PwC Australia

Annual Report 2024

1 January – 31 December 2024

Foreword

Acknowledgement of Country and Traditional Owners

We acknowledge and pay our respects to Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation, upon whose ancestral lands and waters we work and live throughout what is now known as Australia. We honour the wisdom of, and pay respect to, Elders past and present. **View the location of our offices**.

About this report

This is PwC Australia's inaugural Annual Report comprising externally audited financial statements for the year ended 31 December 2024, a Remuneration Report and disclosures aligned with ASX Corporate Governance Principles to the extent applicable for a partnership. It incorporates other key information about our firm and stakeholders that would previously have been included in the PwC Australia Transparency Report.

This voluntary report documents our progress in leadership, transparency and management with stakeholders. The report relates to PwC Australia and its controlled entities unless otherwise stated. All dollar amounts are expressed in Australian dollars (AUD) unless otherwise stated. Details regarding the basis of preparation for the Remuneration Report and financial statements are included within those sections. This publication coincides with updated disclosures on our website and the implementation of PwC Action 24.1 from our Commitments to Change Action Plan.

Contents

About PwC Australia

7,000+

Over 7,000 people across Australia

370,000+

Tapping into a 370,000 strong global network[1]

Supported by our **Alliance Partners**.

We serve clients across diverse sectors and industries, including financial services; energy, utilities and resources; consumer markets; technology, media and telecommunications; private capital; and health and education.

PwC Australia is part of the PwC Network, with each member firm a separate legal entity.[2] As part of a network spanning 148 countries and employing more than 370,000 people, we are among the leading professional services firms in the world. PwC Australia is a partnership, owned by local partners. The firm has offices in Sydney, Melbourne, Brisbane, Perth, Adelaide, Newcastle, Parramatta and Canberra.

Our business is structured under three lines of service, supported by our Enabling Functions teams.

At PwC Australia, we are dedicated to serving our clients, people and communities in ways that deliver sustainable and purposeful outcomes.

At our heart, we're a people business that supports, empowers and enables our people to realise their full potential in a rewarding, inclusive and flexible workplace.

1 Numbers of countries and employees are as at 31 December 2024.
2 Please see **www.pwc.com/structure** for further details.

Our foundations

One firm

In 2024, we launched our new strategy, focused on building a leading culture to set us apart in the market, investing in core capabilities, and finding new ways to help our clients address their challenges. We are targeting growth that carefully balances expansion with a strong risk and ethics culture, founded in a deep sense of purpose.

Our purpose

Build trust in society and solve important problems.

Our vision

Become the pre-eminent professional services firm, built on the highest ethical and professional standards with integrity at the core, a firm that delivers purposeful and sustained outcomes in everything we do.

Our values

Our values guide our actions and drive our commitment to deliver for our clients, people and communities. These shape our culture and inspire us to create meaningful outcomes.

Act with integrity

Make a difference

Care

Work together

Reimagine the possible

The Three Cs

Our three focus behaviours drive our approach to sustainable high performance and support how we deliver the best of our firm to our clients, people and communities.

Curiosity

Collaboration

Challenge

Committed to quality

We aim to create lasting value that resonates with our clients, people and communities. We are committed to delivering high-quality services adhering to the highest professional standards in all of our engagements across our three lines of service. Our annual Audit Transparency Report, specific to our Audit Practice, details our commitment to, and delivery of, the highest standards of audit quality. It details our audit policies, systems and processes, as well as our efforts to nurture a firmwide culture of excellence.

How we deliver value

Our core

As a forward-looking and multidisciplinary firm, we are committed to our clients, people and communities. We bring our capabilities and expertise together to deliver quality outcomes and integrated solutions for our clients.

Advisory

- A leading reinvention partner in a landscape of change and uncertainty.
- Delivers strategic solutions to address growth, productivity, digital, deals and private business leadership.
- Enables clients to transition, transact and transform.

Assurance

- Pioneers AI, digital, sustainability and risk management assurance solutions.
- Delivers quality financial statement audits, internal audits and a wide range of trust and assurance services.
- Provides clients with confidence so they can address market disruption and digitisation.

Tax & Legal

- Brings together financial, economic and legal expertise to deliver tax compliance and consulting services.
- Advises on complex legal issues.
- Delivers sustainable outcomes and unlocks potential from within businesses.

Supported by Enabling Functions teams and firmwide governance

Deep industry expertise

We leverage our deep industry experience to help our clients keep pace with rapid change, drive transformation and navigate disruption.

01 **Financial Services**

02 **Energy, Utilities & Resources**

03 **Consumer Markets**

04 **Technology, Media & Telecommunications**

05 **Private Capital**

06 **Health & Education**

Growth priorities

Our teams focus on four growth priorities:

AI, Data & Technology solutions in a responsible way

Sustainability opportunities and risks in a net zero future

Trust in What Matters most to clients and their stakeholders

Business Model Reinvention to thrive and survive in an era of constant disruption

Message from our Chair

> "Our progress highlights the dedication of our leadership, partners and team, as well as the support from our clients. Though our transformation isn't complete, we remain focused on prioritising governance, culture, and client-centricity."

John M. Green
Chair

2024 was a year of reform and reinvention for PwC Australia. At the centre of our ambitious change program was a significant governance and culture uplift. Our aim: to sustainably improve how we deliver for our clients, our people and the community, while responding to changing industry dynamics and global trends.

This inaugural PwC Annual Report is more than numbers. By including externally audited financial statements and a remuneration report, we are taking another step in our commitment to transparency and being a well-managed firm. We've also adopted the ASX Corporate Governance Principles where applicable for a partnership. In this Annual Report, and on our website, we are sharing an unprecedented level of detail about the governance of our firm. We do this as a reflection of our values.

The publication of the report is one of the 47 actions outlined in our Commitments to Change Action Plan; a plan formulated in 2023 in response to Dr Ziggy Switkowski's Independent Review of the firm's culture, governance and accountability. These commitments are part of our drive to becoming the pre-eminent professional services firm, built on the highest ethical standards with integrity and culture at our core.

To rebuild trust with our stakeholders and demonstrate our commitment to the integrity of the process, it was critical that we sought independent assessment of our progress. So, the Governance Board appointed Webb Henderson as an Independent Monitor to do that. They, in turn, retained former Chief Justice of the Supreme Court of NSW, The Honourable Tom Bathurst AC KC, to review their work.

Last month, we published the Independent Monitor's Report in full. They found that of the 47 actions we set out to achieve, 46 have now been implemented, or are well progressed against their timelines, and one is partially implemented. This was a significant milestone for the firm. It would not have been possible without the active support and commitment of our leaders, partners and people. Of course, we're not finished. As we continue our reinvention journey, these changes must be embedded and become part of the fabric of the firm.

PwC has long been known for its high-performing culture. But, over the past year as we've been building a leading culture, we've also broadened the definition of high-performance. We introduced a balanced scorecard as well as a new strategy and leadership framework. Our culture is now underpinned by the firm's new focus behaviours: curiosity, collaboration and challenge – known as our Three Cs.

The changes place more emphasis on 'how' people achieve exceptional results, in addition to 'what' they achieve. This is a critical adjustment to help redefine what it means to be part of PwC Australia.

I have had the benefit of meeting over 100 clients, along with many former partners and alumni. They have been very supportive and encouraging of the positive steps we are taking. Our employee engagement scores have significantly improved. We're helping more clients solve complex problems and our global network has undergone a brand refresh, which includes delivering a new experience for our clients, people and community.

We recently announced the appointment of our fourth independent non-executive Governance Board member, Wendy Stops, who joins us from July 1. Wendy will add to the diversity of thought around our board table, as we continue shaping and strengthening our governance.

Together with my Governance Board colleagues, I look forward to continue bringing energy and aspiration to PwC Australia's positive agenda for the year ahead.

John M. Green
Independent Non-Executive
Governance Board Chair

Our Governance Board[3]

Left to right:

Ewan Barron
Partner

Lisa Chung AM
Independent Non-Executive
Governance Board Member

Marcus Laithwaite
Governance Board Deputy Chair
Partner

Carmel Mulhern
Independent Non-Executive
Governance Board Member

John M. Green
Independent Non-Executive
Governance Board Chair

Kevin Burrowes
Chief Executive Officer
Partner

Emma Hardy
Partner

Ian Hockings
Partner

Rosalie Wilkie
Partner

3 From 1 July 2025, following the appointment of Wendy Stops, 50% of Governance Board members will be female. This figure was 40% as at 31 December 2024.

Message from our CEO

> “While taking major steps to reinvent PwC Australia and setting a new benchmark for transparency, we’ve also created a step-change in how we support our clients to navigate and thrive in the complex and often challenging environment they’re facing.”

Kevin Burrowes
CEO

I am incredibly proud of our inaugural Annual Report and what our firm achieved in 2024. In a period of significant change, growth and reform, we set the foundations for the firm we are becoming. We are unrelenting in our pursuit of outstanding outcomes for our clients, people and community.

Step by step, we have begun to reinvent. We’ve introduced major governance reforms, armed our people with the latest developments in artificial intelligence and, more recently, released our brand defining research, Value in Motion. We also launched a new strategy that puts culture at the heart, underpinned by three focus behaviours: curiosity, collaboration and challenge. It’s these behaviours that will enable us to support our clients to respond to global trends, challenges and opportunities.

We know that global trends such as AI and climate are forcing industries to shift, morphing to create what we call ‘domains of growth’, organised around human needs. Being in the knowledge business, PwC is not immune; in fact, we have had to move faster than many to position for the major reconfiguration underway. This insight also underpins our own strategy, and I am proud of our people for embracing the new direction of the firm and the learning and shifts that have come with that.

We’re on our way. We’re partnering with many clients in our Reinvention Labs, designed to help them solve complex problems. We’re building a leading AI-native audit platform, Next Generation Audit. In addition, our employee engagement survey results are tracking in the right direction, with an increase both in engagement rate and in pride in working at PwC.

We've strengthened our relationships with our Alliance Partners, announcing new collaborations to transform tax compliance services and put agentic AI in the hands of clients. We will continue to look for ways to bring the best of these technological advancements to our clients, people and community, helping them to unlock the value of enterprise AI at scale. All of this contributes to the positive momentum and future performance of the firm, in an industry undergoing rapid change.

As our Value in Motion research revealed, there is an enormous opportunity on the table – the adoption of trusted and responsible AI could boost global GDP by 15% across the next decade, a jump not seen since 19th century industrialisation. The question, and opportunity, for Australian businesses is how can they reinvent to become a leader, harnessing the power of AI to drive outcomes for their customers, people and communities.

The challenge is enormous and it's on our doorstep. I know the people we have at PwC are embracing this, leaning in and evolving to best serve our clients.

Finally, I would like to thank the incredible partners and people who make this firm what it is – for their dedication and care – as well as our alumni and former partners. I also express my thanks to our clients, including the more than 500 I met with during the year. Thank you for your feedback and support.

Kevin Burrowes
Chief Executive Officer

Our Management Leadership Team[4]

Front row:

Karen Lonergan
Chief People Officer

Sue Horlin
Assurance Leader

Middle row:

Tom Gunson
Chief Clients & Markets Officer

Kevin Burrowes
Chief Executive Officer

Tom Bowden
Chief Transformation Officer

Back row:

Chris Morris
Tax & Legal Leader

David Callaghan
Chief Financial Officer

Rohit Antao
Advisory Leader

Jan McCahey
Chief Risk and Ethics Officer

Kylie Gray
General Counsel

Jennifer Thomas
Chief Information Officer

Jan McCahey will be stepping down from the MLT on 30 June 2025 when she retires from the firm. Debbie Smith will join the MLT on 1 July 2025 as Chief Risk and Ethics Officer.

View profiles of our Management Leadership Team on our **website**.

4 45% of Management Leadership Team members are female. This figure was 42% as at 31 December 2024.

01

2024 in Review: A year of momentum

Key achievements in 2024

Appointed
three independent non-executive members, including an independent Chair, to our new Governance Board.

Delivered
a governance reform package and implemented many of the actions in our Commitments to Change Action Plan.

Held
our inaugural PwC Awards, celebrating those who made an outstanding contribution to building a leading culture.

Exceeded
our target of 50% reduction in Scope 1 and 2 emissions.

Launched
a new strategy that puts culture at the heart of everything we do.

Introduced
a balanced scorecard for partners, to rebalance how partners are rewarded to focus more on the 'how'.

Enabled
our people to make a positive impact in our communities through a collective 90,000+ hours of social impact time.

Debuted
our inaugural Impact Month, supporting our people to get involved in the causes they're passionate about through volunteering and giving.

Recognised
as a Family Inclusive Workplace for 2024-26.

Implemented
the Evolved PwC Professional behavioural framework to support our people to become more impactful leaders and enable us to build a leading culture.

Established
an AI Centre of Excellence to:

- upskill our people to work with AI responsibly
- reinvent PwC's services with AI to support our clients to reinvent.

Continuing with momentum in 2025

Implemented
or well-progressed 46 of 47 actions, and partially implemented the remaining action, from our Commitments to Change Action Plan, as noted in the **Independent Review of PwC Australia's CTC Action Plan**.

Appointed
a fourth independent non-executive member, Wendy Stops, to our Governance Board, commencing 1 July 2025.

Launched
a refreshed global brand, employee value proposition and Value in Motion thought leadership.

Achieved
positive Global Mojo results with:

- a 6 percentage point uplift from 2024 in employee engagement score
- an 11 percentage point increase from 2024 in those agreeing they're 'Proud to work at PwC'.

Launched
'Work Well, Stay Well', a framework to enable our people to thrive through good work design.

Metrics at a glance

Financial results

$2.2b
Revenue[5]

$619m
Profit

$551m
Total tax contribution

Revenue by line of service

Assurance
$777m

Advisory
$759m

Tax & Legal
$475m

Ethics and conduct

Underpinning our vision to achieve the highest ethical and professional standards.

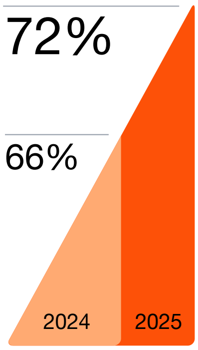
100%
Completion for Ethics and Code of Conduct training

28
Serious misconduct matters tabled with the People and Ethical Conduct Panel

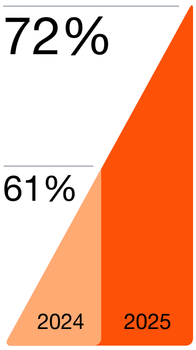
21
Substantiated and consequences applied

Our people

Employee Engagement Score Global Mojo[6]



'Proud to work at PwC' Score Global Mojo



Our community

Enabling our people to make a positive impact in our communities is fundamental to who we are.

94,050
Social impact hours

$18.5m
Social impact contribution

628 Partners

34%
Female

66%
Male

0%
Non-binary, gender diverse or not declared

20%
Diverse cultural background

$767k
Average partner income

22
New partner admissions

6,522 Employees

52.8%
Female

47%
Male

0.2%
Non-binary, gender diverse or not declared

55%
Diverse cultural background

1,326
New employee hires joining the firm in 2024

Climate 100% renewable electricity in Australian offices

Greenhouse gas emissions[7] ▼ 62%

5 Total revenue includes $59m in other revenue and $83m in recoverable disbursements on client assignments.
6 'Employee engagement' is a measure of how satisfied and committed our people are with their experience and our firm. This Global Mojo measure includes PwC partners and employees.
7 In calendar year 2024, we reduced our Scope 1, 2 and Scope 3 business travel emissions by 62% when compared to our 2019 base year.

Our strategy

In April 2024, we launched a new strategy that puts culture at the heart of everything we do. A culture that drives us and helps our people and our clients embrace opportunities and challenges.

This strategy enables us to live our purpose – to build trust in society and solve important problems. Often caused by rapidly accelerating change and disruption, we see these problems as opportunities.

Whatever the disruption – technological (including AI), economic uncertainty, climate change, skills shortages, rapidly-changing societal expectations – our strategy enables us to take on these opportunities with an approach that delivers multi-disciplinary expertise to our corporate, private and not-for-profit clients.

In this rapidly changing world, we've defined four growth priorities as a firm:

AI, Data & Technology

Trust in What Matters

Sustainability

Business Model Reinvention

This is supported by investment in core capabilities such as audit, tax and deals, risk and transformation, as well as cloud and digital.

We have positioned our firm to take on the challenges of today and tomorrow by building resilience and robust governance into our simplified business model. Being a well-managed firm is critical to this and is achieved through an operating model that prioritises governance, risk and ethics, and responsible business practices.

We are committed to building a culture of curiosity that drives innovation. A culture of collaboration where we bring the best of our firm to solve our clients' toughest problems. A culture where our people are confident to constructively challenge to create better outcomes for all. Internally, we refer to this as our Three Cs.

Curiosity **Collaboration** **Challenge**

In an era of disruption, delivering purposeful and sustained outcomes is more critical than ever. To lead through this disruption, we are embracing reinvention. We are transforming our business through investment in AI that delivers leading insights, quality and outcomes for our clients, while providing our people with skills uplift and career development. Our AI Centre of Excellence (see next page) was established for just this purpose.

> "Our people are constantly embracing new scenarios with AI's help, consistently learning, teaching and spreading knowledge across the firm about the advantages AI provides to us and our clients."

Rob Kopel
Partner – AI Centre of Excellence

Highlights

Tom Pagram, Partner – AI Leader, won the 'AI Consultant of the Year – Enterprise' at the inaugural Australian AI Awards, November 2024.

700

Australian business leaders upskilled in AI transformation through masterclasses, fluency labs and industry roundtables

1.5m

conversations initiated with Chat PwC and other Gen AI models.

Case study

AI Centre of Excellence: supporting our clients' reinvention

Our AI Centre of Excellence was established in July 2024 to upskill our people to work with AI responsibly, reinvent PwC Australia's services with AI and support our clients with their own AI reinvention.

Alongside the 320 specialists in data, advanced analytics and AI already working at the firm, an advocate network of nearly 250 AI Champions was launched to pioneer AI use and innovation. We also expanded our people's access to a range of AI tools, models and agents, centred around ChatPwC – our own safe, secure generative AI platform.

Together with our clients and Alliance Partners, we delivered practical AI solutions across a range of sectors, including redesigning the way that businesses manage their regulatory obligations with Regulatory Pathfinder, developing AI agents for complaints analysis and assessing the trustworthiness of AI systems for insurance decisions.

One example that brings this to life is our use of AI to help a leading medical health fund reinvent their customer experience. We partnered with the client to design and implement a generative AI-powered agentic solution capable of analysing 100% of customer service interactions without proportionally increasing costs. By harnessing Generative AI, we helped our client unlock full visibility into every customer interaction – driving a step change in quality, compliance and experience – all at a fraction of the traditional cost.

We've accelerated rapidly, with the majority of the firm now using AI multiple times a day. But it's not just about moving at pace. We're also committed to responsible acceleration of Gen AI, and have developed and launched a new AI Policy framework, new AI compliance tools and responsible AI training across our workforce. We are using this experience to help our clients with their AI journey.

Mapping to UN Sustainable Development Goals

Approach to sustainability

PwC Australia's approach to sustainability is aligned to our purpose and values. It includes understanding and managing the impact of our decisions and operations, engaging with our clients, suppliers and communities in a responsible way, and providing transparency around our sustainability commitments and performance.

Through our chosen impact areas, we seek to leverage our skills and resources to drive meaningful change on social and environmental issues – helping to solve important problems through our operations, thought leadership and community engagement.

Our Sustainability Framework is aligned to the **World Economic Forum International Business Council (WEF IBC) Stakeholder Capitalism Metrics** initiative that seeks to measure how corporates are creating value for society and our planet across the four pillars of:

- Principles of Governance
- People
- Prosperity
- Planet

Stakeholder engagement and our approach to materiality

We are committed to strengthening relationships and regularly engaging with all our stakeholders on sustainability topics.

Throughout the year, we used a range of mechanisms to help us work effectively with our clients, people and communities; better understand our key stakeholders' needs and expectations; and seek feedback to evolve our services and operations.

We also conducted a materiality assessment to validate our Sustainability Framework, refreshed our sustainability topics and definitions, and prioritised these topics based on their materiality to PwC Australia. This process informed our sustainability strategy, decision-making and reporting. Following this process, we identified a number of material topics relevant to our business. More information, including how we engage with our key stakeholders, can be found on our **website**.

Mapping to the UN Sustainable Development Goals

In 2015, all United Nations Member States adopted the **2030 Agenda for Sustainable Development** and its 17 sustainable development goals (SDGs).

The SDGs are a set of interlinked goals and targets that represent a shared blueprint for peace and prosperity for people and the planet, now and into the future. Achieving the goals requires government, private sector, civil society and individual citizens to work together in partnership. In line with our strategy and sustainability priorities in Australia, we believe that of the 17 SDGs, we can make the greatest contribution to those pictured in the diagram to left of page.

The PwC Network is also a signatory to the UN Global Compact (UNGC). As part of the PwC Network, we work to embed the UNGC's principles for responsible business practices in the areas of human rights, labour rights, the environment and anti-corruption. Locally, we are part of the UNGC Network Australia where we participate in various discussions and events.

Business performance

PwC Australia is focused on delivering value and impact to our clients across the corporate, private and not-for-profit sectors. In a time of rapid change, we drive this impact through our deep industry expertise, proven core capabilities and focused market priority areas.

Our Advisory, Assurance and Tax & Legal lines of service, supported by Enabling Functions teams, delivered a combined total revenue of $2.2b in 2024.

The Advisory line of service brings our expertise in Consulting, Deals and Private to help our clients transition, transact and transform in a way that builds trust with their customers, employees, regulators and communities. The focus of the Advisory business is to help our clients with their reinvention agenda, including supporting them to transform their business models. During the year, Advisory delivered $759m in revenue, which was impacted by softness in the mergers and acquisitions market.

In Assurance, demand for our market-leading audit services remained strong and we experienced an increase in our sustainability services supporting our clients to prepare for the upcoming reporting and disclosure requirements. Our Risk & Digital Trust team's result reflects a growing client demand for our innovative digital solutions. Overall revenue was $777m.

Our Tax & Legal line of service is a multidisciplinary practice that brings together experts in Tax, Legal and Workforce Services to deliver compliance and consulting services. Performance has been strong, with Tax & Legal delivering revenue of $475m in the year. This has been driven by our continued role in guiding our clients through an increasingly complex and evolving tax regulatory landscape, coupled with our expertise in technology-enabled transformation through market leading products such as Tax Automate.

Tax contribution

$551m

Total tax contribution

43.5%

Average tax rate on partner income

During the year, we continued to invest in our people, promoting 997 people, paying 1 July salary increases at an average of 5.4%, and awarding incentive payments of $31m. Our employees also benefitted from investment in formal learning and education of 219,000 hours in 2024. This investment demonstrates our commitment to tangible investment in the growth of Australia's next generation of business leaders.

PwC Australia paid $551m in total taxes.[8] Total tax contribution comprised:

- fringe benefits tax
- payroll tax
- pay as you go withholding tax
- stamp duty
- corporate tax for companies within the group structure
- foreign taxes
- non-recoverable GST
- taxes paid by partners on PwC Australia income.[9]

Profit for the year

After investing in our people and paying taxes and other costs of doing business, the profit for the year was $619m. Average partner income for 2024 was $767,000.

