

## The AQI Disclosure Framework

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1. The Framework covers five dimensions and comprises 13 AQIs. Companies and audit committees (ACs) should consider the AQI indicators holistically to assess the audit quality of firms and audit teams.
2. ACs should evaluate AQIs across periods of time to examine trends and discuss with auditors to understand the cause of changes while evaluating the appointment of CPA.

Dimension	No.	AQI	Firm Level  Engagement Level 	Relevance
Profession	1	Audit Experience	  	Whether auditors possess enough audit experience.
	2	Training Hours		Whether auditors receive enough training.
	3	Attrition Rate		Whether the firm maintains sufficient human resources
	4	Professional Support		Whether the firm is equipped with sufficient experts, including CAAT specialists and financial appraisers.

Dimension	No.	AQI	Firm Level Engagement Level	Relevance
Quality Control	5	Workload	  	Whether partners are loaded with excessive engagements or work overtime.
	6	Involvement	  	Whether the involvement of audit team in each audit phase is appropriate.
	7	EQCR	  	Whether EQC reviewers spend sufficient time on engagement.
	8	Quality Supporting Capacity		Whether the firm is equipped with sufficient resources to support audit teams.
Independence	9	Non Audit Service (NAS)		Whether the proportion of NAS affects the firm's independence.
	10	Familiarity		Whether audit firm tenure affects the firm's independence.

Dimension	No.	AQI	Firm Level Engagement Level  	Relevance
Monitoring	11	External Inspection Results & Enforcement	  	Whether the firm's compliance with quality control system and engagement is satisfactory.
	12	Number of Official Improvement Letters Issued by Authority	  	
Innovation	13	Innovative Planning or Initiatives		Whether the firm has undertaken appropriate planning or initiatives to improve audit quality.