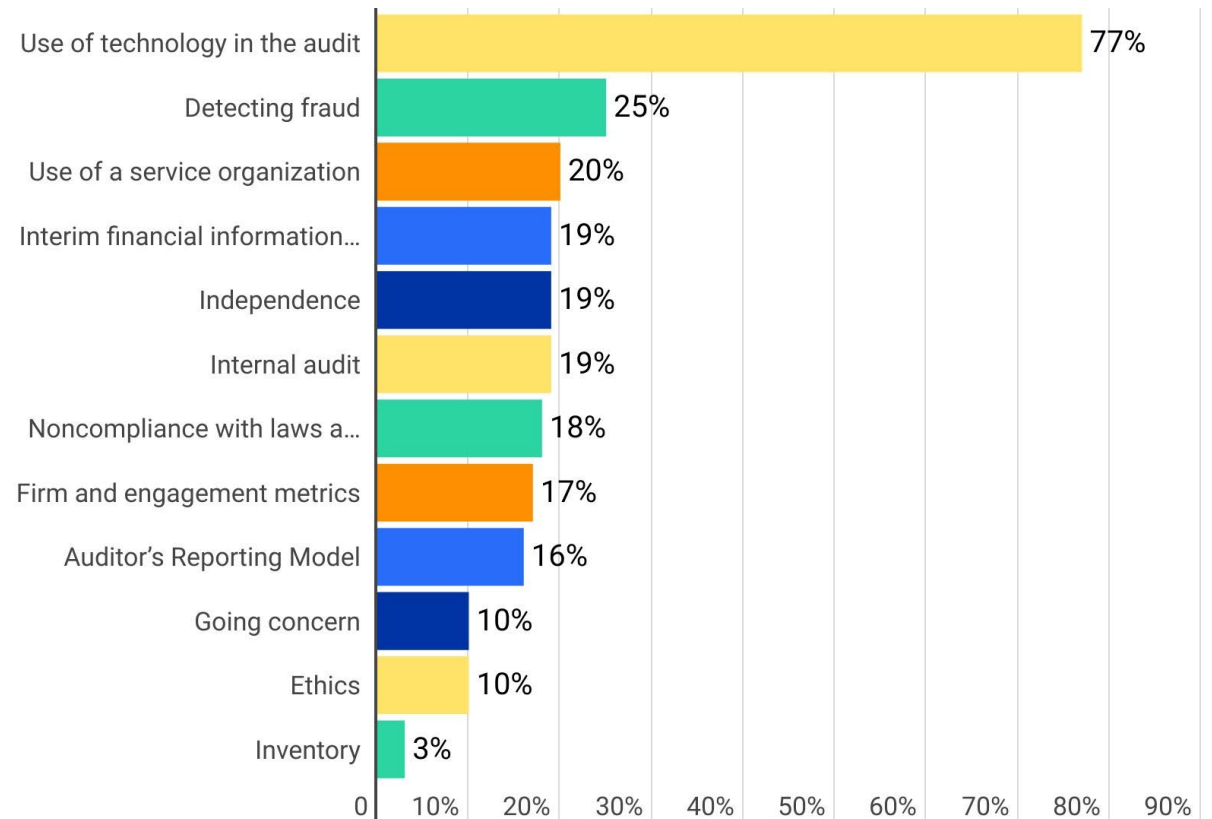


90% of audit committee members say PCAOB standards and rules are well-suited or have mostly kept pace with change; cite use of technology in the audit as most pressing need for improvement.

Which of the following statements most accurately align with your view of the PCAOB's standards and rules? N = 242



What are the top three areas where you would like to see the PCAOB modernize auditing standards? N = 155



Audit committee members state there are potential challenges and limitations in interpreting proposed metrics, are skeptical PCAOB Firm Reporting proposed requirements will be useful; cite concerns about data specific to their audit being publicly available.

Are there potential challenges or limitations in interpreting the proposed metrics in the Firm and Engagement Metrics proposal, particularly in relation to measuring audit quality? N = 134

Yes	73%
No	27%

Are you concerned that the proposal requiring mandatory public reporting of firm and engagement metrics could increase director liability? N = 144

Yes	40%
No	60%

Are the proposed enhanced reporting requirements in the Firm Reporting proposal useful to the audit committee in exercising its oversight role? N = 142

Yes	37%
No	63%

Do you have concerns about data specific to your audit being available publicly? N = 145

Yes	82%
No	18%

Audit committee members have concerns about the cumulative impact of PCAOB standard-setting and rulemaking on audit quality.

Do you have concerns about the cumulative impact of PCAOB standard-setting and rulemaking on audit quality? N = 145

Yes	76%
No	24%

Demographics

Are you currently (or in the last 5 years) a member of the **board of directors**?
N = 242

Yes	96%
No	4%

Are you on the **audit committee** (currently or in the last five years)?
N = 242

Yes	96%
No	4%

Are you the **chair of the audit committee** (currently or in the last five years)? N = 242

Yes	78%
No	22%

What is the **market capitalization** of the largest public company for which you sit on the board of directors (currently or in the last five years)? N = 242

Greater than \$50 billion	15%
> \$10 billion to \$50 billion	26%
> \$1 billion to \$10 billion	34%
> \$700 million to \$1 billion	6%
> \$200 to \$700 million	7%
Less than \$200 million	12%

Answer the following for the largest company (by market capitalization) on whose board you sit: In what **industry sector** does the company operate? N = 242

Financial Services	26%	Power, utilities & renewables	4%
Tech, telecom, media & entertainment	16%	Professional services	3%
Healthcare and Life Sciences	10%	Transportation and hospitality	3%
Multiple/other	10%	Automotive	2%
Consumer products and retail	7%	Mining and metals	2%
Industrial products	7%	Non-profits	2%
Oil, gas & chemicals	5%	Government and public services	1%