As PwC Australia is a general partnership, the income tax payable on the profits is solely the personal liability of the individual partners and their beneficiaries. The estimated percentage of tax paid by partners will vary from year to year as a result of tax timing and permanent adjustments. The average rate of tax paid by partners on PwC Australia income was 43.5%.[10]

Acquisitions and disposals

In July 2024, we entered into a share purchase deed (SPD) to sell our 49% shareholding in PricewaterhouseCoopers Indigenous Consulting Pty Limited (PIC). The transaction completed on 2 August 2024. The investment was sold for book value, plus a completion amount calculated in accordance with the SPD.

There were no acquisitions during the year.

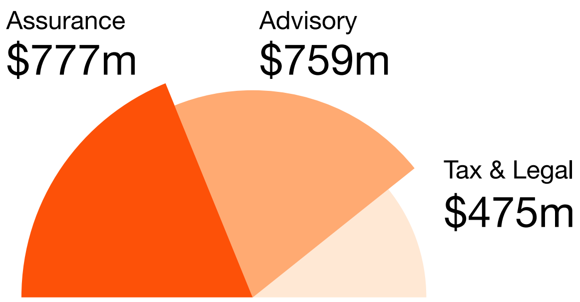
Revenue and Profit

2.2b

Revenue[11]

$619m

Profit



8 Total tax contribution does not include PNG.
9 The partners share of net income for 31 December 2024 is reported in their income tax returns for the year ending 30 June 2025. The amount of partner taxes and partner effective tax rate included in this report is referrable to the year ended 31 December 2023.
10 As above.
11 Total revenue includes $59m in other revenue and $83m in recoverable disbursements on client assignments.

02

Outlook: Value in motion

Outlook

In a global landscape of accelerating and converging change and disruption, our purpose – to build trust in society and solve important problems – is more relevant than ever. As we navigate the transformation of our industry, and help our clients do the same, this purpose provides clarity on why we exist and guides us to make coherent, credible, and authentic decisions. It is the foundation on which we create value for clients, attract top talent, and uphold ethical standards.

Like our clients, we operate in a dynamic market landscape. Global inflationary pressures, geopolitical tensions, supply chain disruptions, and continuous shifts toward increasingly sustainable and more digital economies characterise this landscape. Businesses need to keep pace with this shift, using them for catalysts for innovation rather than obstacles.

Australia's economic growth outlook is improving as consumer spending recovers following the sustained period of high interest rates and inflation, but the rate of growth is subdued and there is elevated uncertainty as global trade tensions escalate. Additionally, employment growth and competition for labour remains strong. The domestic macro business environment will therefore continue to be challenging for many industries, including professional services, with attractive rates of organic growth likely limited to specific high-growth industry segments and firms creating new sources of value through innovation.

Opportunities present in markets poised for expansion and industry augmentation, including private capital, risk and digital trust, technology integration, data analytics, and cyber initiatives.

In such a fast-moving and uncertain landscape, we are leaning into our global network capabilities, leveraging our network of experts on the ground in 148 countries to support our clients with research and insight built on rich and deep perspectives.

In an uncertain environment, businesses will often hold off on investment decisions or settle into protective holding patterns including building cash buffers and containing costs until the future becomes clearer. Our firm strategy focuses us to better support our clients to navigate these periods of unpredictability by combining global insights with integrated scenario planning, risk mitigation and other measures, and, more broadly, to identify and go after new opportunities.

Those opportunities are becoming more clear. As megatrends force global economies to shift from rigid legacy industry models to fluid, interconnected value chains organised around human needs – what we call 'domains of growth' – PwC's Value in Motion research reveals that more than AUD $11.1 trillion (USD $7.1 trillion) in global value could be unlocked in 2025 alone. More than 40% of that value could be generated in the Asia Pacific region. The United States remains the largest player geopolitically, but this research suggests the economic centre of gravity appears to be shifting towards the Pacific Rim.

With Australia's substantial trade connections into Asia, the sustained population and economic growth in many Asian developing nations provides opportunities. Commodity markets are stabilising, although certain resources may face oversupply throughout much of 2025. China – Australia's largest commodity customer – has announced policies aimed at boosting consumption that could lead to significant increases in domestic spending. China's technology sector continues to challenge traditional giants, with emerging businesses such as BYD and Deepseek demonstrating the nation's technological advancements. Potential downside risks for Australia include impacts on investment flows and currency markets, and indirect knock-on effects of US tariffs on Chinese demand for Australian commodities.

At the more extreme end of the risk profile there is an emerging view that permanent global structural shifts are underway which are altering capital flows, currency markets, global trade and geopolitical alliances, along with the global financial system. Australia is well placed to navigate these forces.

Amy Lomas
Chief Economist, PwC Australia

03

Impact: Better, differently

Clients

We bring the best of our firm together to help our clients navigate opportunities and challenges, and solve complex problems.

Whether these challenges are borne of megatrends such as cybersecurity events, the effects of climate change, AI or evolving reporting requirements, our people come together to help our clients through periods of disruption and change.

Alongside our core capabilities, we also provide our clients with deep expertise critical to our nation, including financial services; energy, utilities and resources; consumer markets; technology, media and telecommunications; private capital; and health and education.

As landscapes shift, what we once saw as the traditional boundaries of any one industry are blurring. There is significant value to be unlocked in reconfiguring sectors as we know them into new 'domains' of growth that better reflect human need, including how we move, feed ourselves, build and make things, as well as how we fund, insure, govern and serve.

This represents a historic opportunity for our clients to shift where they derive value and tilt our economy towards more agile and innovative outputs.

We continue to strengthen the firm's focus on delivering deep industry sector expertise, AI-driven solutions and strategic alliances to build trust in what matters, support sustainable transformation and enable business model reinvention.

To achieve our vision of being the pre-eminent professional services firm delivering purposeful and sustainable outcomes for our clients, we strive to deliver an exceptional client experience with an unwavering commitment to quality.

28th Annual Global CEO Survey: The local lens[12]

28%

of local CEOs feel highly exposed to inflation in the year ahead

1 in 3

local CEOs expected GDP uptick but were less optimistic than their global peers (58%)

58%

Many CEOs were looking for new growth opportunities; 58% planned to make acquisitions in the next three years (higher than the global average)

41%

intended to increase headcount in the coming 12 months – although 22% planned to reduce workforces

88%

say AI is important to achieving their business strategy in the medium term. 42% report GenAI increases workers' productivity and profits

Positioning for global trends

Our comprehensive go-to-market approach responds to our clients' biggest issues, including AI, Data & Technology, Trust in What Matters, Sustainability and Business Model Reinvention. The Value in Motion analysis shows that rapid and responsible AI deployment could supercharge productivity, boosting global GDP by nearly 15 percentage points more than baseline projections over the next decade. However, the global growth dividend from AI is not guaranteed and will depend on more than just technical success – it also hinges on responsible deployment, clear governance, and public and organisational trust. If progress stalls, the world could face a productivity slowdown or even a net economic contraction, especially in resource-reliant countries.

AI, Data & Technology: With the rapidly evolving technological landscape, our clients need help to transform their operations and access the latest data and insights to enhance their businesses. From our 2024 Global CEO Survey, we know 89% of CEOs on the AI journey expect GenAI to significantly change the way their company creates, delivers and captures value. Leaders must balance immediate benefits and fueling their innovation; prepare their workforces with the skills for work yet to emerge; and ensure responsible implementation. Leveraging our own experiences, we are helping our clients to build deep skills in responsible AI implementation as well as ways to create new value from AI.

Trust in What Matters: By bringing our deep collective expertise to the problems and issues that matter most to clients and their stakeholders, we build trust in what matters. Our network's investment in Next Generation Audit is just one example of how we bring this to our clients. PwC Australia will be launching modules of Next Generation Audit during 2025 that will transform how we deliver high quality audits. Likewise, our Tax Automate platform continues to drive momentum. This platform organises, integrates and automates a business's end-to-end income tax compliance and reporting processes.

Sustainability: Our experience and research in sustainability highlights that: shifting from a sustainability strategy to a sustainable corporate strategy demonstrates sustainability is embedded within the organisation; sustainability is presenting opportunities to capture and create financial value; sustainability reporting can be a genuine asset rather than a burden; smart energy management can bring cost savings and generate new revenue lines; supply chain adaptation is critical to sustain growth; and nature is a critical risk and resource for all companies. We look beyond targets, compliance and reporting to support clients to align their business's portfolio, offerings and capabilities with the opportunities the sustainability agenda can unlock.

Business Model Reinvention: We support our corporate and private clients to address near-term imperatives and to be best positioned to address long-term megatrends; to thrive and survive in an era of constant disruption. We do this with a whole firm framework that radically transforms the way businesses create, deliver and capture value.

12 Conducted in October and November 2024, PwC's 28th Annual Global CEO Survey obtained feedback from 4,701 CEOs from every region of the world's economy, including 116 CEOs in Australia.

“We chose PwC due to their experience with Engine by Starling in the UK, their deep local knowledge in financial services, and their expertise in digital transformation.”

Sean O’Malley
CEO, AMP Bank

Case study

Banking reinvented: a new digital bank for AMP

AMP, a prominent player in Australia’s wealth and banking sectors, reinvented the way they do business by building a brand-new digital bank (by Starling) targeting Australia’s small business and personal banking customers.

From the initial business case through to delivery, we worked with AMP Bank and Engine by Starling, a leader in digital banking technology, to create a modern, mobile-first banking experience. And we did it all in just over twelve months. Featuring Australia’s first numberless debit card and advanced fraud and scam protection, customers in Australia now have a cutting-edge, secure banking experience that is unique in the country and includes 24/7 support from an AMP-staffed contact centre. The new AMP Bank redefines the digital banking experience for Australia’s small businesses and personal banking customers.

PwC’s global network was key to this success. We drew on the expertise of banking and technical specialists in regulatory compliance, customer experience (including onboarding, payments and customer service) and in technology engineering (including AWS, Integration, Data Platforms and Testing).

With this ground-breaking new offer, AMP has re-positioned themselves as a more competitive player in the Australian banking sector.

And in a testament to this innovative partnership, our work was recognised at the 2025 ISG Paragon Awards as winner of the Transformation category.

"This engagement has elevated market expectations by showcasing how embracing innovation, redefining strategic assets and fostering a collaborative approach can unlock substantial value through sustainability."

Jon Chadwick
Global Sustainability – Energy Transition Lead, PwC Australia

Case study

Reimagining an energy strategy

When a national retailer came to us concerned about rising energy costs, we saw a multi-disciplinary opportunity to address those concerns and also ensure future energy security via investment in renewables. This involved helping the client reimagine their energy strategy and supporting them to leverage economies of scale by rolling out solar energy solutions across their extensive property portfolio.

Our involvement began with market research to understand the retailer's evolving energy landscape. We then developed a transformation roadmap, outlining the steps for the retailer to achieve its sustainability goals. We facilitated an alliance between the retailer and a major Australian energy provider to enhance energy efficiency and security.

PwC Australia led a pilot project in three South Australian stores, testing solar and storage solutions. The project's success enabled expansion to 120 outlets, incorporating advanced technologies like solar, battery storage and virtual power plants.

Over three years, our strategic guidance is projected to help the retailer reduce emissions, and improve their energy independence, underscoring the importance of aligning business strategies with climate priorities.

People

Supporting, empowering and enabling our people to realise their full potential in a rewarding, inclusive and flexible workplace. Grow here, go further.

Our approach to people

At PwC, our people are integral to our success. We are committed to actively listening to their stories, understanding their backgrounds and supporting their aspirations so that we can build an environment where our people can grow. We recognise that career progression is a top priority for our people; this insight is supported by feedback data, which indicates it's one of the primary reasons they remain with us. In 2024, we pledged to invest in an array of professional development opportunities, and we will uphold this commitment throughout 2025 so that our people can enjoy rewarding and meaningful careers. As we move forward from a challenging period, our commitment to fostering the growth of our people is stronger than ever.

Our continued focus on inclusivity aims to create an environment where everyone feels psychologically safe and that they belong. We also continue to focus our efforts on building a culture of continuous feedback to help all our people become better leaders, both in their career at PwC and beyond, while broadening and deepening our view on sustainable high performance. By adopting innovative practices and forward-thinking strategies, we have placed employee wellbeing and professional growth at the forefront to ensure our people can grow here and go further.

Employees

6,522 Employees | 33 Average age

52.8% Female | 47.0% Male | 0.2% N[13]

55% Diverse cultural background[14,15]

62% Diverse cultural background of new employees[16]

Partners

628 Partners[17] | 20% Diverse cultural background[18]

34% Female | 66% Male | 0% N

New partner admissions

59% Female | 41% Male | 0% N

People demographics

During the year, there were changes to further align the firm. Throughout this time, we announced steps to adjust our workforce to support our change in portfolio and strategic focus, as well as in response to economic and business headwinds. This resulted in redundancies in some areas. However, our change in strategic focus saw other areas grow.

Over the course of the year, we promoted 997 of our people, awarded our employees incentive payments of a total of $31m and increased total fixed remuneration by $51m.

As at 31 December 2024, 52.8% of our workforce was female and 47.0% was male at the employee level; 0.2% of our employees identified as non-binary, gender diverse or not disclosed. We continue to track our measurable objectives towards achieving diversity. Our Diverse Cultural Background (DCB) population increased year-on-year, with 55.1% of our workforce being from a non-Anglo-Celtic or a non-European background.

We admitted 22 new partners across 2024, including three from outside the firm. As at 31 December 2024, we had 628 partners. From a diversity and inclusion perspective, 59% of our new partners admitted in 2024 are female and 27% are from a non-Anglo-Celtic or non-European diverse cultural background. We continue to work towards our measurable objective of 40% female partners by 2030. Our partners play a critical role driving our firm's strategy and culture, with a particular emphasis on continuing to strengthen our core capabilities, focusing on our growth priorities and leading engaged teams.

Culture

We are committed to fostering an environment that is consistent with our values and culture of sustainable high-performance, so our people feel they can have rewarding and challenging careers. We measure our progress on delivery of our cultural aims in a number of ways.

Global Mojo, our annual engagement survey, is an important checkpoint that gives essential insight and data on our people's day-to-day experience of working at our firm.

In 2024, Global Mojo was conducted in May. The response rate from our people increased from 59% in 2023 to 71%; however, our overall engagement score declined from 76% to 66% during the same period. Following a challenging year for our firm, our people told us that we have more to do to restore their sense of pride and enjoyment in working at PwC.

13 Non-binary, gender diverse, or not declared. For the purposes of reporting we rely on the self-disclosure of our people.
14 DCB is defined as non-Anglo-Celtic or non-European background.
15 5% of our employees did not declare.
16 1.7% of our employees did not declare.
17 626 of our partners are equity partners.
18 4.1% of our partners did not declare.

In 2024 we had over 39,000 early career applications from across the graduate, vacationer and trainee programs that we run – a 20% increase from 2023. This reflects the attraction of PwC as an employer of choice for those commencing their careers.

Throughout the year, we implemented several initiatives to address this feedback and have seen a positive increase in our Global Mojo 2025 survey results. Our overall engagement score increased to 72% (up 6 percentage points), while there was an 11 percentage point increase in our people feeling proud to work at PwC.

Our people shared that they feel positive about our new strategy and believe we can reinvent as a firm. They continued to enjoy our flexible working benefits, and they believe our leaders behave in alignment with our values, demonstrating that we are making positive strides towards enhancing our culture.

While we have seen improvements in our Mojo results, we understand that this is an ongoing journey and remain committed to further progress.

We have a significant program of activities underway to address our people's feedback. This includes the Evolved PwC Professional behavioural framework, which will help to embed new behaviours (including our Three Cs) aligned to our strategy.

As part of our efforts to cultivate a leading culture, we've enhanced our performance rating framework. This refined approach allows us to assesses performance on both the value creation and impact our people achieve, as well as the behavioural impact underlying their accomplishments.

We also held our inaugural PwC Awards in October 2024. These awards recognised our people who contribute to building a leading culture. The nearly 1,000 nominations from across the firm are a strong testament to our people's positive investment in this initiative.

As we continue to evolve our culture, we've reached the 'end of the beginning'. Recognising that our remediation work alone isn't enough for a sustainable high-performing culture, we've launched a multi-year culture program, guided by externally benchmarked metrics and thinking along with listening to our people about their experience. We aim to bridge the gap between our current and desired culture of sustainable high performance by enhancing leadership, continuing to address psychosocial risks and maintaining a dynamic approach to work practices that influence cultural change.

Other ways we check in with our people include:

- Our employee-led People Council, which provides insight into issues impacting people experience, engagement, development, recognition and reward.
- Our employee-led networks and sustainability champions, who raise awareness of grassroots issues and causes, and promote diversity, inclusion, wellbeing, environmental and sustainability awareness.
- On-and off-boarding surveys, pulse surveys and other employee listening activities such as focus groups.

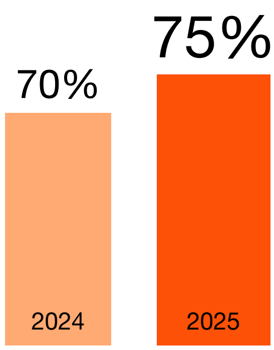
Wellbeing, health and safety

The physical and mental health, safety and overall wellbeing of our people remained a key focus for our firm. We deliver wellbeing support and care through a range of practical initiatives including:

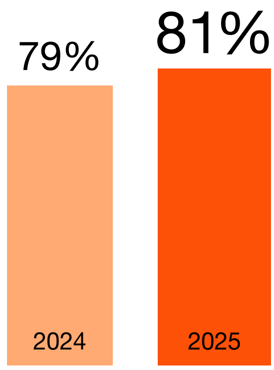
- A new Employee Assistance Program, Care Companion, which provides support across mental health, medical health and safety.
- Providing wellbeing, health and safety resources together on one internal site so that our people can easily find and access our full range of support.
- Our Green Light to Talk advocate program, including aligning advocates' training to World Health Organisation recommendations for psychological first aid response.
- Exercise and meditation classes, and a Wellbeing Expo with sessions on physical, mental and financial wellbeing.
- Expert panels and webcasts on mental health topics, including neurodiversity in the workplace, a keynote address for World Mental Health Day and office events for R U OK? Day.

Wellbeing

People who agree they work in teams that prioritise wellbeing



I have the flexibility I need to manage my work and other commitments



Working well for the future

In 2025, PwC will focus on integrating the 'Work Well, Stay Well' framework, leveraging our collaboration with the Future of Work Institute to enhance workplace mental health and address psychosocial risks. This evidence-based approach aims to foster shared responsibility between employees and employers, empowering our people with tools for impactful conversations and informed decision-making, which are crucial for building a capable and leading culture in line with our leadership reinvention goals. These efforts aim to mitigate risks while boosting engagement, motivation and performance across our firm. Together, we commit to enabling our people to thrive through good work design.

Parental leave – Dec 2024

84%

of people who accessed parental leave remained with the firm for at least 12 months after returning

47%

of people who accessed parental leave were men

Additional diversity metrics – Dec 2024

6.7%

People with disability[19]

2.9%

LGBTIQ+ people[20]

0.3%

First Nations peoples[21]

Diversity and inclusion

Our diversity and inclusion strategy is centred on building an environment where all of our people feel they belong and can thrive.

During the year, we were recognised as a Family Inclusive Workplace for 2024-26, a joint initiative led by UNICEF Australia and Parents At Work. It acknowledges our commitment to creating an inclusive culture and implementing family-inclusive policies, such as parental and miscarriage leave. We also remain a Workplace Gender Equality Agency (WGEA) Employer of Choice for Gender Equality and, for the seventh time, were recognised as a Platinum Employer in the Pride in Diversity Australian Workplace Equality Index LGBTIQ+ awards.

We saw an increase in the number of men accessing paid parental leave, and an increase in the average duration of parental leave by both men and women, following the relaunch of our parental and miscarriage leave policies in the prior year.

During the year we:

- Launched our Access and Inclusion Plan 2024-2026, Reimagining Ability, which was co-developed with PwC people who have lived experience of disability.
- Released the second module of our Every Day Equal training focused on bystander intervention and preventing workplace sexual harassment and discrimination. For this training, we were named a finalist in the B&T Awards' Best Diversity Campaign.

Our employee-led networks raised awareness of diversity through events and resources. This included a Cultural Connections event with PwC Japan leaders, support circles for our Families and Elder Care networks, events to recognise Reconciliation Week, International Women's Day, International Day of People with Disability, Wear it Purple Day and IDAHOBIT[22] Day of Visibility.

During NAIDOC Week, our Reconciliation working groups organised events for our people to learn about the histories, cultures and achievements of Aboriginal and Torres Strait Islander peoples. Events included walking tours, documentary screenings and a painting workshop.

19 6.2% did not declare and 3.7% prefer not to share.
20 16.7% did not declare and 9.6% prefer not to share.
21 5% did not declare any cultural background.
22 International Day Against Homophobia, Biphobia, Intersex Discrimination, and Transphobia.

Remuneration

At PwC, our people's remuneration comprises both financial and non-financial benefits aimed at making our people feel valued, rewarded and recognised for the work they do every day. Further detail on the remuneration and income frameworks for our people is included in our Remuneration Report.

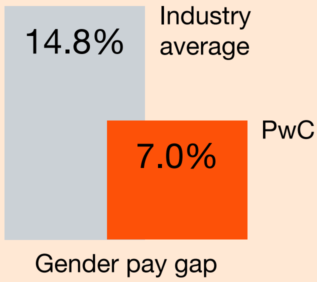
Our gender pay gap reporting indicates that our proactive efforts, not limited to recruitment and promotions, have helped maintain our pay gap at 7%,[23] which is significantly below the professional services industry's average of 14.8%.

We regularly conduct gender and DCB pay gap audits for our employees and partners to promote fairness in pay, achieving a 1.2% like for like by grade (gender). The results of these audits show that senior-level employees tend to represent a less diverse group compared to those early in their career who typically earn less.

For 16 consecutive years, we have been recognised as a WGEA 'Employer of Choice for Gender Equality,' reflecting our ongoing dedication to removing barriers for women's participation in the workforce as well as ensuring pay equity for all.

Gender and DCB pay gap – Dec 2024

Employees



Our gender pay gap of 7.0%, is significantly below the professional services industry's average of 14.8%.

1.2%
Gender pay gap
Like for like by grade

16.3%
Pay gap
Diverse cultural background[24]

Partners

15.1%
Gender pay gap

16.8%
Pay gap
Diverse cultural background[25]

We remain committed to closing the pay gap.

23 As reported in our 2023/2024 WGEA reporting period.
24 5% did not declare any cultural background.
25 4.1% did not declare any cultural background.

> "The stories of recognition and celebration our people shared when nominating their colleagues were a fantastic reflection of the pride they have in their teams and our PwC values."

Sue Horlin
Assurance Leader and The PwC Awards Partner Sponsor

Case study

The PwC Awards

Recognition is an important part of how we build a leading culture at PwC. In October 2024, we held the inaugural PwC Awards to recognise and celebrate how our people and teams contribute to this goal. Nine awards were presented, recognising people who are driving our strategy forward; living our purpose, values and behaviours; contributing to our firm's reinvention; and bringing a 'spirit of partnership' to life.

Our people nominated their peers across three months, with finalists selected by an internal panel made up of individuals across all grades, lines of service and locations. The Awards culminated in a gala event in Melbourne attended by 200 of our people, including MLT members, senior leaders, our finalists, standout nominees, and members of our People Council and employee networks. Our Governance Board Chair John M. Green also attended to present an Award. Award winners included Voula Papageorgiou, Marino Felice and Michelle Hazle.

Voula was awarded the Edwin Flack Award for partners. Recognised for the way she stepped up for our clients and people, Voula was commended for her consistent demonstration of our Three C focus behaviours – curiosity, collaboration and challenge, and for being a true role model. Marino and Michelle were the joint-winners of the Inclusion Award. Co-Chair of our National Shine Network, Marino led our efforts to maintain our platinum employer status in the Australian Workplace Equality Index LGBTIQ+ Awards and was instrumental in the firm's Shine Strategy and creation of the National Shine Council in 2021. National Co-Chair of the Ability@PwC network, Michelle was recognised for being a driving force for raising awareness of neurodiversity and women's health initiatives, sharing her own lived experience to create a safe and supportive environment for others.

The event was also an opportunity to recognise seven of our people who have worked at the firm for more than 40 years, including our longest tenured team member who has been with the firm for 52 years.

Leadership and development

Supporting our people to grow their leadership capability is critical to delivering on our ambition of having a leading culture, and ensuring our people have diverse and rewarding careers.

We continued to invest in leadership and employee development through various programs and courses that offer a range of learning opportunities. These include technical mastery, leadership coaching and external certifications, in addition to the world class learning experiences our people receive through working with their teams and clients.

We also began to develop an understanding among our people of our new Evolved PwC Professional behavioural framework by running discovery sessions.

During the year we:

- Developed a range of on-demand resources curated by our Client Experience team to help our people build strong client relationships and support their in-market activity. We also hosted virtual in-person client experience masterclasses for over 1,200 managers and senior managers.
- Held AI training sessions for our people to learn how to responsibly use and leverage ChatPwC, our firm's secure Generative AI tool.
- Launched our new AI Champions Program which gives our people the opportunity to learn how to responsibly implement AI into their everyday job, gives them access to tools and resources, and connects them with our community of AI Champions.
- Continued to invest in our Team Leaders and senior leaders to empower them to lead their teams and be culture-shapers. This included dedicated sessions on the Evolved PwC Professional, performance and coaching skills.
- Continued to provide external microcredential certifications to support our people to expand their skills and expertise.
- Conducted mandatory training to refresh awareness, skills and knowledge around what's expected of people at PwC. This training helps people to understand risk and quality, act with integrity, meet network standards and the Code of Conduct, and comply with laws, regulations and policies.
- Continued to invest in our key talent through a targeted nine-month program for directors and senior managers, focused on enhancing their leadership self-awareness, strengthening community and accelerating leadership impact.

Leadership Reinvention

Recognising the critical role our leaders play in cultural transformation, we have also made specific investments in leadership development through the launch of our Leadership Reinvention program. This bespoke leadership training program is mandatory for all partners, managing directors and directors. It is a multi-year investment that we're making into our leaders' capability, and into supporting each of us to contribute to building a leading culture.

Community

At PwC, our people care deeply about our purpose and supporting the communities in which we operate.

Our communities are impacted by a range of societal challenges and uncertainties which we help address by operating responsibly and bringing together the best of our people to explore new solutions to the most complex issues.

Through our client services, operations, thought leadership, community engagement and purpose-led partnerships and collaborations, we seek to create positive impact on social and environmental issues.

Our impact strategy, aligned to our purpose and strategic priorities, is focused on four key issues impacting our clients, people and communities:

01 Strengthening climate resilience

Supporting communities to mitigate and adapt to climate and nature impacts in order to build a more sustainable future for all.

02 Accelerating responsible technology

Advancing the ethical and inclusive use of technologies that seek to serve society.

03 First Nations prosperity

Walking alongside and supporting First Nations communities to chart their own futures.

04 Reframing mental health

Envisioning a future where the workplace is a supportive factor for mental health and wellbeing.

Over the past year we have continued to build on existing not-for-profit relationships, and we collaborate with other organisations to drive action in these areas and provide opportunities for our people to get involved.

Community investment and impact

Enabling our people to make a positive impact in our communities is fundamental to who we are. We are proud of the community contribution we made, including:

- Social impact time which provides our people with an opportunity to volunteer, mentor, or work on pro bono and low bono projects including within our four impact areas.
- Workplace giving, appeals and fundraising which help our people support the causes they are passionate about.
- PwC OnBoard which bridges the gap between corporate Australia and the not-for-profit (NFP) sector by connecting our people with board and advisory roles with NFPs they are passionate about.
- The Impact Assembly, a for-purpose practice within PwC bringing co-design and collaboration disciplines to drive positive social and environmental impact.
- PwC's Foundation Trust which is funded by individual charitable donations from our generous partners and employees.

Social investment 2024

$18.5m

Total social investment

Social impact time of our partners and employees 2024

Skilled volunteering (9,113 hours)

Unskilled volunteering (5,290 hours)

Pro bono (15,492 hours)

Low bono (64,155 hours)

We continue to deliver on our firmwide impact strategy, working with the Australian Red Cross, Infoxchange and Aurora Education Foundation, while our focus on mental health will see us continue to support existing NFP relationships. These alliances help us drive positive change as a firm and provide opportunities for our people to get involved and make a difference in the community.

Our people continued to mentor low socio-economic status students via our collaboration with Australian Business and Community Network to help these students build confidence, skills and aspirations. This is vital for thriving in the workplace of the future. Throughout the year, 189 of our people mentored 552 students across Australia.

Each year our senior managers and directors are offered the opportunity to apply for The Observership Program, which supports our emerging leaders to observe an NFP board for 12 months. Observers gain first-hand exposure to the role of a board director, as well as targeted governance training and mentoring opportunities on important skills for the boardroom. Over our long-standing relationship with The Observership Program, almost 100 of our people have been involved.

In 2024, eight people from across the firm were matched with NFP boards.

Our national network of over 500 Social Impact Champions and Green Team members continued to raise awareness and engagement with our community impact and environmental programs and initiatives.

Overall, the financial value of the firm's social investment during the year (including Social Impact time, giving, other fundraising and charitable donations) was $18.5m. The total number of hours contributed to Social Impact time was 94,050.

Noteworthy highlights for the year included the following:

- We launched our inaugural Impact Month, contributing over 13,000 hours and raising nearly $450,000 in charitable donations.
- We supported social enterprise Gastronomy (OzHarvest Ventures) and other charitable causes through our cafes in Melbourne, Sydney and Brisbane.
- Through donations to charity and firm matching initiatives, our people contributed $797,000 through workplace giving.
- A total of 801 team members participated in STEPtember 2024, walking over 192 million steps and raising $40,000.

26 Value of social impact time is calculated at the firm's average hourly charge out rate. In the instance of low bono hours, the amount of any fees generated from these engagements are deducted from that quantification.

"I'm really inspired and proud of how our teams across the country rose to the occasion during Impact Month, using their time and skills to make a meaningful difference. Their dedication and passion truly exemplified our commitment to creating positive change in our communities, and we look forward to continuing this impactful work in the years to come."

Janette O'Neill
Chief Sustainability Officer, PwC Australia

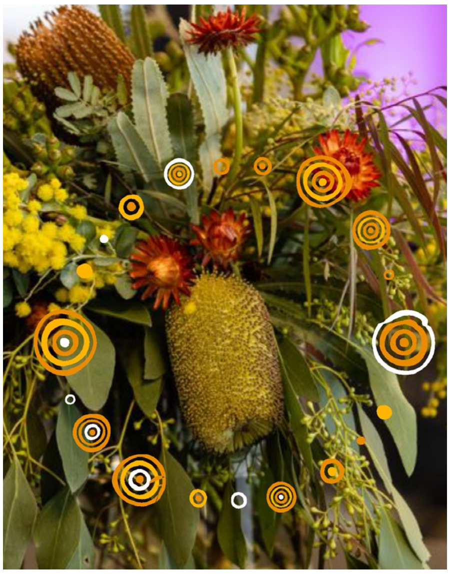
Case study

Impact Month – connecting our people and purpose

In September 2024, our people across the country joined together for Impact Month – our first annual campaign aimed to support our people to make an impact in their communities and align with our firm's purpose.

The initiative empowered our people to support the causes they are most passionate about and get involved with the diverse range of initiatives available. These included participating in a mental health hackathon, giving blood, having monetary donations to charities double-matched via our workplace giving program, donating time through skilled and unskilled volunteering opportunities, and supporting individual charity fundraising events.

During Impact Month, our people contributed over 13,000 hours of their time, raised almost $450,000 in charitable donations for the community, reached over 300 NFPs and made over 100 lifesaving blood donations.



First Nations

We are proud of our strong history of promoting reconciliation and reducing inequality experienced by Aboriginal and Torres Strait Islander Australians.

Our commitment to this cause is reflected in our various Reconciliation Action Plans (RAPs), including our first RAP in 2010 and our most recent Elevate RAP which concluded in December 2023.

The RAP program has inspired much social change in workplaces across Australia, influencing cultural and behavioural transformation. We continue to uphold the core values – relationships, respect and opportunities – in all our engagement.

Improved economic and social outcomes for First Nations peoples require ongoing commitment and action, and we are dedicated to promoting the principle of self-determination and to creating positive, tangible outcomes. By upholding the rights of the First Peoples of Australia under the United Nations Declaration on the Rights of Indigenous Peoples, we believe we can create a more inclusive and equitable society for all Australians.

In 2024, we:

- Continued to engage our people through events, campaigns and local initiatives for National Reconciliation Week, NAIDOC week and Indigenous Business Month.
- Continued to deliver First Nations cultural awareness training for employees and partners to build our people's cultural competency.
- Continued our collaboration with Aurora Education Foundation with a focus on deepening our understanding of initiatives that will deliver mutual value.
- Supported the National Aboriginal and Torres Strait Islander Housing Association (NATSIHA) with strategic and operational initiatives including the first phase of a sector workforce strategy, ongoing industry round tables with leaders from the private sector, delivery of the Housing Policy Partnership and planning for the first Aboriginal and Torres Strait Islander Housing and Homelessness Strategy.
- Published our **End of Elevate RAP report**, including performing specified procedures over a number of performance outcomes.

Following the completion of our previous Elevate RAP, and the departure of our PIC colleagues after the sale of our 49% shareholding in PricewaterhouseCoopers Indigenous Consulting Pty Limited[27], we undertook a period of reflection, listening and learning so we could move forward in our journey. We have since started to develop a new First Nations strategy which will focus on impact aligned to our business strategy and core skills.

We remain committed to First Nations prosperity, as one of our key impact areas, and we will continue to deliver on commitments made in our previous RAPs that remain part of our business as usual.

27 See page 21 for details

Human rights and modern slavery

We are committed to respecting and upholding the rights of our people and any individuals or groups that we may impact. This includes our clients, supply chains and community.

We are guided by **PwC's Code of Conduct** and are adopting the PwC Network's new **Global Human Rights Policy**. PwC's Code of Conduct sets out expectations for our people to work under, guarding against complicity in human rights abuses and drawing on internationally recognised labour principles in how we do business.

Annually, we submit and publish a Joint Modern Slavery Statement (JMSS), consistent with the requirements of the Modern Slavery Act 2018 (Cth). Since our first JMSS, we have adopted a continuous improvement approach to identify, assess and address modern slavery risks in our operations and supply chain.

For more information or to view our latest JMSS, visit **Human Rights and Modern Slavery** on our website. We continue to develop our human rights roadmap and participate in the UNGC Network Australia Modern Slavery Community of Practice.

We expect our suppliers to meet our **Global Third Party Code of Conduct** (TPCOC) which outlines the minimum standards of integrity and business conduct we expect of the suppliers with whom we do business. These standards include that they shall not use child labour, human trafficking or modern slavery, including forced, bonded or involuntary labour. Our TPCOC also sets out expectations for our suppliers to maintain working conditions that meet internationally declared human rights standards. We also published an **information sheet** to support our suppliers to address modern slavery risks to people in their supply chains.

Planet

Contributing to a socially equitable and net zero future

Our approach to the environment

PwC Australia's Environmental Policy sets out our commitment to manage our impact on the environment through emissions reduction and minimising waste and consumption of resources. We work collaboratively with our clients, people, suppliers, landlords and other stakeholders to raise awareness and promote improved environmental performance.

Climate change

Our Net Zero Action Plan outlines how we will decarbonise our operations and supply chain, and how we will measure and report on progress against our emission reduction targets. This is also how we will meet PwC's worldwide commitment to achieve net zero greenhouse gas (GHG) emissions with 2030 goals.[28,29] The PwC Network 2030 emission reduction targets have been validated by the Science Based Targets initiative (SBTi) and are aligned with a 1.5 degree climate scenario.

We are committed to:

- reducing absolute Scope 1 and 2 (market-based) emissions by 50% by end of June 2030 from 2019 levels;
- reducing absolute Scope 3 business travel emissions by 50% by end of June 2030 from 2019 levels;
- maintaining 100% renewable electricity in Australian offices;
- seeking 50% of our purchased goods and services suppliers (by emissions) to set science-based targets (SBTs) to reduce their own climate impact; and
- offsetting our scope 1, 2 and scope 3 business travel emissions that we have not yet reduced by purchasing carbon credits,[30] at least 50% of which are from nature-based solutions.

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28 Additional details on the GHG emissions core metrics and disclosures can be found on page 124.
29 Consistent with disclosures under the PwC Network Environment Report, our baseline and targets are set based on the PwC Network fiscal year, which is the 12-month period ending 30 June. Our base year is the 12-month period ended 30 June 2019.
30 We will purchase our carbon credits via the PwC Network to offset relevant emissions for the 12-month period ended 30 June 2025, in line with the PwC Network reporting cycle.

Task Force on Climate-related Financial Disclosures reporting (TCFD)

Globally, PwC has supported the TCFD since the launch of its recommendations in 2017, and we've been members of the task force since 2016. For more information, visit **PwC Network Environment Report**.

We also engage our people through our internal employee network, the Green Team, to provide grassroots support for initiatives such as reuse and recycling, and programs to support biodiversity and nature.

Decarbonise our operations

We continue to focus on direct action to decarbonise our operations. Where we are not able to decarbonise, we purchase carbon credits to offset Scope 1, 2 and 3 (business travel) emissions. This includes purchasing 50% of carbon credits from nature-based projects.

We are currently finalising a refresh of our Net Zero Action Plan and will continue to focus on reducing absolute emissions in our operations and supply chain.

PwC Network performance against targets

Our Scope 1 and 2 (market-based) emissions have decreased by 87% from our base year, exceeding our target of a 50% reduction. Energy efficiency measures, sustainable design principles and the purchasing of 100% renewable electricity for our Australian offices has contributed to the reduction.

Scope 3 business travel emissions have reduced by 57% since our base year. We remain committed to achieving our 2030 target and demonstrate this through our carbon cap on air travel and promoting virtual-first for client and firm activities where possible.

GHG emissions by scope[31]

GHG emissions by scope (tCO_2e)		2019 (base year)	2024	% Change (current and base year)	2030 reduction target (from base year)
Scope 1	Fuel combustion	190	115	-39%	
Scope 2 (market-based)	Electricity	4,709	47	-99%	
	Heating, hot water & steam	1,625	669	-59%	
Total scope 1 and 2 emissions (market-based)		**6,524**	**831**	**-87%**	**50% absolute reduction**
Scope 3	Business travel	32,128	13,676	-57%	50% absolute reduction
Total scope 1, 2 and 3 – Business travel emissions		**38,652**	**14,507**	**-62%**	**50% absolute reduction**

31 Additional details on the GHG emissions core metrics and disclosures can be found on page 124.

Engaging our suppliers

We measure, monitor and manage our emissions from Scope 3 purchased goods and services. This includes continued engagement with suppliers on climate-related issues. The GHG emissions for purchased goods and services were 42,241 tonnes of carbon dioxide equivalent, or tCO2e.

The **PwC Network Environment Report** details our progress towards 50% of our purchased goods and services suppliers (by emissions) having their own SBTs by 30 June 2025. Whilst progress is being made, we have focused our efforts on where we can achieve the greatest results. We are aware that a collective effort is needed to overcome some of the systemic and other barriers to progress that persist. In Australia, 22% of purchased goods and services suppliers (by emissions) have SBTs and another 11% have committed to setting SBTs in the future.

To support our approach, we have integrated environmental, social and governance criteria into supplier interactions, including detailed questionnaires and weighted evaluations.

Nature and biodiversity

While we have had a significant focus on reducing our emissions to reduce our impact on the environment, the Taskforce on Nature-related Financial Disclosures (TNFD) acknowledges that nature and climate are fundamentally interconnected and need to be solved together.

Globally, PwC has supported the TNFD since the launch of its recommendations in 2023 and has been a member of the Taskforce since 2021. At the network level, PwC has chaired the TNFD Data and Measurement Working Group, focused on developing frameworks that support organisations to understand their nature-related dependencies, impacts, risks and opportunities. PwC has also led the TNFD Data Catalyst Initiative that seeks to stimulate innovation and improve market access to nature-related data.

In January 2024, the PwC Network became one of 320 organisations to be an inaugural 'early adopter' committed to making nature-related disclosures in line with TNFD recommendations as part of corporate reporting. This represents an important step in leading the business community on nature-related risks and opportunities.

In Australia, we continue to lift our understanding of how nature relates to our operations and supply chain. This will support us in managing our nature-based dependencies, impacts, risks and opportunities in line with our commitment to a nature positive future.

04

Governance: Purposeful and sustained

Our approach to governance

Robust governance is critical to us achieving our vision and delivering purposeful and sustained outcomes for our clients, people and communities.

Governance Board

The Governance Board is the key governance body of PwC Australia. In March 2024, our partners endorsed industry leading reforms which strengthened its independence, oversight powers and duties. The changes set a new standard and paved the way for the appointment of an independent non-executive chair. These changes equip our Governance Board to hold management to account and provide strong oversight of the firm to ensure it is well managed.

The Governance Board oversees the areas of strategy, risk, finance and culture, and plays a key role in the succession of the CEO. It also approves partner admissions, retirements and major transactions, and conducts partner votes where necessary. It consists of the firm's CEO plus a minimum of six and a maximum of 10 additional members. Members can be a combination of equity partners who are elected by partner vote, and independent non-executive members who are appointed by the Governance Board.

All Governance Board members are expected to comply with our Code of Conduct, act with integrity and lead by example in promoting a leading culture and upholding our values. Each Governance Board member is expected to have sufficient time to undertake the responsibilities of the role, bring a questioning mindset, hold management to account, challenge and actively participate in Governance Board meetings.

Following an election by partners in April 2024, six partners were announced as members of the Governance Board from 1 July 2024. A partner's position as a member of the Governance Board is formally recognised as an important element of their annual responsibilities alongside client service delivery. The role comes with allocated time, increased support through professional development and formal performance assessment.

In August 2024, we announced John M. Green as the firm's first independent non-executive Governance Board Chair as well as Lisa Chung AM and Carmel Mulhern as independent non-executive Governance Board members. In May 2025, we also announced the appointment of Wendy Stops, whom we look forward to welcoming as our fourth independent non-executive Governance Board member from 1 July 2025.

Governance Board and Committees[32]

The Governance Board is the firm's most senior governance and oversight body with key powers and responsibilities for the firm's strategy, risk, finance and culture. Recommendations on these matters are provided by management and detailed work is undertaken on risk, finance and culture, in part by the Board's Committees. The Board has a key role to review and approve the firm's strategy, strategic initiatives, and oversee implementation.

Finance, Audit and Sustainability Committee

- Review and recommend approval of the firm's budget and business plan, and oversee implementation; oversee financial performance of the firm.
- Following detailed review, recommend approval of the firm's financial report, and recommend the appointment of an external auditor.
- Review and recommend approval of major investments, transactions and financial commitments.
- Oversee the adequacy of frameworks and systems supporting material sustainability matters.

Risk Committee

- Review and recommend approval of the firm's risk appetite statement and risk management framework, and oversee implementation.
- Oversee and challenge overall risk assessment and management of material risks, and the firm's risk culture.
- Review internal audit reports on control systems and procedures, and monitor management's response; review and approve internal audit charter and plan.
- Oversee the conduct of significant litigation and regulatory investigations, and recommend approval of settlements.

Partnership, People and Culture Committee

- Oversee the firm's culture including review and recommend approval of the firm's statement of values; oversee cultural indicators including ethics, compliance, workplace health and safety, wellbeing, diversity and inclusion, talent development.
- Review methodology to assess staff performance and remuneration.
- Supervise proper application of the Partner Performance Evaluation and Income scheme as it applies to partners (other than members of the Management Leadership Team or the Governance Board).
- Review and approve partner admissions, retirements and associated current and former partner matters.

Nominations and Public Interest Committee

- Leadership succession planning and recommend Board endorsed candidate for Country Senior Partner, for partner approval.
- Review and recommend approval of pre-qualified internal Board member candidates for election by partners; and recommend appointment of independent non-executive Board members, subject to partner vote in some circumstances.

The current members of our Governance Board can be found over page. See **our website** for the Governance Board Charter and each committee's terms of reference.

32 Effective 1 December 2024, the Governance Board Committees terms of reference were redesigned to further enhance the focus and independence of oversight of risk, ethics and public interest matters. Key changes are summarised below:
- The Finance, Audit and Sustainability Committee was previously the Finance, Audit and Operations Committee
- The Partnership, People and Culture Committee was previously the Partner Matters Committee
- The Nominations and Public Interest Committee combined the Governance Committee and the Public Interest Committee.
Changes to the membership of the committees resulted from these changes.

Governance Board profiles

Below are the profiles of PwC Australia's Governance Board members[33] and the committees they are members of:

John M. Green
Independent Non-Executive Governance Board Chair

Date appointed:
2 August 2024

Committee Membership:
- Nominations and Public Interest Committee (Chair)

John is our firm's first Independent Non-Executive Governance Board Chair. He has significant director and governance experience across a range of domestic and international, large-scale, founder-led, private, ASX-traded and government organisations. John's current non-executive director roles are at Challenger Limited and University of Wollongong (UOW) Global Enterprises. John has previously served as a non-executive director of global professional services firm Worley (before and after ASX-listing) and the Cyber Security Cooperative Research Centre Limited; Deputy Chair of global insurer, QBE Insurance; a member of the Australian Takeovers Panel; a councillor of the National Library of Australia and as a director of a number of not-for-profit organisations. John's executive career spanned 30 years. First as a partner in two law firms and then as an investment banker at Macquarie Group. Throughout that career, John advised boards across multiple industries and helped many organisations through various strategic phases. John is also a novelist, with six crime thrillers to date, and was a co-founder of independent book publisher Pantera Press.

Kevin Burrowes
Chief Executive Officer
Partner

Date appointed:
17 July 2023

Kevin is the Chief Executive Officer of PwC Australia and is the Chair of the firm's Management Leadership Team and a member of the Governance Board. Prior to joining the Australian partnership as CEO, Kevin was the PwC Network's Global Clients & Industries Leader and sat on the global leadership team. In this role he delivered trusted and sustained outcome solutions to PwC's 200 biggest global clients. He also managed PwC's global industry programme, ensuring the firm's thinking was at the forefront of developing trends and opportunities. Kevin relocated to Singapore in 2021 to represent and support PwC's expansion in Asia, having previously served in the UK firm as Head of Clients and Markets and as Global Banking & Capital Markets Leader and Financial Services Leader. During his career, Kevin has primarily focused on advising, leading and delivering projects for the world's largest banks across a broad agenda from strategy to process efficiency, front office to HR, globally and locally. Kevin's experience outside of PwC includes periods working at IBM, Credit Suisse and The Royal Bank of Scotland, which has seen him based in London, New York and Frankfurt. He is a member of the Institute of Chartered Accountants in England and Wales. Kevin is PwC's principal representative on the Australian Public Policy Committee (APPC), which comprises representatives of the six largest professional services firms in Australia. APPC's objective is to promote positive policy outcomes in relation to audit, accounting and related services.

33 These profiles and members are current as at date of publication, with the exception of Wendy Stops, who will be commencing in the role on 1 July 2025.

Carmel Mulhern

Independent Non-Executive Governance Board Member

Date appointed:
1 September 2024

Committee Membership:
- Risk Committee (Chair)
- Finance, Audit and Sustainability Committee
- Nominations and Public Interest Committee

Carmel is an independent non-executive member of the Governance Board. Carmel has more than 25 years' experience as a global executive and advisor to Boards and CEOs in the financial services, telecommunications, media, technology and manufacturing sectors. Carmel has extensive leadership and governance experience from senior executive roles at ASX10 entities involving navigating a range of sensitive and complex commercial, policy and stakeholder issues in highly regulated industries with large customer and shareholder bases. Until 2023, Carmel served as Group General Counsel and Group Executive Legal & Corporate Secretariat at the Commonwealth Bank of Australia (CBA), driving the fair and efficient resolution of the Bank's legal matters, rebuilding stakeholder trust and effective corporate governance in strategy execution. Prior to joining CBA, Carmel held various senior executive positions at Telstra, covering legal, government relations, internal and external corporate communications, regulatory engagement and sustainability during periods of strategic transformation and digital disruption. Carmel is currently the Chair of the Telstra Foundation Limited, a director trustee of the Australian Cancer Research Foundation, Deputy Board Chair of the Methodist Ladies' College and a member of the Advisory Board of the Centre for Artificial Intelligence and Digital Ethics at Melbourne University. Carmel is a member of Chief Executive Women (CEW), a Fellow of the Governance Institute of Australia and a graduate of the Australian Institute of Company Directors. Carmel holds a Master of Laws from Monash University (Directors' Duties/Corporate Governance).

Emma Hardy

Partner

Term commenced:
1 July 2024

Committee Membership:
- Partnership, People and Culture Committee; and Chair, for purposes of oversight, of the Partner Performance Evaluation and Income Scheme

Emma is a partner in PwC's Workforce practice leading the HR Operations Advisory business; prior to that she led the People and Organisation team in PwC's Consulting business. Emma focuses across all aspects of HR and workforce transformation and is passionate about helping clients navigate the complexity and risk of major change. Emma is passionate about building capable teams, coaching and mentoring, and she actively contributes to leadership alignment, engagement and cultural change. Emma has provided consulting services to clients in the resources, government, logistics and banking sectors. This has required a perspective on business strategy, managing risk and shaping the cultural and behavioural aspects of change. Her global experience covers post-merger integration, technology and digital transformation, cultural change and leadership. Emma is a Masters graduate in Coaching and Consulting for Change, and a graduate member of the Australian Institute of Company Directors (GAICD).

Ewan Barron
Partner

Term commenced:
1 July 2024

Committee Membership:
- Finance, Audit and Sustainability Committee
- Partnership, People and Culture Committee

Ewan is an audit partner with extensive experience working with boards and management of ASX 100 and large financial institutions in Australia, the UK and the USA. He has held numerous senior leadership roles within the Assurance practice, including Chief Culture Leader, National Financial Services Leader, and Chief Operating Officer, and was a long-standing member of the Assurance Leadership team. He is currently Chief Auditor for our Assurance practice in Australia. Ewan has extensive experience across a wide variety of industries, including real estate, asset management, banking and infrastructure. He has worked with several large listed organisations around the globe and has built strong global networks. Ewan was previously a non-executive director of SANE Australia, a role he held between 2017 and 2024. He is a graduate member of the Australian Institute of Company Directors (GAICD), a Registered Company Auditor, and a member of Chartered Accountants Australia and New Zealand and of the Institute of Chartered Accountants of Scotland.

Ian Hockings
Partner

Term commenced:
1 July 2024

Committee Membership:
- Partnership, People and Culture Committee
- Risk Committee

Ian is a management consulting partner with over 35 years' experience. He has held numerous leadership roles including Financial Services Management Consulting Lead, Management Consulting Chief Operating Officer, Advisory Diversity & Inclusion Leader, Risk & Controls leader and the People & Change leader. Ian has commercial, risk and operational experience working with clients across a range of complex reviews and business transformation initiatives. He has extensive experience working with clients across Europe, North America and the Asia Pacific region and has worked in a diverse range of industries including financial services, telecommunications, technology, health and the resources sector. Ian is currently a Council Member at Melbourne Girls Grammar, and was a Board Director at Christ Church Grammar School for nine years and Chair of their Strategic Planning Steering Committee. Ian is a graduate member of the Australian Institute of Company Directors (GAICD), a Fellow of Chartered Accountants in England and Wales and a member of Chartered Accountants Australia and New Zealand.

Lisa Chung AM

Independent Non-Executive Governance Board Member

Date appointed:
1 September 2024

Committee Membership:
- Partnership, People and Culture Committee (Chair)
- Nominations and Public Interest Committee
- Finance, Audit and Sustainability Committee

Lisa is an independent non-executive member of the Governance Board. Lisa has experience as a non-executive director of professional services firms, privately held companies, for-purpose and ASX listed company boards in commercial property, financial services, creative arts and community services. Lisa is the Chair of Australian Unity Limited, Artspace Sydney and The Front Project; an independent non-executive board member of the Committee for Sydney, the Sydney Community Foundation, and a trustee of the Art Gallery of NSW Foundation. Lisa has previously held the roles of Chair of Urbis, Chair of the Benevolent Society (Australia's first charity) and Deputy President of Trustees of the Museum of Applied Arts and Sciences (Powerhouse Museum). Lisa has also served as a non-executive director on the boards of APN Outdoor Group Limited and AV Jennings Limited. Lisa began her career as a lawyer. As a partner of Blake Dawson (now Ashurst), she served as an elected member of the Board of Partners, National Leader for the Property, Projects and Government Practice and Sydney Managing Partner. Lisa has led organisations through regulatory and cultural change and brings extensive governance experience. She is a regular contributor to discussion panels on various aspects of governance for the Australian Institute of Company Directors (AICD) and has twice co-presented the AICD's annual Essential Director Update.

Marcus Laithwaite

Governance Board Deputy Chair
Partner

Term commenced:
1 July 2024

Committee Membership:
- Nominations and Public Interest Committee
- Risk Committee

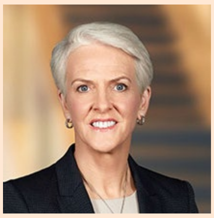
Marcus is an audit partner with more than 30 years' experience in Australia, London and Indonesia. He has held various leadership roles at PwC, including being a member of the PwC Foundation Board, the firm's Executive Board/Management Leadership Team, Head of Partnership, Chief Diversity and Inclusion Officer, and has led the Sydney Financial Services Assurance practice. Marcus' external audit experience includes leading the audits of a number of prominent financial services institutions and other ASX 100 clients. He is known for his strong financial and risk background, commercial acumen, people leadership and commitment to quality and high service standards. Marcus has previously held a number of board roles, including as Chair of the Board of CARE Australia, Chair of CARE International's Governance Board and a Council member of CARE International; Treasurer and Board member of the European Australian Business Council; Director, Treasurer and the Board Chair of ChildFund Australia; Chair of the Audit, Finance and Risk Committee of Sydney Living Museums (now Museums of History NSW) and the honorary auditor of the Financial Markets Foundation for Children. Marcus is a graduate member of the Australian Institute of Company Directors (GAICD), a Registered Company Auditor, a member of Chartered Accountants Australia and New Zealand, and a fellow of the Institute of Chartered Accountants in England and Wales.

Rosalie Wilkie
Partner

Term commenced:
1 July 2024

Committee Membership:
- Finance, Audit and Sustainability Committee (Chair)
- Risk Committee

Rosalie is an audit partner with over 34 years' experience leading external audits, internal audits and sustainability related services. Rosalie's client and industry sector experience is extensive, particularly in the Technology, Media and Telecommunications sectors. She has played a pivotal role in auditing major telcos in Australia and also advises clients on social impact issues, such as social governance and modern slavery. Rosalie's leadership roles included leading the inaugural Social Impact team at PwC. As Social Impact leader Rosalie was responsible for the firm's first Elevate Reconciliation Action Plan, environmental targets including net zero, human rights related policies and reporting, enhancing the profile and strategy of the PwC Foundation and community contributions, whilst embedding a social consciousness and working towards systemic change in key social issues through The Impact Assembly and The Constellation Project. Rosalie is currently a Director and Chair of the Finance Audit and Risk Committee at White Box Enterprises and a member of the Sydney Advisory Council for the Centre for Social Impact. Rosalie has previously served as a Board Member and Chair of the Risk & Audit Committee at SDN Children's Services, was a founding Board Director for the Constellation Project and Chair of the PwC Foundation. Rosalie is a graduate member of the Australian Institute of Company Directors (GAICD), a registered company auditor and Fellow of Chartered Accountants Australia and New Zealand.



Wendy Stops
Independent Non-Executive Governance Board Member

Commencement:
1 July 2025

Wendy is a non-executive director of Coles Group and the Melbourne Business School, Chair of the Industry Advisory Board for the Centre for Business Analytics at the Melbourne Business School, a member of the AICD's Governance of Innovation & Technology Advisory panel, and a member of Chief Executive Women's Scholarships and Leaders Development Committee. Wendy was until recently the Chair and a non-executive director of Fitted for Work, as well as previously being the Deputy Chancellor and a Council Member of the University of Melbourne, Chair and a non-executive director of Blackmores Group, a non-executive director of the Commonwealth Bank of Australia and Altium, a member of the Digital Experts Advisory Committee for the Digital Taskforce in the federal government's Department of Industry, Science & Resources and an Advisory Board member for Kearney ANZ. Prior to taking up her director career, Wendy was an information technology and management consultant, spending her 32+ year career with Accenture. Over her career with Accenture Wendy worked across multiple industry sectors and operated across multiple countries, including time spent living in New York, Singapore and Kuala Lumpur. Wendy is also a member of Chief Executive Women and a graduate of the Australian Institute of Company Directors (GAICD).

Governance Board members meetings

The table below lists the attendance at Governance Board and committee meetings in 2024. The number of meetings specified are those held during the time each individual was entitled to participate as a member of the Governance Board or committee.

	Board		Committees[34]							
	Governance Board		Finance, Audit and Sustainability Committee		Nominations and Public Interest Committee[35]		Partnership, People and Culture Committee		Risk Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
John M. Green	9	9			1	1				
Kevin Burrowes	24	21								
Carmel Mulhern	7	7	1	1	1	1			1	1
Emma Hardy	11	10			2	2	9	9		
Ewan Barron	11	11	5	5			9	8		
Ian Hockings	11	11			2	2	2	2	4	4
Lisa Chung AM	7	7	1	1	1	1	1	1		
Marcus Laithwaite	11	11			2	2	2	2	4	4
Rosalie Wilkie	11	11	5	5			2	2	4	4
Michael Fung[36]	11	11	5	5			9	9		
Former Governance Board Members[37]										
Justin Carroll	16	16	1	1	2	2	9	9	2	2
Paul Abbey	13	13	4	4			8	7	2	2
Paddy Carney	12	12					7	5	2	2
Clara Cutajar	5	4	1	1			1	1	1	1
Tracey Kennair	13	13	3	3	2	2				
Sumanth Prakash	13	10	4	4			1	1		
Norah Seddon	13	13			2	1	8	8		
Joe Short	5	5					5	3		

Managing conflicts of interest

At the commencement of each Governance Board and committee meeting, the Chair requests members present to declare any actual or potential conflicts of interest they are aware of that exist in relation to any item to be considered at that meeting, including with reference to any existing entries in the register of interests or other appointments. When a conflict of interest is declared, the specifics of the conflict and the approach for managing it are documented in the Governance Board or committee minutes and added to the register of interests where appropriate.

34 Governance Board members can attend any committee meetings, regardless of membership, and many Board members do so. The table excludes attendance for those not on the committee, with the exception of the below (i.e footnote 35).

35 John M. Green, Carmel Mulhern and Lisa Chung AM formally commenced as members of the Nominations and Public Interest Committee from 1 December 2024. On 4 November 2024, they attended the only meeting of that Committee since they were appointed to the Governance Board and this attendance is included within the above table.

36 Michael Fung ceased to be member of the Governance Board on 20 January 2025.

37 Former Governance Board members all ceased to be members on 30 June 2024, with the exception of Justin Carroll who ceased to be a member on 1 August 2024 and Clara Cutajar who ceased to be a member on 15 April 2024.

Board Skills Matrix

The Board Skills Matrix outlines the skills and competencies for the Governance Board to effectively govern the firm and fulfil its responsibilities. It details the level of proficiency Board members hold in these skill areas. Although individual Board members possess varying levels of proficiency, as a collective the Governance Board has the appropriate mix of skills, experience and diversity to discharge its duties effectively. The matrix includes all current Governance Board members at the date of this report and includes recently appointed independent non-executive Board member, Wendy Stops, commencing in role 1 July 2025.

Skills & Competencies	Level of proficiency		
	High competency	Practiced or direct experience	Proficient
Governance Experience in, and commitment to, the highest standards of governance, including an understanding of relevant frameworks and governance principles. Experience as a company director or having significant professional experience engaging with directors of a listed company or large organisation.	8	2	
Leadership Experience in a senior management or leadership position in a partnership, listed company or large organisation.	10		
Legal, Risk & Compliance Experience in the identification, monitoring and management of existing and emerging financial, non-financial and legal risks. This includes having relevant compliance, ethics and risk management experience.	8	2	
Financial Acumen Understanding of financial statements and reporting, key drivers of financial performance, corporate finance and internal controls.	7	2	1
People & Culture Experience in overseeing workplace culture, health and wellbeing, people management, development and succession planning, setting remuneration frameworks and promoting diversity and inclusion.	7	3	
Sustainability Experience and understanding of impacts, risks or opportunities relating to relevant sustainability topics including climate change, workforce and business conduct.	2	5	3
Stakeholder Management Experience in managing brand reputation, standing in the community and building trusted relationships with key stakeholders.	9	1	
Strategy & Transformation Experience in organisational transformation and strategy including identifying and analysing strategic opportunities and threats, implementing and delivering strategic objectives and monitoring performance against strategic objectives.	5	5	
Technology, Data & Cyber Understanding of the application of technology in large organisations including impact on data management, cyber security and technology risks. Understanding or expertise in strategies and responses to digital disruption, artificial intelligence and other emerging technologies.	3	6	1
PwC & Professional Services Experience Experience in professional services industry or within a partnership structure.	10		

Key

- **High competency** – A Board member seen as able to provide strategic insight and guidance on complex issues of this nature by virtue of extensive practical experience and who has a strong track record of leadership applicable to this skill area.
- **Practiced or direct experience** – A Board member whose practical experience enables them to make informed decisions and contribute meaningfully to discussions and decision making within this area of expertise.
- **Proficient** – A Board member whose foundational understanding and familiarity of the skill area enables participation in discussions and decision making when guided by more experienced members or via consultation with subject matter experts.

MLT committees

The MLT has delegated authority to the MLT committees, outlined below, which provide support on a range of matters.

Client Committee

Has delegated authority to oversee engagement on client acceptance or continuance decisions.

Investment Committee

Has delegated authority to oversee investments and ensure that investment matters are appropriately managed.

Risk Committee

Has delegated authority to oversee that adequate policies, practices and frameworks are in place to manage risk. Additionally, it oversees the identification, measurement and management of risk.

CEO and Management Leadership Team

PwC Australia's Chief Executive Officer (CEO) provides leadership for partners and employees and is responsible for the effective management and performance of the firm. Kevin Burrowes has been CEO since 17 July 2023.

The Management Leadership Team (MLT) is appointed by the CEO and is responsible for the management and administration of the firm. The opportunity to apply for a role on the MLT is offered to all partners via an Expression of Interest form, as outlined in the Partner Leadership Appointment Policy. View profiles of our Management Leadership Team on our **website** and refer to the Remuneration Report for details on the MLT income deferral mechanism introduced in the year.

Directors of PwC companies

PwC Australia provides some client services through companies incorporated in Australia, including PwC Consulting Services Australia Pty Ltd and PricewaterhouseCoopers Securities Ltd. PricewaterhouseCoopers Services Pty Limited employs the firm's staff and provides various support services to the partnership. The obligations of the directors of these three companies include those under the Corporations Act and under general law.

Internal Audit function

Our Internal Audit function reports directly to the Governance Board Risk Committee through the Chair and administratively to the Chief Risk Officer. The function operates in accordance with its own Internal Audit Charter and has full access to all PwC Australia entities, records and personnel.

Internal Audit provides objective assurance to management and the Governance Board on the effectiveness of PwC Australia's internal controls, risk management and governance systems and processes through:

- preparing an annual internal audit plan, which is devised using a risk-based approach. This plan is approved by the Governance Board Risk Committee annually and is reviewed throughout the year to ensure it remains appropriate; and
- preparing internal audit reports for reviews undertaken, including regular reporting to the Governance Board Risk Committee in relation to the effectiveness of risk management practices and the internal control environment across the firm.

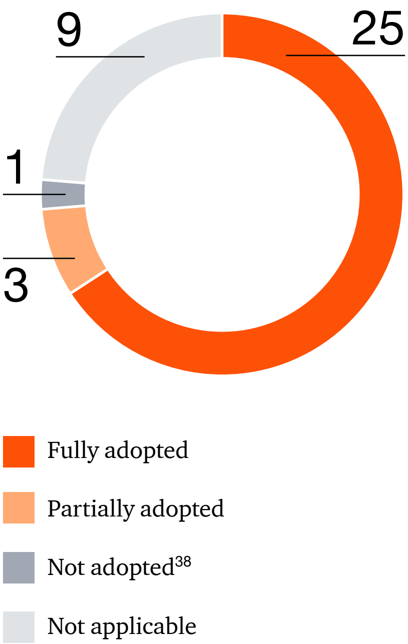
ASX Corporate Governance Principles

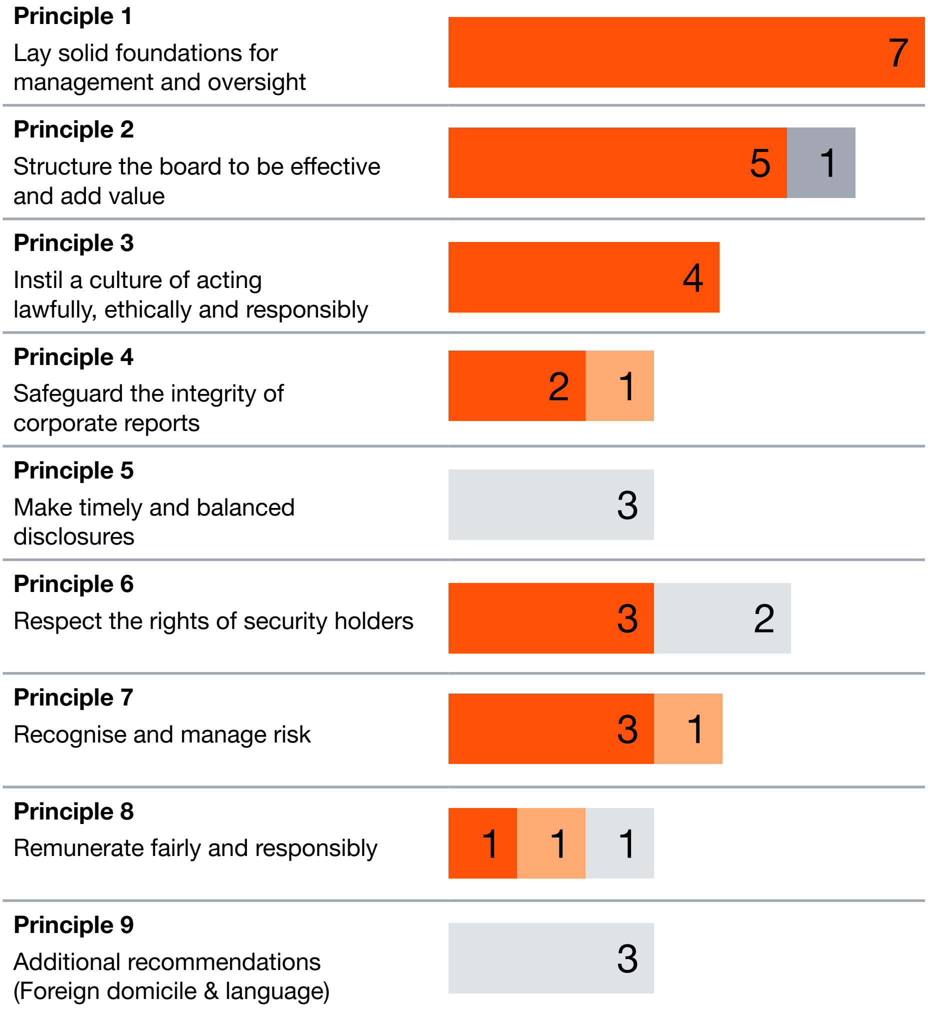
The ASX Corporate Governance Principles and Recommendations were developed by the ASX Corporate Governance Council to establish a framework for ASX listed entities to benchmark their corporate governance practices and, where they do not conform, to disclose that fact and the reasons why.

As part of our Commitments to Change Action Plan, we have adopted the ASX Corporate Governance Principles (4th Edition) to the extent applicable for a Partnership.[40]

We have reported against the nine ASX Corporate Governance Principles issued by the ASX Corporate Governance Council. These nine principles comprise 38 individual recommendations.

Recommendation adoption summary



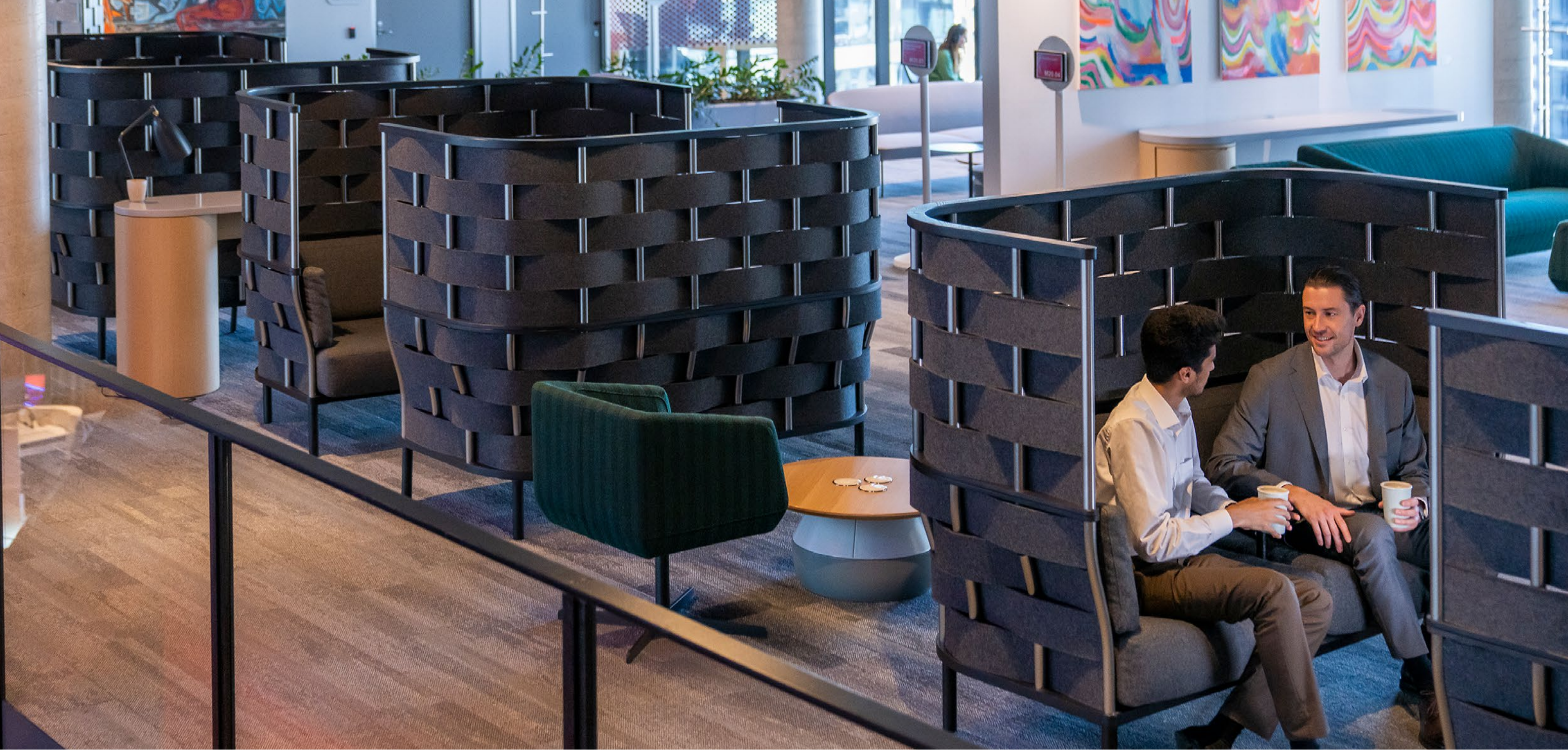


Additional details on the adoption status and disclosures can be found in the ASX Corporate Governance Principles Adoption table from page 117.[39]

38 Recommendation 2.4 in regards to having a majority of independent Board members has not been adopted. Changes have been made to the Partnership Agreement to allow for a majority of independent non-executive board members in the future, subject to Partner vote. Eligibility criteria for elected partner members includes that they are not members of the Management Leadership Team, and have not been for greater than 12 months in the preceding three years prior to appointment to the Governance Board.

39 The adoption status is as at the date of this Annual Report. These recommendations have been adopted progressively since the publication of PwC Australia's Commitments to Change Action Plan in September 2023.

40 The PwC Australia Partnership is governed by the PwC Australia Partnership Agreement (the 'Partnership Agreement'). This sets out the rights, responsibilities and obligations of each partner within the Partnership and serves as the formal contract between the partners.



Risk and ethics

We continue to uplift our approach to risk and ethics through our focus on enterprise and business risk management, compliance, ethics and business conduct. One of our key priorities is to ensure all our people understand the importance of adhering to the highest ethical and professional standards, with integrity at the core of everything we do. In 2024, we progressed this by:

- creating policies and practices that seek to ensure a consistent approach to risk and ethics across the firm, with regular communication to our people
- fostering a culture of constructive challenge, seeking to ensure our people feel safe to speak up and raise concerns without fear of retaliation
- continuing to implement and embed the actions in our Commitments to Change Action Plan.

A strong Risk and Ethics function is critical as we bring to life our firm's three focus behaviours – curiosity, collaboration and challenge. We are focused on increasing risk awareness, reinforcing ethical considerations in everyday activities, sharing lessons learned, and supporting consistent and effective decision-making across the firm.

Our risk management strategies and tools are made prominent and accessible for our people through regular training and consistent communication.

Cybersecurity and data protection are critical to our firm. We maintain systems and processes to protect firm and client data and information. We also continually educate and upskill our people on cybersecurity and data protection. This is vital to managing personal information and data appropriately, and in accordance with legal, professional and ethical obligations to safeguard our clients and our people.

By managing risk with increasing consistency in a whole-of-firm context, we provide our people with the guardrails they need. This supports them to make the right decisions for each other, our clients, our communities and our firm.

Strengthening our risk and ethics foundations

Our Chief Risk and Ethics Officer sits on the Management Leadership Team, reports directly to our CEO and meets regularly with the Governance Board and its relevant committees. The Chief Risk and Ethics Officer role deliberately has no client responsibilities to reduce any perceived conflicts of interest. Our Risk and Ethics leadership team comprises senior leaders with direct and regular access to senior management and the Governance Board.

During 2024, we continued to review and uplift the robustness of the firm's systems, policies, processes and frameworks. Our revised risk management framework, approved by the Governance Board in August 2024, established structured governance, oversight and accountability measures to effectively identify, assess and mitigate risks. It will be reviewed annually to satisfy that the firm is operating with due regard to the Risk Appetite Statement set by the Governance Board.

Our risk management framework provides a systematic and consistent approach around risk identification, risk appetite setting and reporting based on eight risk classes:

- Strategic
- Compliance and Conduct
- Clients, Services and Products
- Information Security and Cyber
- Financial
- People
- Technology
- Operational Process

We developed and implemented a new compliance framework, reinforcing ownership of regulatory obligations and key controls. This is implemented and supported by a central compliance function and subject matter experts across the firm. We regularly remind our people to conduct themselves with the highest standards of ethical behaviour in all dealings, whether internal or with our clients and other stakeholders. We place a great importance on training, which seeks to ensure our compliance with relevant laws, regulations, PwC Network Standards, client contractual obligations and our own policies. Our firm is proud to have achieved 100 per cent completion for all mandatory risk and ethics training in 2024.

We recognise incidents of non-compliance or poor behaviour can and do occur. In those instances, our expectation is that issues are promptly identified, investigated, owned and managed, and appropriate consequences applied. The People and Ethical Conduct Panel is set up as an escalation forum for certain conduct matters concerning both partners and employees. Outcomes from the People and Ethical Conduct Panel are communicated to our Management Leadership Team and Governance Board.

In 2024, 28 serious misconduct complaints were tabled with the People and Ethical Conduct Panel. Of these, 21 were substantiated, with action taken.

Substantiated matter	Instances (n=21)
Bullying, harassment and other workplace misconduct	15 (71%)
Sexual harassment	1 (5%)
Data breaches	5 (24%)
Action taken	**Result (n=21)**
Written warnings (including financial penalties, counselling and training)	16 (76%)
Exit from the firm (including termination and resignation)	5 (24%)

We maintain a focus on preventing bribery and corruption by employing stringent risk management to prevent and detect financial crimes, including money-laundering, tax-evasion, fraud and embezzlement. There were no allegations or confirmed incidents of bribery or corruption during 2024. Our **Anti-Bribery and Corruption Policy** is available on our website.

Additionally, we continued to emphasise our business and ethical conduct framework, which includes:

- **Consequences Management Policy and Compliance Gateway:** Together, the Policy and Compliance Gateway provide us with the framework to address instances of misconduct, including workplace behaviour issues, business integrity concerns and sexual harassment. The Policy seeks to ensure all our people are treated fairly and equitably, with independent oversight of investigations and outcomes. Further detail on the Compliance Gateway can be found in the Remuneration Report.
- **People and Ethical Conduct Panel:** Comprises a minimum of three senior leaders in the firm, including from the Ethics and Business Conduct leadership.
- **Speak Up initiatives:** Internally, we promote a Speak Up culture which encourages openness, transparency and challenge, ensuring our people feel safe to raise concerns, share ideas and report unethical behaviour without fear of retaliation. One of the key channels we point our people to is the Ethics Helpline, which allows open and anonymous reporting. This is managed centrally to ensure consistency in how we capture and escalate concerns.

The Ethics Helpline is also available to our clients and the public.

05

Remuneration Report

PwC Australia | 2024

Message from the Chair of the Partnership, People and Culture Committee

On behalf of the Governance Board, I am pleased to present PwC Australia's Remuneration Report, outlining key aspects of our performance frameworks and their alignment with our cultural and strategic ambitions.

Lisa Chung AM
Independent Non-Executive Governance Board Member

Our reinvention journey and cultural commitments

PwC Australia has been on a comprehensive journey committed to pursuing our vision of being the pre-eminent professional services firm, with enhanced governance and a leading culture for the future.

This journey so far has seen us:

- embed a cultural focus across the firm's strategic behaviours of 'unbounded curiosity', 'One firm collaboration' and 'constructive challenge';
- launch the Evolved PwC Professional behavioural framework to help our people become more impactful leaders, emphasising a broader and deeper view of performance;
- commence a Leadership Reinvention program to support partners and senior leaders to redefine 'leading' and to deliver on our cultural ambition;
- implement industry leading reforms in our firm's governance structure and processes through clarification of roles and responsibilities and strengthening of independence and oversight powers; and
- evolve our partner performance and income distribution process, with the introduction of a whole-of-firm balanced scorecard for partners and an enhanced consequence management framework.

Our Governance Board and Management Leadership Team

We have revised our governance practices and adopted corporate governance principles to the extent applicable for a partnership.

In 2024 we:

- refreshed our Governance Board, including appointing an independent non-executive chair and two independent non-executive members with deep corporate and professional services experience;

- changed future CEO appointment processes from contested elections to a Governance Board endorsed candidate for partner approval, utilising rigorous selection criteria and assessment; and
- clearly defined and formalised the role of our Management Leadership Team (MLT) to manage the firm as a whole, with reset membership, accountabilities and terms of reference.

These changes inform the Key Management Personnel (KMP) disclosure within this Remuneration Report including the Governance Board members, Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the leaders of our client service businesses. This was a year of transition in which the composition of our KMP group transformed to reflect these significant governance changes.

Evolving and aligning our partner performance and income distribution process

We made specific shifts to ensure our partner performance and income distribution process aligns with the highest ethical and professional standards, with integrity at the core.

Specifically, we:

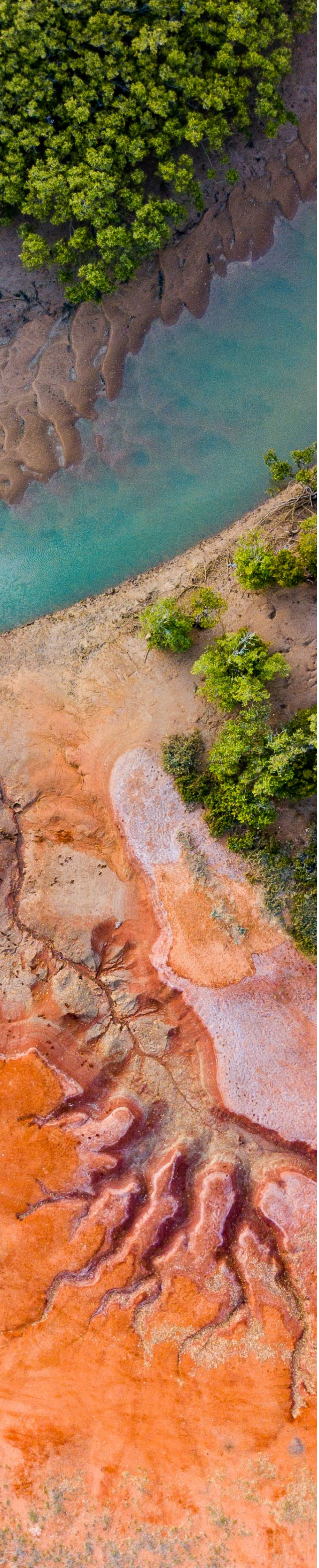
- increased the rigour of our partner performance assessment process with more structured moderation oversight across each business area, including cross firm input, to provide challenge and minimise unconscious bias;
- implemented additional leadership performance assessment processes for our MLT members, with a strong focus on upward feedback and future development, and a requirement for input from across the business; and
- launched new risk and conflict management systems and an enhanced consequence management framework. This included minimum compliance gateway requirements for an assessment of high performance, and increased financial impacts associated with behaviour not in accordance with the firm's purpose and values.

Continuing to evolve our practices for the future

As we continue our cultural journey we are focused on embedding our values and behaviours in everything that we do.

We are making good progress but remain committed to ongoing improvement. Your interest in our firm is appreciated and I am pleased to share our inaugural Remuneration Report including our independently audited Income and Remuneration Tables.

Lisa Chung AM
Independent Non-Executive Governance Board Member
Chair, Partnership, People and Culture Committee



Remuneration Report Contents

1. Key Management Personnel

We have prepared this Remuneration Report in respect of the firm's KMP, which includes executive KMP and Governance Board members (both independent non-executive and elected partner members). All of the elected partner Governance Board members and executive KMP are, or were, partners of PwC Australia, with the exception of the CFO who is an employee of the firm.

Table 1.1: Key Management Personnel

Name	Position held	Term as KMP in 2024
Executive KMP		
Kevin Burrowes	Chief Executive Officer, Partner & Governance Board Member	Full Year
Rob Silverwood[1]	Financial Advisory Leader, Partner Advisory co-Leader, Partner	Until 30 June Commenced 1 July
Sue Horlin	Assurance Leader, Partner	Full Year
Rohit Antao	Consulting Leader, Partner Advisory co-Leader, Partner	26 February–30 June Commenced 1 July
Chris Morris	Tax & Legal Leader, Partner	Commenced 1 July
David Callaghan	Chief Financial Officer	Commenced 25 March
Former KMP		
David McKeering	Consulting Leader, Partner	Until 25 February
Liza Maimone	Chief Operating Officer & Sustainability Executive, Partner	Until 24 March
Governance Board		
Independent non-executive Governance Board members		
John M. Green	Governance Board Chair	Commenced 2 August
Lisa Chung AM	Governance Board Member	Commenced 1 September
Carmel Mulhern	Governance Board Member	Commenced 1 September
Elected partner Governance Board members		
Marcus Laithwaite	Governance Board Deputy Chair, Partner	Commenced 1 July
Ewan Barron	Governance Board Member, Partner	Commenced 1 July
Michael Fung[2]	Governance Board Member, Partner	Commenced 1 July
Emma Hardy	Governance Board Member, Partner	Commenced 1 July
Ian Hockings	Governance Board Member, Partner	Commenced 1 July
Rosalie Wilkie	Governance Board Member, Partner	Commenced 1 July
Former KMP		
Justin Carroll	Governance Board Chair, Partner	Until 1 August
Paul Abbey	Governance Board Member, Partner	Until 30 June
Paddy Carney	Governance Board Member, Partner	Until 30 June
Clara Cutajar	Governance Board Member, Partner	Until 15 April
Tracey Kennair	Governance Board Member, Partner	Until 30 June
Sumanth Prakash	Governance Board Member, Partner	Until 30 June
Norah Seddon	Governance Board Member, Partner	Until 30 June
Joe Short	Governance Board Member, Partner	Until 30 June

1 Rob Silverwood ceased to be the Advisory co-Leader and member of the Management Leadership Team on 14 January 2025. At this date, Rohit Antao became the overall Advisory Leader.
2 Michael Fung ceased to be a Governance Board Member on 20 January 2025.

2. Income and Remuneration: Governance

Partner KMP are entitled to profit distribution from the PwC Australia partnership as income, unlike non-partner executive KMP or independent non-executive Governance Board members, who are remunerated for their roles and services under employment or contractor agreements. The relevant performance evaluation and income or remuneration frameworks and policies governing all KMP are outlined below.

Governance

The **Governance Board** is accountable for:

- monitoring the effectiveness, consistency, and fair execution of the performance review process in accordance with the partner Performance, Evaluation and Income Scheme, to ensure fair and equitable outcomes for partners; and
- oversight of the performance and remuneration frameworks applicable to non-partner KMP.

The Governance Board is supported by the following committees with respect to remuneration matters

The Partnership, People and Culture Committee's (formerly the Partner Matters Committee) responsibilities include:

- monitoring the effectiveness, consistency, and fair execution of the performance review process in accordance with the Performance, Evaluation and Income Scheme framework to ensure fair and equitable outcomes for partners.
- People strategies and plans, including culture in relation to both partners and staff.

The Nominations and Public Interest Committee (NPIC), is delegated Governance Board responsibilities and powers in relation to:

- the supervision of the performance review process for members of the MLT and elected members of the Governance Board, in order to maintain the independence of the supervisory process; and
- the performance assessment and rating of the CEO, and the determination of income for the role of CEO.

The three independent non-executive Governance Board members form the majority of the Nominations and Public Interest Committee, with the other member being the Deputy Chair of the Governance Board.

Further detail on the Governance Board and its committees is provided on page 49 of the Annual Report.

Framework

The **CEO and the Management Leadership Team (MLT)** govern the partner and employee performance and remuneration frameworks, with the exception of delegations to the NPIC for the CEO, MLT and Governance Board.

Partners

The **Performance Evaluation and Income Scheme**, together with the Partnership Agreement and partner policies, form the framework for the annual assessment of partner responsibility, performance and profit distribution.

Employees

The **PwC Australia pay guidelines** set out the framework for the performance and remuneration outcomes of employees and, as relevant, are augmented with individual contractual terms.

Evaluation

A **Primary Reporting Partner (PRP)** is assigned to each partner to agree goals and a personal plan for the performance year ahead and makes partner performance recommendations to the MLT in accordance with their assessment against the firm's balanced scorecard. The CEO is PRP to each executive KMP and makes recommendations to the NPIC.

Refer section 3.1 for partner details

A **Team Leader** is assigned to each employee and is responsible for overseeing individual performance. The Team Leader for any non-partner KMP is the CEO.

Refer section 3.2 for non-partner details

Partners

Management Leadership Team income deferral

In 2024, the Partnership Agreement was amended to increase the rigour and independence of the MLT performance assessments and outcomes.

Effective from 1 July 2024, an amount equivalent to 10% of total annual partner income for MLT members, including performance awards and adjustments, is to be withheld for a period of three years.

Upon the completion of the three-year term, the deferred amounts are payable to those partner members, provided no clawback events have occurred which may result in a permanent reduction to income for those income years.

A clawback event occurs where a partner has committed serious misconduct or where a significant audit, regulatory or client service delivery failure has occurred where the failure has led to or may reasonably be expected to lead to a significant loss of market confidence. The existence of a clawback event and its severity is determined by the CEO for the MLT, and by the Nominations & Public Interest Committee in respect of the CEO.

The deferral process is upheld for the defined period following the retirement of a partner from the MLT and the firm. A similar deferral process is in place, effective 1 July 2024, for non-partner MLT members.

Post termination payments

In accordance with the Partnership Agreement, partners are eligible to participate in the firm's post termination payment (PTP) arrangements where they satisfy a qualifying period as an equity partner.

The calculation of the amount of the retirement payment for an individual partner is determined at retirement date, and the calculation is based on the role that the partner had in the firm and their length of tenure as a partner. PTP payments are made from future profits of the firm and commence on the individual's relevant payment commencement date.

The Partnership Agreement stipulates the terms of the PTP arrangements. This includes the commencement date of payments to eligible participants, the maximum proportion of distributable profit pool for PTP recipients, indexation, and independence requirements. For further detail, refer to Note 1 of the Financial Statements.

Where a retired partner holds an officer or audit critical employee role at an entity that is audited by the firm under the Corporations Act, the firm has procedures in place, overseen by the Governance Board, to ensure the terms of an individual's PTP arrangement are amended to comply with the independence requirements of the Corporations Act and any other regulatory requirements.

Independent Non-Executive Governance Board Members

For detail on the current independent non-executive Governance Board and committee fee structure including the framework for establishing fees, refer to section 3.3.

3. Income and Remuneration: Policy & Framework

3.1 Partners

The details below set out the core performance elements for partners:

Performance element	Purpose	Key details
Responsibility rating	Aligns each partner with a 'responsibility rating' tier reflective of their allocated responsibilities, including those across clients, people and firm.	Each partner is assigned a responsibility rating reflecting their evaluated experience, responsibility and role within the firm, including consideration of client delivery, management responsibilities as well as additional leadership and risk and quality roles. Partner responsibilities and annual goal setting processes form the foundation of responsibility rating determinations which drive target partner incomes for the performance period. These ratings may increase or decrease throughout the course of a partner's career to reflect changes in responsibilities and roles.
Annual goals	Ensures a balanced approach to partner expectations across business strategy as well as across the values and behaviours critical to the delivery of our vision – to be the leading professional services firm, built on the highest ethical and professional standards, with integrity at the core of everything we do.	Partners are required to set individual goals at the commencement of each performance year[3], with consideration of the firm's goal framework and balanced scorecard as well as individual roles and responsibilities. The Primary Reporting Partner assigned to each partner will agree the goals and personal plan of that partner for the performance year ahead. The Governance Board will agree the personal plan of the CEO. Firm goals are set at the commencement of each performance year. The current balanced scorecard includes five measures: best place to work, healthy brand, quality client experience, sustainable business, financial outcomes.
Compliance Gateway	A compliance condition that must be passed for a partner to be eligible to participate in the Performance Award process.	The Compliance Gateway requires partners to complete all mandatory training and compliance confirmations on time, to comply with independence and firm policy requirements and forms part of the annual performance assessment and rating process. Partners who do not meet the Compliance Gateway: • are precluded from achieving a performance rating higher than 'performing', • are ineligible to receive a performance award, and • incur other negative adjustments to their income through the Risk & Quality metric component of Performance, Evaluation and Income Scheme. • Self-reporting is encouraged when a gateway requirement is not met and will be taken into consideration when determining the consequences of not meeting that requirement. Compliance Gateway requirements are applicable to all partners & employees however the consequences of failing to pass the gateway are different for employees.

3 The 'performance year' is the period from 1 July to 30 June.

Performance element	Purpose	Key details
Performance assessment and ratings	Ensures a consistent approach to partner outcomes in line with goals and expectations set for the year. These outcomes are reviewed and assessed against a balanced scorecard.	At the conclusion of the performance year, each partner is assessed under the Performance, Evaluation and Income Scheme framework by their allocated Primary Reporting Partner as well as their Business Unit and overall Business Leaders. Assessments consider partner achievement and performance against their goals and personal plan. Compliance with the gateway forms a significant component of this assessment. At the conclusion of the assessment process, each partner is assigned one of the following performance ratings: • Exceptional • Performing • Needs Improvement To reduce the risk of unconscious bias for factors such as gender, diverse cultural background, geography, tenure and seniority, data stratifications are reviewed at all levels of the process. Partner ratings and outcomes are shared amongst all partners at the conclusion of the assessment and rating process.

The details below set out the total income structure for partners:

Income component	Overview	Application
Net income	Target partner incomes are determined at the commencement of the performance year, reflecting anticipated profit available for distribution to partners and, where relevant, related entities. This is based on the firm's financial budget and the assigned responsibility rating tier of each partner. Adjustments (positive or negative) are determined throughout the year and as part of the performance assessment and rating process based on individual and/or firm performance.	Individual performance income adjustments may occur reflecting outcomes of the performance assessment and rating process against the balanced scorecard. Income adjustments may also occur as a result of changes in the firm's financial performance affecting the total profit available for distribution to partners. If higher than budget, this may lead to a payment to partners in the form of further profit distributions on a proportionate basis to their responsibility rating or potential performance awards, after considering any further incentive pool allocation to employees. If lower than budget, profit distributions would also be adjusted accordingly. Partners are provided the opportunity to appeal their performance outcomes with the MLT, with the oversight of the Governance Board, to ensure all relevant factors are considered in the final outcome. The total Net Income disclosed in the Audited Income and Remuneration Tables is calculated as 50% of profit distributed to partners for the performance year ended 30 June 2024 and 50% of target partner income for the subsequent performance year, adjusted for any rights to deferred income or known other adjustments to date. Amounts are pro-rated as required based on time in a KMP role as noted in Table 1.1.
Performance awards	Performance awards may be available at the completion of the performance period to reward behaviours and outcomes highlighted through Performance, Evaluation and Income Scheme.	Partners assigned an 'Exceptional' performance rating will be allocated an individual award where a partner performance award pool is available. Partners assigned a 'Performing' performance rating may be allocated a discretionary individual award where a partner performance award pool is available. An individual performance award will only be allocated to partners who have met expectations in living the firm's values.
Entitlements and benefits	Partners are able to access other benefits available to them during the performance period.	Other benefits available to partners disclosed within the Audited Income and Remuneration Tables include: • health benefits • wellness benefits • tax compliance services • provision of car parking • news subscriptions
MLT income deferral Effective 1 July 2024	An amount equivalent to 10% of total annual partner income for MLT members, including performance awards and adjustments, is withheld for a period of three years.	Upon the completion of the three-year term, the deferred amounts are payable to partner members provided no trigger events or breaches have occurred which may result in a permanent reduction to income for those income years. The amounts withheld are considered as 'earned' in the period and are included in the remuneration tables as 'rights to deferred income' in the year they are earned but deferred.

3.2 Employees

The detail below sets out the core performance elements of employees of the firm and expands on specifics in relation to the individual contractual arrangements of the CFO, as a Managing Director KMP.

Performance element	Purpose	Key details
Annual goals	Ensures a balanced approach to the expectations of employees across business strategy as well as across the values and behaviours critical to the delivery of our vision – to be the leading professional services firm, built on the highest ethical and professional standards, with integrity at the core of everything we do.	Employees set individual goals at the commencement of each performance year, with consideration of the firm's goal framework as well as individual roles and responsibilities. An assigned Team Leader will agree the goals of that employee for the performance year ahead. Firm goals are set at the commencement of each performance year. In the year, PwC Australia adopted a new Evolved PwC Professional framework. This framework enables a broader and deeper view of performance to be considered, one that reflects on both business outcomes, and values and behaviours.
Compliance Gateway	A compliance condition that must be passed for an employee to be eligible to participate in the individual performance incentive process.	The Compliance Gateway requires employees to complete all mandatory training and compliance confirmations on time, to comply with independence and firm policy requirements and forms part of the annual performance assessment and rating process. Employees who do not meet the Compliance Gateway: • may be ineligible for an individual performance incentive; or • have the incentive payment reduced. Self-reporting is encouraged when a gateway requirement is not met and will be taken into consideration when determining the consequences of not meeting that requirement. Compliance Gateway requirements are applicable to all partners & employees however, the consequences of failing to pass the gateway are different for partners.
Performance assessment and ratings	Employees are assessed on 'business impact and goals' (what was achieved) and 'behavioural impact' (how it was achieved), in relation to peers and business results.	An employee performance review process is undertaken each year. Factors considered when assessing performance are: • consistent delivery of business and behavioural impact; • performance against goals set for the performance year; • influence with people, clients, and/or firm to deliver value; • role modelling living the PwC Australia values and influencing others to do the same; and • seeking constructive feedback and offering quality feedback for others. Five Impact Tiers differentiate performance achievement by describing the impact an employee has had across the performance year, relative to peers: • **Impact Tier 1 & 2** – describes our highest performers, achieving exceptional outcomes against business and behavioural impacts. • **Impact Tier 3** – describes those who have consistently delivered the business and behavioural impacts expected. • **Impact Tier 4** – describes those who may need additional support or development in a role. • **Impact Tier 5** – describes inconsistency in delivering business and/or behavioural impacts. Going forward, the five Impact Tiers will be replaced with three performance ratings.

The details below set out the core remuneration elements for employees:

Remuneration component	Overview	Application
Fixed pay	Market competitive base salary and applicable statutory superannuation, to attract and retain relevant skills and experience.	External benchmark data used to determine pay bands. Annual increases using a merit matrix linked to performance ratings, with higher performance rating outcomes receiving larger annual adjustments. **Effective from 1 July 2024** – Specifics as relevant to the CFO's contractual arrangement: • Fixed pay of non-partner MLT members is calibrated against commensurate responsibility rating income levels of Partners. • 85% of any such determined commensurate responsibility rating income represents fixed pay. The remaining 15% of target total remuneration is variable pay.
Variable pay Effective from 1 July 2024	Specific to the contractual arrangements of the CFO, 15% of target total remuneration is dependent on receiving a Firm Performance Award.	A Firm Performance Award for the CFO is the final income of the commensurate partner responsibility rating, less the fixed pay paid throughout the year. If fixed pay is greater, the Firm Performance Award is nil.
Incentives	Incentives may be available at the completion of the performance period to reward individual performance outcomes and behaviours.	Individual performance ratings (Impact Tiers) are used to inform the incentive pool distribution to individual employees. Out-performance against firm and business goals creates a larger incentive pool; underperformance limits the incentive pool. Only employees rated Impact Tier 3 or above are eligible for an incentive payment. Compliance Gateway outcomes can impact eligibility for, and size, of short-term incentive payments. Target incentive in the range of 3-12% of total remuneration subject to annual performance rating. **Effective from 1 July 2024** – Specifics as relevant to the CFO's contractual arrangement: • Not eligible for the employee incentive scheme noted above. The CFO may be eligible for an individual performance award which is discretionary and determined in the same manner as such awards are determined for partner members of the MLT.
Entitlements and benefits	Employees are able to access statutory leave provisions, as well as other market competitive benefits.	'Other benefits' available to employees disclosed within the Audited Income and Remuneration Tables may include: • health benefits • wellness benefits Fringe benefits tax has been disclosed, where applicable.
MLT income deferral Effective 1 July 2024	An amount equivalent to 10% of total fixed and variable remuneration for non-partner MLT members, including performance awards, is withheld for a period of three years.	• Upon the completion of the three-year term, the deferred amounts are payable to non-partner MLT members provided no trigger events or breaches have occurred which may result in a permanent reduction to total remuneration for those years. • The amounts withheld are considered as 'earned' in the period and are included in the remuneration tables as 'rights to deferred income' in the year they are earned but deferred.

3.3 Independent non-executive Governance Board members

The year ended 31 December 2024 is the first year of independent non-executive Governance Board members for the firm.

Independent non-executive Governance Board members receive a base fee for their service as a Board member and, other than the Chair, an additional fee for membership of, or for chairing a Board committee.

Independent non-executive Governance Board member remuneration is designed to ensure the firm can attract and retain suitably qualified and experienced independent non-executive Board members.

In order to preserve independence and impartiality, independent non-executive Board members do not receive performance-based compensation or retirement allowances.

The current base fees take into account roles in businesses of a comparable size and complexity. They reflect the qualifications and experience necessary to discharge the Board's responsibilities. No aggregate fee cap was determined. The Partnership, People and Culture Committee will review the remuneration of independent non-executive Governance Board members periodically and where necessary, recommend changes to the Governance Board, for approval.

All independent non-executive Governance Board members enter into a service agreement with the firm in the form of a letter of appointment. The letter summarises the terms of engagement, the required services and service expectations and the policies and remuneration relevant to the office of a board and committee member.

Our non-executive Governance Board members are required to declare any actual or potential conflict of interest which may exist and comply with the regulatory requirements and professional obligations relating to auditor independence. These requirements apply prior to appointment to the Governance Board, and during the tenure of the role.

This table reflects annualised fees as approved by the Governance Board on 31 July 2024. Base Fees were effective upon appointment of the independent non-executive members at the commencement dates specified on page 66. The Committee Fees were effective from 1 December 2024. The fees are presented inclusive of superannuation.

Table 3.3: Board & Committee Annual Fees ($)

Board/Committee	Chair Fee	Member Fee
Governance Board Base Fee[4]	500,000	195,000
Risk Committee	35,000	17,500
Nominations and Public Interest Committee	35,000	17,500
Finance, Audit and Sustainability Committee	35,000	17,500
Partnership, People and Culture Committee	35,000	17,500

The above Governance Board and Committee fees are only applicable to independent non-executive Governance Board members. These members do not receive any other non-monetary benefits but are reimbursed for reasonable out-of-pocket expenses incurred in performing their duties under the requirements of their appointment.

4 The Chair of the Board does not receive Committee fees in addition to a Board fee.

4. Audited Income and Remuneration Tables

Tables 4.1 and 4.2 and their supporting notes reflect the disclosures within the PwC Australia Financial Statements for the year ended 31 December 2024 which have been independently audited. Refer to Note 24 of the Financial Statements.

Executive KMP

The following table details the nature and amount of each element of income and remuneration of the executive KMP for their time in a KMP role as noted in Table 1.1.

Table 4.1: Income and remuneration for executive KMP ($)

	Income & Fixed Remuneration				Variable Components		
Name	Net Income[5]	Annual & Long Service Leave[6]	Superannuation	Other Benefits[7]	Performance Awards/ Incentives[8]	Rights to deferred income[9]	**Total**
CEO & Executive Governance Board Member							
K. Burrowes[10]	3,185,020	-	-	20,075	-	167,112	3,372,207
Executive KMP							
R. Silverwood	2,416,837	-	-	11,841	-	140,643	2,569,321
S. Horlin	2,035,817	-	-	15,146	-	115,643	2,166,606
R. Antao	1,402,840	-	-	14,889	-	88,320	1,506,049
C. Morris	890,610	-	-	9,753	-	98,957	999,320
D. Callaghan	792,079	196,754	22,147	8,320	112,272	53,990	1,185,562
Former							
D. McKeering	213,698	-	-	3,502	-	-	217,200
L. Maimone	449,377	-	-	2,446	-	-	451,823
Total	**11,386,278**	**196,754**	**22,147**	**85,972**	**112,272**	**664,665**	**12,468,088**

5 Net Income for partners is defined in section 3.1. In the case of Mr. Callaghan, as an employee, this represents his fixed remuneration in the period while a KMP.
6 Annual & Long Service Leave benefits for Mr. Callaghan represent the increase in the associated leave provisions in the period. Partner Net Income is inclusive of rights to take leave.
7 Other Benefits include other entitlements of the KMP in the year including the provision of car parking, tax compliance services, and health and wellness benefits. For Mr. Callaghan, as an employee, Other Benefits also includes Fringe Benefits Tax where applicable.
8 Incentives paid to Mr. Callaghan include those for his role as CFO and the remuneration expense associated with a legacy long-term incentive arrangement related to prior roles held in the firm. This arrangement is now finalised with no further ongoing entitlements.
9 Effective 1 July 2024, an amount equivalent to 10% of net income for MLT members, including performance awards and adjustments, will be withheld for a period of three years subject to conditions noted in section 2 of the Remuneration Report.
10 Additionally, Mr. Burrowes has a separate agreement with the PwC Network for services he provides to the Network. Pursuant to this agreement Mr Burrowes received $1.2 million plus superannuation of $28,666 and no Other Benefits or Performance Awards/Incentives in the year ended 31 December 2024.

Governance Board

The Governance Board at 31 December 2024 comprised three independent non-executive Governance Board members and six elected partner members.

The following table outlines the remuneration of the independent non-executive board members during the current year. There were no transactions or loans between independent non-executive members and the firm during the period.

Table 4.2: Independent non-executive Governance Board member remuneration ($)

Name	Base & Committee Fees	Superannuation	Other Benefits[11]	Total
John M. Green	199,506	7,483	-	206,989
Lisa Chung AM[12]	70,833	-	-	70,833
Carmel Mulhern	63,528	7,305	-	70,833
Total	**333,867**	**14,788**	**-**	**348,655**

The base fees reflect the pro-rated board fees from the date of appointment to the Governance Board.

The independent non-executive Governance Board members were appointed to Board committee roles effective 1 December 2024. Committee fee remuneration reflects fees from this date. For detail on current Governance Board and Committee fee structure and the framework for establishing fees, refer to section 3.3.

Each elected partner Governance Board member performs their duty and provides their relevant capabilities as a Governance Board member in addition to their primary role as a client service delivery partner of the firm. Whilst supported to provide the appropriate attention to this important role, they do not receive Board or Committee fees.

The total net income and benefits across 14 individuals as elected partner members of the Governance Board in the year was $7,885,151. The range of total annualised target partner incomes for the six elected partner members as at 31 December 2024 for the current performance year is $633,000 to $1,519,000. Those members are Ewan Barron, Michael Fung, Emma Hardy, Ian Hockings, Marcus Laithwaite and Rosalie Wilkie.

11 Independent non-executive Governance Board members are not entitled to receive Other Benefits and are only reimbursed for expenses associated with attending meetings or firm business.

12 Approval was obtained from the Australian Taxation Office to be exempt from making superannuation contributions due to superannuation obligations being met by other employers.

06

Financial Report

PwC Australia | 2024

Financial Report Contents

These are special purpose financial statements for the group consisting of PricewaterhouseCoopers and its controlled entities ('PwC Australia' or 'the group'). The group has elected to prepare and make publicly available these financial statements for the first time in the current year in line with its commitment to increase transparency. Accordingly, the group has prepared these financial statements for the year ended 31 December 2024, together with the comparative year ended 31 December 2023.

These special purpose financial statements were approved by the Governance Board on 6 June 2025 and have been prepared in accordance with the basis of preparation, determined by the Chief Executive Officer and approved by the Governance Board, as set out in note 1.

Financial statements

Consolidated statement of comprehensive income

For the year ended 31 December 2024

	Notes	**2024 $'000**	2023 $'000
Profit or loss			
Continuing operations			
Revenue from contracts with customers	3	**2,153,281**	2,304,114
Other income		**12,433**	4,650
		2,165,714	2,308,764
Expenses			
Employee benefits expense		**1,046,540**	1,206,877
Occupancy and utility charges		**82,353**	84,771
Other expenses	4	**384,481**	438,149
Finance costs		**26,335**	21,328
Profit before income tax		**626,005**	557,639
Income tax (expense)/benefit	5	**(6,831)**	13,907
Profit from continuing operations		**619,174**	571,546
Profit from discontinued operations	25	**-**	155,680
Profit for the year		**619,174**	727,226
Profit is attributable to:			
Current and former partners of PwC Australia		**619,174**	743,664
Non-controlling interests	17	**-**	(16,438)
		619,174	727,226
Profit attributable to current and former partners of PwC Australia arises from:			
Continuing operations		**619,174**	589,938
Discontinued operations		**-**	153,726
		619,174	743,664
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges		**2,132**	(4,995)
Exchange differences on translation of foreign operations		**1,432**	6,386
Changes in the valuation of other reserves		**-**	(2,361)
Items that will not be reclassified to profit or loss			
Changes in the fair value of equity investments at fair value through other comprehensive income		**4,176**	1,547
Other comprehensive income for the year		**7,740**	577
Total comprehensive income for the year		**626,914**	727,803
Total comprehensive income for the year is attributable to:			
Current and former partners of PwC Australia		**626,914**	744,241
Non-controlling interests	17	**-**	(16,438)
		626,914	727,803
Total comprehensive income for the year attributable to current and former partners of PwC Australia arises from:			
Continuing operations		**626,914**	587,059
Discontinued operations		**-**	157,182
		626,914	744,241

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

Financial statements

Consolidated statement of financial position

As at 31 December 2024

	Notes	2024 $'000	2023 $'000
Assets			
Current assets			
Cash and cash equivalents		**50,467**	43,634
Trade receivables	6	**291,836**	354,409
Contract assets	6	**186,473**	186,611
Other current assets	7	**63,008**	122,270
Total current assets		**591,784**	706,924
Non-current assets			
Financial assets	8	**68,069**	60,269
Property, plant and equipment	9	**45,255**	52,327
Right-of-use assets	10	**263,636**	288,207
Intangible assets	11	**127,741**	132,263
Deferred tax assets	5	**13,677**	20,311
Total non-current assets		**518,378**	553,377
Total assets		**1,110,162**	1,260,301
Liabilities			
Current liabilities			
Trade and other payables	12	**137,468**	212,011
Contract liabilities		**75,057**	71,891
Borrowings	15	**154,936**	340,737
Lease liabilities	10	**40,667**	44,614
Employee benefit obligations	13	**104,907**	124,069
Provisions	14	**10,642**	5,390
Total current liabilities		**523,677**	798,712
Non-current liabilities			
Borrowings	15	**200,000**	30,000
Lease liabilities	10	**241,615**	260,031
Employee benefit obligations	13	**26,200**	26,914
Provisions	14	**17,039**	11,971
Other non-current liabilities		**532**	1,424
Total non-current liabilities		**485,386**	330,340
Total liabilities		**1,009,063**	1,129,052
Net assets		**101,099**	131,249
Equity			
Other reserves	16	**26,377**	(1,449)
Retained earnings		**74,722**	132,698
Total equity		**101,099**	131,249

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

Consolidated statement of changes in equity

For the year ended 31 December 2024

	Notes	Other reserves $'000	Retained earnings $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Balance at 1 January 2023		**5,024**	**184,722**	**189,746**	**35,159**	**224,905**
Profit for the year		-	743,664	743,664	(16,438)	727,226
Other comprehensive income		577	-	577	-	577
Total comprehensive income for the year		**577**	**743,664**	**744,241**	**(16,438)**	**727,803**
Transactions with owners in their capacity as owners:						
Accounting for changes in ownership	16,17	(7,050)	-	(7,050)	(18,721)	(25,771)
Transactions with current and former partners:						
Distributions to current and former partners		-	(795,688)	(795,688)	-	(795,688)
		(7,050)	(795,688)	(802,738)	(18,721)	(821,459)
Balance at 31 December 2023		**(1,449)**	**132,698**	**131,249**	**-**	**131,249**
Profit for the year		-	619,174	619,174	-	619,174
Other comprehensive income		7,740	-	7,740	-	7,740
Total comprehensive income for the year		**7,740**	**619,174**	**626,914**	**-**	**626,914**
Transactions with owners in their capacity as owners:						
Accounting for changes in ownership	16	20,086	(20,086)	-	-	-
Transactions with current and former partners:						
Distributions to current and former partners		-	(657,064)	(657,064)	-	(657,064)
		20,086	(677,150)	(657,064)	-	(657,064)
Balance at 31 December 2024		**26,377**	**74,722**	**101,099**	**-**	**101,099**

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

Financial statements

Consolidated statement of cash flows

For the year ended 31 December 2024

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**2,447,124**	3,453,040
Payments to suppliers and employees (inclusive of goods and services tax)		**(1,744,477)**	(2,651,859)
		702,647	801,181
Interest received		**3,471**	4,263
Interest paid		**(10,101)**	(13,153)
Refund of overpaid income tax		**10,720**	6,039
Net cash inflow from operating activities	21	**706,737**	798,330
Cash flows from investing activities			
Payments for property, plant and equipment	9	**(9,861)**	(9,712)
Payments for intangible assets	11	**-**	(2,631)
Net payments for financial assets	8	**(7,346)**	(4,309)
Cashflows from disposal of subsidiaries	25	**27,220**	(23,403)
Net cash inflow/(outflow) from investing activities		**10,013**	(40,055)
Cash flows from financing activities			
Proceeds from borrowings	15	**135,661**	346,513
Repayment of borrowings	15	**(151,462)**	(369,356)
Distributions to current and former partners		**(654,150)**	(797,521)
Payments of lease liabilities (principal)		**(40,544)**	(39,514)
Net cash outflow from financing activities		**(710,495)**	(859,878)
Net increase/(decrease) in cash and cash equivalents		**6,255**	(101,603)
Cash and cash equivalents at beginning of the year		**43,634**	144,324
Effects of exchange rate changes on cash and cash equivalents		**578**	913
Cash and cash equivalents at end of the year		**50,467**	43,634

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

Notes to the financial statements

1. Summary of material accounting policy information

(a) Basis of preparation

These special purpose financial statements are the financial statements for the group consisting of PricewaterhouseCoopers and its controlled entities ('PwC Australia' or 'the group'). A list of the group's principal controlled entities is included in note 23.

PwC Australia is a partnership, which carries out its business throughout Australia.

PwC Australia is a member firm of the PricewaterhouseCoopers Network, each member firm of which is a separate legal entity.

The financial statements are presented in Australian dollars which is PwC Australia's functional and presentation currency. The financial statements are rounded to the nearest thousand dollars, or in certain cases, the nearest dollar.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(i) Compliance with IFRS accounting standards

The financial statements are prepared for the partners of PwC Australia based on the requirements set out in the Partnership Agreement, which are also in accordance with Australian Accounting Standards (AAS) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), except as described below:

Presentation of opening statement of financial position

The group has presented a statement of financial position at both 31 December 2024 and 31 December 2023 in these financial statements. A third statement of financial position as at 1 January 2023 has not been presented in accordance with AASB 1 *First-time Adoption of Australian Accounting Standards* (AASB 1), as it is not considered that this would provide relevant information to users. All transitional adjustments have been made as of 1 January 2023.

Post termination payments

The group has an obligation, in certain circumstances, to make post termination payments (PTP) to certain former partners. The group's PTPs are distributed out of the profit available for distribution to current and former partners for the calendar year. The amount that is available for PTPs is capped at 15% of the Partner Pool (which is analogous to profit for the period).

The group has adopted an accounting policy for PTPs that reflects the group's obligations under the Partnership Agreement. The Partnership Agreement requires that PTPs are recorded as distributions of income in the period during which they are paid, rather than being recorded as a liability for future payments as would be required under AAS.

Consistent with the above, the group also recognises investments held to fund certain PTP payments as investments held at fair value through other comprehensive income and the resulting fair value changes of those investments within other comprehensive income. Under accounting standards, these changes would be included in the profit or loss. However, the approach adopted is considered more relevant for users of the financial statements as it aligns the treatment of the PTP-related assets with the treatment of the PTP payments, where both are recognised through equity.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value or revalued amount.

(iii) First-time adoption of AAS

The group has applied the following exemptions from the retrospective application of certain requirements under AAS that AASB 1 allows for first-time adopters:

Business combinations

The group has elected to apply AASB 3 *Business Combinations* to acquisitions occurring on or after 1 January 2021. Use of this policy means that for business acquisitions prior to this date, the carrying amounts under the group's previous accounting policies for assets and liabilities are their deemed cost at the date of acquisition. After the date of acquisition, measurement is in accordance with AAS.

There was no impairment recognised on goodwill at transition date to AAS on 1 January 2023.

1. Summary of material accounting policy information (cont'd)

(iii) First-time adoption of AAS (cont'd)

Leases

The group assessed all contracts existing at 1 January 2023 to determine whether a contract contains a lease based upon the conditions in place as at 1 January 2023.

Where the group is a lessee, lease liabilities were measured at the present value of the remaining lease payments, discounted using the group's incremental borrowing rate at 1 January 2023. Right-of-use assets were measured at the amount equal to the lease liabilities.

Further, on 1 January 2023, the group:

- applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
- elected not to recognise a lease liability and right-of-use asset for leases where the lease term ended within 12 months of the date of transition to AAS and leases for which the underlying asset was of low value. For these leases, the group recognised the lease payments associated with these leases as an expense on a straight-line basis over the lease term; and
- excluded initial direct costs from the measurement of the right-of-use asset on 1 January 2023.

(iv) New and amended standards adopted by the group

The group has applied the applicable standards and amendments for the annual reporting period commencing 1 January 2024:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [AASB 101]; and*
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [AASB 101].*

The amendments listed above did not have any impact on the amounts recognised in prior or current periods and are not expected to significantly affect the future periods.

(v) New standards and interpretations not yet adopted

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the group. These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions.

(b) Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of financial position and consolidated statement of changes in equity respectively.

Changes in ownership interests

When the group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This might mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

1. Summary of material accounting policy information (cont'd)

(c) Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income, except when they are deferred in equity as qualifying cash flow hedges or are attributable to part of the net investment in a foreign operation. Foreign exchange gains and losses are presented in the statement of comprehensive income on a net basis within other income or other expenses.

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each consolidated statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

(d) Revenue

The group earns fees from the provision of professional services to clients. Revenue is recognised when, or as, the group satisfies performance obligations by transferring control of services to the client. Revenue is recognised for the group's various contracts as follows:

- fixed-fee contracts are recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the client receives and uses the benefits simultaneously.
- time-and-materials contracts are recognised as services provided at the fee rate agreed with the client where there is an enforceable right to payment for performance completed to date.
- contingent-fee contracts, over and above any agreed minimum fee, are recognised when the amount becomes highly probable to be received based upon the status of the project and expected outcome.

Where the contract includes multiple performance obligations, the transaction price is allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

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 profit or loss in the period in which the circumstances that give rise to the revision become known.

For fixed-fee and time-and-material contracts, fees are usually billed based on a payment schedule. For contingent-fee contracts, revenue is recognised when it is highly probable that the contingencies will be resolved. If the revenue recognised by the group exceeds the amounts billed, a contract asset is recognised. 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 does not adjust the transaction prices for the time value of money unless there are large contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

Disbursement amounts recognised as revenue represent out of pocket expenses and engagement administration charges that are recoverable from the client. Such amounts are recognised as revenue consistent with the delivery of the service to which they relate.

1. Summary of material accounting policy information (cont'd)

(e) Income tax

Income tax payable on the profits of the partnership and trusts consolidated within the group is solely the personal liability of the individual partners and beneficiaries of those trusts respectively and consequently is not included in these financial statements.

However, included in the group are certain controlled entities for which a tax expense has been recognised.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The group is within the scope of the OECD Pillar Two model rules, and it applies the AASB 112 *Income Taxes* exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Under Australian Pillar Two legislation that is effective from 1 January 2024, the group may be liable to pay top-up tax in relation to any shortfalls between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate. The group is not expected to have a GloBE effective tax rate of below the 15% minimum rate in any jurisdiction and accordingly does not expect to incur any material top-up tax under the Australian Pillar Two legislation.

1. Summary of material accounting policy information (cont'd)

(f) Leases

The group as a lessee

The group leases various offices and low-value assets. Payments associated with all short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise office-related technology equipment and small items of office furniture.

All other leases are recognised as right-of-use assets and corresponding lease liabilities at the date when the leased assets are available for use by the group.

Contracts might contain both lease and non-lease components. The group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if the group is reasonably certain to exercise that option;
- payments during the lease extension period if it is reasonably certain that the group will exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

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

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor. These options are only included in the lease term if it is reasonably certain that the lease will be extended or not terminated.

The group as a lessor

The group subleases some of the leased office space. The group assesses whether the sublease is an operating or a finance lease on commencement of the sublease.

If a sublease is a finance lease, the group:

a) recognises a finance lease receivable at the present value of the future lease payments receivable from the sublessee and any unguaranteed residual value, discounted at the rate used for the head lease;
b) derecognises the subleased right-of-use asset; and
c) recognises the difference between (a) and (b) as a gain or loss in the profit or loss.

If a sublease is an operating lease, sublease rental income is recognised as income in the period in which it is earned on a straight-line basis.

1. Summary of material accounting policy information (cont'd)

(g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(h) Financial assets

Classification and measurement

Following the initial recognition, the group classifies its financial assets in the following measurement categories:

- those to be measured at fair value, either through other comprehensive income (OCI) or through profit or loss; and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss. Impairment losses are presented in other expenses in profit or loss.

Equity instruments

The group subsequently measures all equity investments at fair value, with gains and losses recorded either in profit or loss or OCI. For investments in equity instruments that are not held for trading, the group has the option to make an irrevocable election at the time of initial recognition to account for the equity investments at fair value through other comprehensive income (FVOCI) on an instrument by instrument basis.

There is no subsequent reclassification of fair value gains and losses in OCI to profit or loss on derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the group's right to receive payments is established. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Impairment

The group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the group applies the simplified approach permitted by AASB 9 *Financial Instruments* which requires expected lifetime losses to be recognised from initial recognition of the receivables. The amount of the impairment loss is recognised in the profit or loss. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the same impairment line item in the profit or loss.

1. Summary of material accounting policy information (cont'd)

(i) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into and are remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The group designates derivatives as hedges of a particular risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group documents its risk management objective and strategy for undertaking its hedge transactions.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

When forward contracts are used to hedge forecast transactions, the group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item (aligned forward element) is recognised within OCI in the costs of hedging reserve within equity. In some cases, the group might designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity. The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

(j) Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance costs are charged to profit or loss during the reporting period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

Depreciation is calculated using the straight-line method to allocate the cost of assets, net of their residual values, over their estimated useful lives as follows:

Furniture, fittings and equipment	5 – 12 years
Computer equipment and software	3 – 5 years

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(k) Intangible Assets

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is carried at cost less accumulated impairment losses.

Client relationships

Separately acquired client relationships are initially recognised at cost. Client relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

1. Summary of material accounting policy information (cont'd)

(k) Intangible Assets (cont'd)

Amortisation methods and useful lives

The group amortises intangible assets with a limited useful life using the straight-line method over the following periods:

Client relationships	8 – 10 years
Internally developed software	5 years
Intellectual Property	5 years

(l) Impairment of assets

Goodwill is not subject to amortisation and is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Other assets are tested 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 asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(n) Borrowings

Borrowings include bank loans and partner loans.

Partner loans represent the funds contributed by the partners when they are admitted as partners of the entity, which are used to fund the normal working capital of the group. The funds are classified as a liability measured at amortised cost as the group has a contractual obligation to pay cash to settle the contributed amounts upon a partner's decision to retire. Partner loans are classified as current liabilities because the group cannot control when a partner decides to retire and therefore the group does not have a right to defer settlement for more than 12 months after the reporting period.

Bank loans are initially recognised at fair value, net of transaction costs incurred. Bank loans are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss 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. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Bank loans are derecognised when the obligation specified in the contract is extinguished, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Bank loans are classified as current liabilities unless, at the end of the reporting period, the group has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting period do not affect the classification at the reporting date.

1. Summary of material accounting policy information (cont'd)

(o) Provisions

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. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations might be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(p) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised in respect of employees' services up to the end of the reporting period and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

Other long-term employee benefit obligations

The group also has liabilities for long service leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the statement of financial position if the group does not have an unconditional right, at the end of the reporting period, to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(q) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included within other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(r) Payments to current and former partners

Payments to current partners are comprised of distributions of the group's profit, and drawings. Payments to former partners are distributions of the group's profit. These payments are recognised as a distribution through equity when the payments are made.

2. Significant estimates and judgements

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Revenue

Contract assets are valued at estimated realisable value. This is calculated as the value of time worked, plus disbursements, less planned and actual variances needed to arrive at the billable value for the service performed to date. The variances are based on past experience of the group.

Additionally, the group is required to make estimates with respect to the amount of revenue to be recognised for contingent fee arrangements. This involves assessing the minimum amounts that are highly probable to be received based upon the status of the project and expected outcome.

For contracts that are not undertaken as a fee for service (including fixed and capped fee arrangements), there is a significant judgement in estimating the progress to completion of the performance obligation. Progress, and accordingly revenue recognised, is based on the expected work remaining for an engagement.

Provisions and contingent liabilities

Provisions and contingent liabilities contain significant estimates of costs and outcomes where neither can be predicted with certainty.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

3. Revenue from contracts with customers

Disaggregation of revenue

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

	2024	2023
	$'000	$'000
Assurance	**777,167**	780,149
Advisory	**759,313**	889,724
Tax and Legal	**475,165**	474,119
	2,011,645	2,143,992
Other	**58,915**	56,936
Disbursements on client assignments	**82,721**	103,186
	2,153,281	2,304,114

For the year ended 31 December 2024, $71.9m of revenue recognised was included in the contract liability balance at the beginning of the year (2023: $74.8m).

The group's contracts are for periods of one year or less or they are billed based on time incurred. The group does not disclose the transaction price allocated to unsatisfied contracts.

4. Other expenses

	2024	2023
	$'000	$'000
Subcontractor costs, including other member firms of the PwC Network	**119,156**	101,914
Technology	**92,128**	95,137
Other operating expenses	**173,197**	241,098
	384,481	438,149

Other operating expenses comprise firmwide overheads including global support charges, travel, practice protection and legal costs, marketing and business development costs, communication costs and amortisation of intangible assets.

5. Income tax

Income tax payable on the profits of the partnership and trusts consolidated within the group is solely the personal liability of the individual partners and beneficiaries of those trusts respectively and consequently is not included in these financial statements. However, included in the group are certain controlled entities for which a tax expense has been recognised.

The tax expense/(benefit) included within the consolidated statement of comprehensive income comprises:

	2024 $'000	2023 $'000
Current tax	**197**	(3,937)
Deferred tax movements	**6,634**	(10,224)
Income tax expense/(benefit)	**6,831**	(14,161)
Income tax expense/(benefit) is attributable to:		
Profit/(loss) from continuing operations of controlled entities	**6,831**	(13,907)
Profit/(loss) from discontinued operations of controlled entities	**-**	(254)
	6,831	(14,161)

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

	2024 $'000	2023 $'000
Profit/(loss) from continuing operations of controlled entities before income tax	**13,281**	(47,972)
Profit/(loss) from discontinued operations of controlled entities before income tax	**-**	(10,246)
Total profit/(loss) of corporate subsidiaries subject to income tax	**13,281**	(58,218)
Tax using the Australian tax rate of 30% (2023: 30%)	**3,984**	(17,465)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax balances derecognised	**1,728**	3,030
Amortisation of intangibles	**513**	912
Sundry permanent items	**606**	(638)
Income tax expense/(benefit)	**6,831**	(14,161)

The movement of the group's net deferred tax asset balances are as follows:

	Contract assets $'000	**Provisions and accruals $'000**	**Tax loss $'000**	**Other $'000**	**Total $'000**
At 1 January 2023	(29,231)	29,877	-	9,441	10,087
Credited/(charged) to profit or loss	7,551	(17,651)	18,473	1,851	10,224
At 31 December 2023	(21,680)	12,226	18,473	11,292	20,311
Credited/(charged) to profit or loss	2,472	(6,138)	1,223	(4,191)	(6,634)
At 31 December 2024	**(19,208)**	**6,088**	**19,696**	**7,101**	**13,677**

6. Trade receivables and contract assets

	2024 $'000	2023 $'000
Trade receivables	**309,484**	375,371
Loss allowance	**(17,648)**	(20,962)
Net trade receivables	**291,836**	354,409
Contract assets	**186,883**	187,009
Loss allowance	**(410)**	(398)
Net contract assets	**186,473**	186,611

Due to the short-term nature of the trade receivables and contract assets, their carrying amount is considered to be the same as their fair value.

Impairment of trade receivables

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of billings over a period of 36 months before 31 December 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of clients to settle the receivables.

The ageing analysis of trade receivables by reference to due dates was as follows:

	2024 $'000	2023 $'000
Current	**140,007**	158,268
Past due 31–60 days	**71,145**	93,825
Past due 61–120 days	**49,310**	64,050
Past due +120 days	**49,022**	59,228
	309,484	375,371

Movements in the allowance for expected credit loss for trade receivables and contract assets are as follows:

	2024 $'000	2023 $'000
Balance at beginning of the year	**21,360**	16,644
Expected credit loss allowance recognised during the year	**7,783**	14,650
Receivables written off during the year as uncollectible	**(10,960)**	(9,075)
Unused amounts reversed	**(125)**	(859)
Balance at end of the year	**18,058**	21,360

7. Other current assets

	2024	2023
	$'000	$'000
Other receivables	**16,275**	71,735
Prepayments	**42,373**	43,263
Finance lease receivable	**3,400**	6,940
Derivative financial instruments	**960**	332
	63,008	122,270

Other receivables generally arise from transactions outside the usual operating activities of the group.

Refer note 10 for further information on leases.

Refer note 26 for further information on derivative financial instruments.

Due to the short-term nature of the other current receivables, their carrying amounts are considered to be reasonable approximations of their fair value.

8. Financial assets

	2024	2023
	$'000	$'000
Debt instruments at amortised cost	**21,224**	13,730
Investments at fair value through other comprehensive income (FVOCI)	**37,970**	36,372
Derivative financial instruments	**8,130**	9,457
Other	**745**	710
	68,069	60,269

Debt instruments at amortised cost comprise long term receivables to third parties.

Investments at FVOCI include investments in unlisted securities that are either held for the purpose of funding PTP or not held for trading and for which the group has irrevocably elected at initial recognition to present changes in fair value in OCI. During the year ended 31 December 2024, the group received dividends of $0.4m from these investments (2023: $0.4m).

Refer note 26 for derivative financial instruments.

9. Property, plant and equipment

	Furniture, fittings and equipment $'000	Computer equipment and software $'000	Total $'000
At 1 January 2023			
Cost	134,996	56,152	191,148
Accumulated depreciation	(76,326)	(52,693)	(129,019)
Net book amount	58,670	3,459	62,129
Year ended 31 December 2023			
Opening net book amount	58,670	3,459	62,129
Additions	9,262	1,514	10,776
Depreciation charge	(14,199)	(1,433)	(15,632)
Disposals	(2,950)	(1,996)	(4,946)
Transfers	(530)	530	-
Closing net book amount	50,253	2,074	52,327
At 31 December 2023			
Cost	125,873	50,106	175,979
Accumulated depreciation	(75,620)	(48,032)	(123,652)
Net book amount	50,253	2,074	52,327
Year ended 31 December 2024			
Opening net book amount	50,253	2,074	52,327
Additions	9,464	397	9,861
Depreciation charge	(10,886)	(2,426)	(13,312)
Disposals	(3,582)	(39)	(3,621)
Transfers	(1,188)	1,188	-
Closing net book amount	44,061	1,194	45,255
At 31 December 2024			
Cost	128,093	51,430	179,523
Accumulated depreciation	(84,032)	(50,236)	(134,268)
Net book amount	44,061	1,194	45,255

10. Leases

The group's leases primarily comprise leases of office space. The following amounts are recognised in the statement of financial position for these leases:

	2024	2023
	$'000	$'000
Right-of-use assets		
Buildings	**263,636**	288,207
Lease Liabilities		
Current	**40,667**	44,614
Non-Current	**241,615**	260,031
	282,282	304,645

Additions to the right-of-use assets during the year ended 31 December 2024 were $21.7m (2023: $63.2m).

The following amounts are recognised in the consolidated statement of comprehensive income:

	2024	2023
	$'000	$'000
Depreciation charge of right-of-use assets (included in occupancy and utility charges)	**49,278**	52,491
Lease income from operating subleases (included in other income)	**(6,925)**	(1,154)
Interest income from finance subleases (included in other income)	**(288)**	(65)
Interest expense from lease liabilities (included in finance cost)	**16,234**	16,195

The total net cash outflow for leases in 2024 was $46.4m (2023: $54.0m).

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as security for borrowing purposes.

The group subleases some of the leased office space to third parties. These leases are classified as either operating or finance leases. The carrying amount of right-of-use assets subject to operating subleases as at 31 December 2024 was $34.1m (2023: $34.1m).

The undiscounted lease payments that the group is entitled to receive for the subleases are:

	Lease payments receivable within the next		
	1 year $'000	**1-2 years $'000**	**2-3 years $'000**
December 2024			
Operating subleases	**3,518**	**2,283**	**-**
Finance subleases	**2,528**	**999**	**-**
	6,046	**3,282**	**-**
December 2023			
Operating subleases	4,028	3,518	2,283
Finance subleases	3,828	2,528	999
	7,856	6,046	3,282

The unearned finance income for finance subleases at 31 December 2024 is $0.1m (2023: $0.4m).

11. Intangible assets

	Goodwill $'000	Client Relationships $'000	Internally-developed Software $'000	Intellectual Property $'000	Total $'000
At 1 January 2023					
Cost	123,461	11,666	22,775	12,882	170,784
Accumulated amortisation and impairment	-	(583)	(21,299)	(5,044)	(26,926)
Net book amount	123,461	11,083	1,476	7,838	143,858
Year ended 31 December 2023					
Opening net book amount	123,461	11,083	1,476	7,838	143,858
Additions	6,074	-	10	-	6,084
Amortisation	-	(1,166)	(1,438)	(1,282)	(3,886)
Disposals	(7,237)	-	-	(3,114)	(10,351)
Impairment	-	-	-	(3,442)	(3,442)
Closing net book amount	122,298	9,917	48	-	132,263
At 31 December 2023					
Cost	122,298	11,666	22,785	9,768	166,517
Accumulated amortisation and impairment	-	(1,749)	(22,737)	(9,768)	(34,254)
Net book amount	122,298	9,917	48	-	132,263
Year ended 31 December 2024					
Opening net book value	122,298	9,917	48	-	132,263
Amortisation	-	(1,188)	-	-	(1,188)
Disposals	-	-	(48)	-	(48)
Impairment	-	(3,286)	-	-	(3,286)
Closing net book amount	122,298	5,443	-	-	127,741
As 31 December 2024					
Cost	122,298	11,666	22,737	9,768	166,469
Accumulated amortisation and impairment	-	(6,223)	(22,737)	(9,768)	(38,728)
Net book amount	122,298	5,443	-	-	127,741

Impairment test for goodwill

As at the 31 December 2024 and 2023, the group has one cash-generating unit (CGU) to which the carrying amount of goodwill acquired through business combinations has been fully allocated. The recoverable amount of the group's CGU was determined by the value-in-use method using a discounted cash flow model, based on the group's financial budgets approved by management covering the following year.

The key assumptions used to derive the recoverable value of the CGU were determined by management based on past performance and management's future expectations. These key assumptions include:

- revenue and overhead growth rate as well as contribution margin
- a pre-tax discount rate of 9.25% (2023: 9.30%)
- terminal value is calculated using a perpetual growth rate of 2.0% (2023: 2.5%).

No impairment has been identified from the annual goodwill impairment assessment.

Sensitivity analysis

Cashflow sensitivity analysis undertaken confirmed that a reasonably possible change to any of the key assumptions would not cause the carrying value to exceed the recoverable amount.

12. Trade and other payables

	2024 $'000	2023 $'000
Trade payables	**25,108**	62,263
Accruals	**92,515**	144,795
Other payables	**19,236**	2,179
Derivative financial instruments	**609**	2,774
	137,468	212,011

13. Employee benefit obligations

	2024			2023		
	Current $'000	**Non-current $'000**	**Total $'000**	Current $'000	Non-current $'000	Total $'000
Employee benefit obligations	**104,907**	**26,200**	**131,107**	124,069	26,914	150,983

Employee benefit obligations include accruals for annual leave, long service leave and bonuses. The current portion of the leave liabilities includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees who are entitled to pro rata payments in certain circumstances. This portion of the provision (2024: $85.2m, 2023: $95.7m) is presented as current, since the group does not have an unconditional right at the end of the reporting period to defer settlement for any of these obligations beyond 12 months. Based on experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	2024 $'000	2023 $'000
Current leave obligations expected to be settled after 12 months	**39,600**	41,324

14. Provisions

	2024			2023		
	Current $'000	**Non-current $'000**	**Total $'000**	Current $'000	Non-current $'000	Total $'000
Make good provision	**1,424**	**17,039**	**18,463**	-	11,971	11,971
Other provisions	**9,218**	**-**	**9,218**	5,390	-	5,390
	10,642	**17,039**	**27,681**	5,390	11,971	17,361

Movements in provisions during the year are set out below:

	Make good provision $'000	**Other provisions $'000**
At 1 January 2024	11,971	5,390
Charged/(credited) to profit or loss:		
Unused amounts reversed	(510)	(4,519)
Unwinding of discount	444	-
Additional provisions recognised	6,558	17,631
Amounts used during the year	-	(9,284)
At 31 December 2024	**18,463**	**9,218**

15. Borrowings

	2024			2023		
	Current	**Non-current**	**Total**	Current	Non-current	Total
	$'000	**$'000**	**$'000**	$'000	$'000	$'000
Bank loans	**-**	**200,000**	**200,000**	169,282	30,000	199,282
Partner Loans	**154,936**	**-**	**154,936**	171,455	-	171,455
	154,936	**200,000**	**354,936**	340,737	30,000	370,737

Bank loans

Bank loans are unsecured and are denominated in Australian dollars. They are subject to specific covenants as determined by the group's bankers. The group has complied with the financial covenants of its borrowing facilities during the current and prior year.

Bank loans are comprised of rolling two or three-year facilities that are reviewed and extended annually. Bank loans are classified as current liabilities unless the group has a right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period, in which case they are classified as non-current liabilities. The carrying values of bank loans approximate their fair value since the interest payable on these loans is close to current market rates.

Borrowings are subject to floating interest rates, partially hedged through the use of interest rate collars. Refer to note 26 for further information.

Partner loans

Partner loans are provided by partners and used to support the working capital of the group. The loans are facilitated by Nominee Co 1000 Pty Ltd (Nominee 1000), a special-purpose funding vehicle for individual partners to finance their partner loans to PwC Australia. Nominee 1000 is restricted from undertaking any other activities. PwC Australia does not control Nominee 1000 given that PwC Australia is not exposed to variable returns from this entity and is not able to use its power over the entity to affect those returns. PwC Australia's investment in Nominee 1000 has a fair value of $2 (2023: $2).

16. Other reserves

	2024	2023
	$'000	$'000
Financial assets at FVOCI - revaluation reserve	**20,608**	16,432
Hedging reserve cash flow hedges	**5,530**	3,398
Foreign currency translation reserve	**239**	(1,193)
Other	**-**	(20,086)
	26,377	(1,449)

Movements in other reserves are set out below:

	2024	2023
	$'000	$'000
Financial assets at FVOCI - revaluation reserve		
At 1 January	**16,432**	14,885
Revaluation	**2,563**	1,547
Reclassified to profit or loss	**1,613**	-
At 31 December	**20,608**	16,432
Hedging reserve cash flow hedges		
At 1 January	**3,398**	8,393
Revaluation	**2,132**	(4,995)
At 31 December	**5,530**	3,398
Foreign currency translation reserve		
At 1 January	**(1,193)**	(4,600)
Currency translation	**1,432**	569
Changes in ownership interest that results in the loss of control	**-**	5,817
Changes in ownership interest that does not result in the loss of control	**-**	(2,979)
At 31 December	**239**	(1,193)
Other		
At 1 January	**(20,086)**	(13,654)
Changes in ownership interest reclassified to retained earnings	**20,086**	-
Revaluation	**-**	(2,361)
Changes in ownership interest that does not result in the loss of control	**-**	(4,071)
At 31 December	**-**	(20,086)

17. Non-controlling interests

	2024 $'000	2023 $'000
Statement of comprehensive income:		
Loss allocated to non-controlling interests (NCI)	-	(16,438)
Statement of financial position:		
Opening balance	-	35,159
Recycled to profit or loss on loss of control of certain entities (note 25(c))	-	(19,772)
Recycled to other reserves	-	1,051
Accumulated NCI	**-**	**-**

18. Remuneration of auditors

Prior to the reporting period beginning on 1 January 2024, PwC Australia did not prepare externally audited financial statements. During the year the following fees were paid or payable for services provided by the group's auditor, Crowe Audit Australia and its related network firms:

	2024 **$'000**	2023 $'000
Audit and review of financial statements:		
PwC Australia	**600**	-
Controlled entities	**158**	139
Other assurance services	**3**	133
Total services provided by Crowe Audit Australia	**761**	272

19. Contingent liabilities

Due to the nature of the group's business, the group becomes involved in claims and legal proceedings from time to time. The group has contingent liabilities in respect of such matters, where possible obligations will only be confirmed by uncertain future events or present obligations are not probable. Contingent liabilities are not recognised in the statement of financial position. Provisions in respect of such matters have been recorded where a cash outflow is probable and can be reliably measured. Further information is not provided as it may seriously prejudice the position of the group.

20. Commitments

As at 31 December 2024 the group has an outstanding commitment for purchases of property, plant and equipment that will be completed in the next 12 months of $0.5m (2023: $2.0m).

21. Reconciliation of profit after income tax to net cash inflow from operating activities

	2024 $'000	2023 $'000
Profit for the year	**619,174**	727,226
Adjustments for:		
Net gain on sale of business	**-**	(32,403)
Depreciation and amortisation	**63,778**	72,010
Impairment/disposal of intangible and other assets	**6,955**	24,998
Other	**(6,415)**	8,054
Change in operating assets and liabilities, net of effects from disposal of subsidiaries:		
Decrease in trade receivables, contract assets and other current assets	**95,380**	100,419
Decrease in trade and other payables	**(69,212)**	(88,171)
Decrease in provisions and employee benefit obligations	**(9,557)**	(188)
Decrease/(increase) in deferred tax assets	**6,634**	(13,615)
Net cash inflow from operating activities	**706,737**	798,330

22. Liabilities arising from financing activities

The group's liabilities arising from financing activities were as follows:

	2024 $'000	2023 $'000
Bank loans	**200,000**	199,282
Partner loans	**154,936**	171,455
Lease liabilities	**282,282**	304,645
	637,218	675,382

The following table illustrates the movements in liabilities arising from financing activities, including both changes arising from cash and non-cash flows:

	2024 $'000	2023 $'000
Liabilities arising from financing activities at beginning of the year	**675,382**	674,595
Cash flows from financing activities:		
Proceeds from borrowings	**135,661**	346,513
Repayment of borrowings	**(151,462)**	(369,356)
Payments of lease liabilities	**(56,778)**	(55,710)
Non-cash flows from financing activities:		
Finance charges on lease liabilities	**16,234**	16,195
Recognition of new lease liabilities in the year	**18,181**	63,145
Liabilities arising from financing activities at end of the year	**637,218**	675,382

23. Controlled entities

The group's principal controlled entities at 31 December 2024 are set out below. Unless otherwise stated, the equity holdings are in share capital consisting solely of ordinary shares that are held directly by the group. The country of incorporation or registration is also the principal place of business of each entity.

Name of entity	Principal activities	Place of business/ country of incorporation	Equity holding (%) 2024	2023
PricewaterhouseCoopers Services Pty Ltd	Operating	Australia	**100**	100
PricewaterhouseCoopers Securities Ltd	Operating	Australia	**100**	100
PwC Consulting Services Australia Pty Ltd (formerly PricewaterhouseCoopers Digital Technology Pty Limited)[1]	Operating	Australia	**100**	100
PricewaterhouseCoopers ASEANZ Consulting Pty Limited	Holding	Australia	**100**	100
PricewaterhouseCoopers, Papua New Guinea[2]	Operating	Papua New Guinea	**-**	-
Master Retirement Trust	Managed Fund	Australia	**-**	-

1. Wholly owned by PricewaterhouseCoopers ASEANZ Consulting Pty Limited.
2. PricewaterhouseCoopers, Papua New Guinea (PNG) is the partners from time to time trading as PricewaterhouseCoopers, PNG. PricewaterhouseCoopers, PNG is a member firm of the PricewaterhouseCoopers Network, each member firm of which is a separate legal entity.

24. Related party transactions

(a) Key management personnel disclosures

	2024
	$'000
Short term benefits	**19,803**
Leave and superannuation	**234**
Rights to deferred income	**665**
Key management personnel income and remuneration	**20,702**

Key management personnel (KMP) disclosures include the income and remuneration of KMP for their time as a KMP during the year ended 31 December 2024.

Prior year comparatives have not been included as they are not considered meaningful to the understandability of the financial statements, and this is the first year of completing publicly available financial statements.

The following table details the nature and amount of each element of income and remuneration of the executive KMP for their time in a KMP role.

Income and remuneration for executive KMP ($)

	Income & Fixed Remuneration				Variable Components		
Name	**Net Income[3]**	**Annual & Long Service Leave[4]**	**Superannuation**	**Other Benefits[5]**	**Performance Awards/ Incentives[6]**	**Rights to deferred income[7]**	**Total**
CEO & Executive Governance Board Member							
K. Burrowes[8]	3,185,020	-	-	20,075	-	167,112	3,372,207
Executive KMP							
R. Silverwood	2,416,837	-	-	11,841	-	140,643	2,569,321
S. Horlin	2,035,817	-	-	15,146	-	115,643	2,166,606
R. Antao	1,402,840	-	-	14,889	-	88,320	1,506,049
C. Morris	890,610	-	-	9,753	-	98,957	999,320
D. Callaghan	792,079	196,754	22,147	8,320	112,272	53,990	1,185,562
Former							
D. McKeering	213,698	-	-	3,502	-	-	217,200
L. Maimone	449,377	-	-	2,446	-	-	451,823
Total	**11,386,278**	**196,754**	**22,147**	**85,972**	**112,272**	**664,665**	**12,468,088**

3. Net Income for partners is defined in section 3.1 of the Remuneration Report. In the case of Mr. Callaghan, as an employee, this represents his salary in the period whilst a KMP.
4. Annual & Long Service Leave benefits for Mr. Callaghan represent the increase in the associated leave provisions in the period. Partner Net Income is inclusive of rights to take leave.
5. Other Benefits include other entitlements of the KMP in the year including the provision of car parking, tax compliance services, and health and wellness benefits. For Mr. Callaghan, as an employee, Other Benefits also includes Fringe Benefits Tax where applicable.
6. Incentives paid to Mr.Callaghan includes those for his role as CFO and the remuneration expense associated with a legacy long term incentive arrangement related to prior roles held in the firm. This arrangement is now finalised with no further ongoing entitlements.
7. Effective from 1 July 2024, an amount equivalent to 10% of net income for MLT members, including performance awards and adjustments, will be withheld for a period of three years subject to conditions noted in section 2 of the Remuneration Report.
8. Additionally, Mr. Burrowes has a separate agreement with the PwC Network for services he provides to the Network. Pursuant to this agreement Mr. Burrowes received $1.2 million plus superannuation of $28,666 and no Other Benefits or Performance Awards/Incentives in the year ended 31 December 2024.

24. Related party transactions (cont'd)

The Governance Board at 31 December 2024 comprised three independent non-executive board members and six elected partner members.

The following table outlines the remuneration of the independent non-executive Governance Board members during the current year. There were no transactions or loans between independent non-executive members and the firm during the period.

Independent non-executive Governance Board member remuneration ($)

Name	Base & Committee fees	Superannuation	Other Benefits[9]	Total
John M. Green	199,506	7,483	-	206,989
Lisa Chung AM[10]	70,833	-	-	70,833
Carmel Mulhern	63,528	7,305	-	70,833
Total	**333,867**	**14,788**	**-**	**348,655**

The base fees reflect the pro-rated board fees from the date of appointment to the Governance Board.

The independent non-executive Governance Board members were appointed to Board committee roles effective 1 December 2024. Committee fee remuneration reflects fees from this date.

Each elected partner Board member performs their duty and provides their relevant capabilities as a Governance Board member in addition to their primary role as a client service delivery partner of the firm. Whilst supported to provide the appropriate attention to this important role, they do not receive Board or Committee fees.

The total net income and benefits across 14 individuals as elected partner members of the Governance Board in the year was $7,885,151. The range of total annualised target partner incomes for the six elected partner members as at 31 December 2024 for the current performance year is $633,000 to $1,519,000. Those members are Ewan Barron, Michael Fung, Emma Hardy, Ian Hockings, Marcus Laithwaite and Rosalie Wilkie.

(b) Loans to/from related parties

	2024 $'000
Loans from key management personnel	
Beginning of the year	**6,715**
Proceeds from new loans	**3,734**
Loan repayments received	**(1,519)**
End of year	**8,930**

Loans from key management personnel represents partner loans received from partner KMP. Partners provide working capital on joining the partnership. Refer note 15 for further information on partner loans.

9. Independent non-executive Governance Board members are not entitled to receive Other Benefits and are only reimbursed for expenses associated with attending meetings or firm business.
10. Approval was obtained from the Australian Taxation Office to be exempt from making superannuation contributions due to superannuation obligations being met by other employers.

25. Divestments

(a) Disposal of investment in Yamagigu Consulting Pty Limited (formerly known as PricewaterhouseCoopers Indigenous Consulting Pty Limited)

On 7 July 2024, PricewaterhouseCoopers Nominees (N.S.W.) Pty Ltd (ACN 000 715 293) as trustee for the PricewaterhouseCoopers partnership entered into a share purchase deed (SPD) to sell its 49% shareholding in Yamagigu Consulting Pty Limited (formerly known as PricewaterhouseCoopers Indigenous Consulting Pty Limited) (PIC). The transaction completed on 2 August 2024. The investment was sold for book value, plus a completion amount calculated in accordance with the SPD.

(b) Disposal of the Australian Government Consulting business

On 19 September 2023, the group entered into a share sale agreement (SSA) to sell the group's Australian Government Consulting business to Scyne Advisory Australia Pty Limited. The transaction completed on 8 November 2023 and resulted in the disposal of the Australian Government Consulting business, along with certain assets and liabilities of that business. The sale was part of a restructuring that was developed to provide a solution that best met the needs and expectations of all stakeholders, given the circumstances. The operating results and assets and liabilities of the entities sold were consolidated until the change in control on 8 November 2023 and are reported in the period ended 31 December 2023 as discontinued operations.

The sale price was $1. During the year, Scyne also paid $15.0M for settlement of certain contract asset and debtors, offset by the value of certain employee entitlements transferred.

(c) Disposal of SEA Consulting and New Zealand Consulting

On 29 December 2023, the group entered into an agreement to sell some of the group's investments in return for the minority shareholdings in PricewaterhouseCoopers ASEANZ Consulting Pty Ltd. The agreed sale price was $18.3 million, representing the net asset value of the businesses disposed of. The group recognised a gain after income tax of $32.4 million for the period ended 31 December 2023. The operating result of SEA Consulting and New Zealand Consulting was reported as a discontinued operation in the year ended 31 December 2023.

26. 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 borrowing facilities, partner capital, and undistributed profits. Some of the group's borrowings are subject to specific covenants, refer to note 15 for further information.

The group holds or issues financial instruments in order to finance its operations and manage foreign currency and interest risks arising from its operations and sources of finance. The principal financial instruments, other than derivatives, held or issued by the group are:

	Notes	**2024 $'000**	2023 $'000
Cash and cash equivalents		**50,467**	43,634
Trade receivables, contract assets and other current assets	6,7	**540,358**	662,958
Financial assets	8	**59,939**	50,813
		650,764	757,405
Trade payables	12	**25,108**	62,263
Borrowings	15	**354,936**	370,737
Lease liabilities	10	**282,282**	304,645
		662,326	737,645

Risk management is carried out by a central treasury department (group treasury) under approved policies. Group treasury identifies, evaluates and hedges financial risks in consultation with the group's operating units. Management provides written principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment of excess liquidity.

Derivatives

Derivatives are exclusively used for hedging purposes and not as trading or other speculative instruments. The group has the following derivative financial instruments:

	2024 $'000	2023 $'000
Current assets		
Forward exchange contracts – cash flow hedges	**960**	332
Total current derivative financial assets	**960**	332
Non-current assets		
Interest rate option – cash flow hedges	**8,130**	9,457
Total non-current derivative financial assets	**8,130**	9,457
Total derivative financial assets	**9,090**	9,789
Current liabilities		
Forward exchange contracts – cash flow hedges	**609**	2,774
Total current derivative financial liabilities	**609**	2,774
Non-current liabilities		
Forward exchange contracts – cash flow hedges	**-**	159
Total non-current derivative financial liabilities	**-**	159
Total derivative financial liabilities	**609**	2,933

Derivatives are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

26. Financial risk management and management of capital (cont'd)

Fair value of financial instruments

The below table presents the group's assets and liabilities measured and recognised at fair value in the financial statements.

Recurring fair value measurements **2024**	**Level 2** **$'000**	**Level 3** **$'000**	**Total** **$'000**
Financial assets			
Equity investments at fair value through other comprehensive income	**36,017**	**1,953**	**37,970**
Derivative financial instruments	**9,090**	**-**	**9,090**
Total financial assets	**45,107**	**1,953**	**47,060**
Financial liabilities			
Derivative financial instruments	**609**	**-**	**609**
Total financial liabilities	**609**	**-**	**609**

Recurring fair value measurements 2023	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets			
Equity investments at fair value through other comprehensive income	34,046	2,326	36,372
Derivative financial instruments	9,789	-	9,789
Total financial assets	43,835	2,326	46,161
Financial liabilities			
Derivative financial instruments	2,933	-	2,933
Total financial liabilities	2,933	-	2,933

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

26. Financial risk management and management of capital (cont'd)

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period, the group held deposits not exceeding a term of one month of $50.5m (2023: $43.6m) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the group's liquidity reserve, comprising the undrawn borrowing facilities, and cash and cash equivalents on the basis of expected cash flows. This is carried out at a group level.

In addition, the group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring the statement of financial position liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Where the impact of discounting is not significant, balances due are disclosed at their carrying value.

2024	**Less than 6 months**	**6 – 12 months**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total contractual cash flows**	**Total carrying value**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Non-derivatives							
Trade payables	**25,108**	**-**	**-**	**-**	**-**	**25,108**	**25,108**
Borrowings	**154,936**	**-**	**104,002**	**122,563**	**-**	**381,501**	**354,936**
Lease liabilities	**28,326**	**26,685**	**52,792**	**148,209**	**81,019**	**337,031**	**282,282**
Total non-derivatives	**208,370**	**26,685**	**156,794**	**270,772**	**81,019**	**743,640**	**662,326**
Derivatives							
Forward exchange contracts	**375**	**234**	**-**	**-**	**-**	**609**	**609**
Total derivatives	**375**	**234**	**-**	**-**	**-**	**609**	**609**

2023	Less than 6 months	6 – 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Total carrying value
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Non-derivatives							
Trade payables	62,263	-	-	-	-	62,263	62,263
Borrowings	342,835	-	32,886	-	-	375,721	370,737
Lease liabilities	28,204	28,575	55,011	146,116	103,428	361,334	304,645
Total non-derivatives	433,302	28,575	87,897	146,116	103,428	799,318	737,645
Derivatives							
Forward exchange contracts	2,574	200	140	19	-	2,933	2,933
Total derivatives	2,574	200	140	19	-	2,933	2,933

26. Financial risk management and management of capital (cont'd)

Credit risk

Credit risk arises from cash and cash equivalents, favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to clients, including outstanding receivables and committed transactions. The group transacts with banks and other financial institutions that are independently assessed with a minimum rating of BBB+. The credit control team and partners assess the credit quality of the client, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal ratings in accordance with limits set by management. The compliance with credit limits by clients is regularly monitored. There are no significant concentrations of credit risk, whether through exposure to individual clients, specific industry sectors and/or regions.

Market risk

The sensitivity of the group's market risks are immaterial in terms of the possible impact on total profit or loss.

The group's market risks comprise:

Cash flow from interest rate risk

The group's cash flow is exposed to variable interest rate risk arising from long-term borrowings. The group targets a percentage of its borrowings at fixed rate using interest hedging instruments to achieve this when necessary. At the year end 25% (2023: 24.8%) of borrowings were hedged by interest rate instruments.

Foreign exchange

The group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the group's functional currency. The risk is measured using cash flow forecasting.

The group has a policy to manage its foreign exchange risk. This includes hedging a percentage of anticipated foreign currency cash flows for the subsequent 12 months depending on the size of the transaction. The group also utilised foreign borrowings against foreign investments to hedge foreign exchange exposure, until the divestment of certain foreign investments, refer to note 25.

The group's primary exposure to foreign currency risk during and at the end of the reporting period, expressed in Australian dollars, was as follows:

	2024		2023	
	USD	**Others**	USD	Others
	$'000	**$'000**	$'000	$'000
Trade receivables	**18,192**	**3,083**	19,485	1,068
Trade payables	**(16,197)**	**(7,808)**	(36,977)	(5,067)
Other non-current assets	**16,568**	**4,656**	9,221	4,509
Forward exchange contracts (principal)				
• Buy foreign currency	**9,862**	**4,560**	92,736	18,205
• Sell foreign currency	**(15,033)**	**-**	(11,741)	-

27. Events occurring after the reporting period

On 29 April 2025 PwC Australia entered into an agreement to extend the lease for its Melbourne office. The original lease, set to expire on 31 January 2029, has been extended for an additional five years, now expiring on 31 January 2034.

Apart from the matter noted above, no events have occurred since 31 December 2024 that significantly affect the reported results and financial position of the group.

Independent auditor's report

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Independent Auditor's Report to the Partners of PwC Australia

Opinion

We have audited the special purpose financial report of PricewaterhouseCoopers and its controlled entities ('the Group' or 'PwC Australia'), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including the summary of material accounting policy information.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its performance and its cash flows for the year then ended in accordance with the Principles of the Partnership Agreement and the material accounting policy information approved by the Governance Board, as disclosed in note 1 to the financial report.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

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Emphasis of Matter – Basis of Preparation

We draw attention to Note 1 to the financial report, which describes the basis of preparation. The financial report has been prepared to assist the Group to meet the requirements of the Partnership Agreement. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter – Opening Balances

The Group was not required to prepare or lodge an audited financial report for the year ended 31 December 2023. The comparative amounts included in this financial report are therefore unaudited.

Other Information

The Governance Board Members are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Annual Report for the year ended 31 December 2024, that is available at this date, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the Governance Board for the Financial Report

The Members of the Governance Board of the Group are responsible for the preparation and fair presentation of the financial report in accordance with the Principles of the Partnership Agreement and the material accounting policy information approved by the Governance Board, as disclosed in note 1 to the financial report, and for such internal control as the Governance Board Members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Governance Board Members are responsible for assessing the Group's ability to continue as a going concern and using the going concern basis of accounting unless the Governance Board Members either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the Governance Board Members.
- Conclude on the appropriateness of the Governance Board Members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Governance Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Crowe Audit Australia

Crowe Audit Australia

JHaydon

John Haydon
Senior Partner

6 June 2025
Sydney

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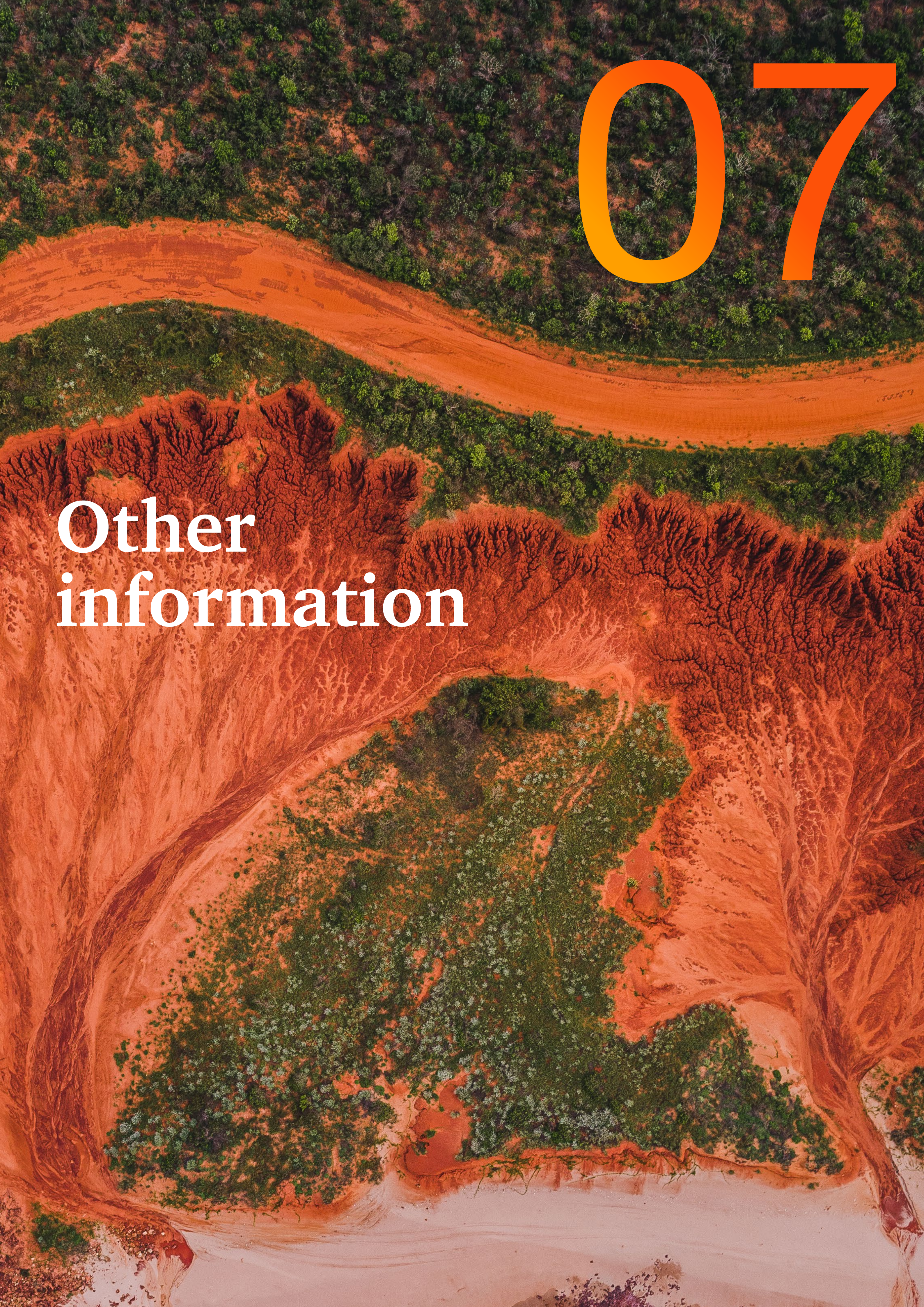

07

Other information

1. ASX Corporate Governance Principles Adoption

	Corporate Governance Council Recommendation	Adoption status	Further details
Principle 1 – Lay solid foundations for management and oversight			
1.1	A listed entity should have and disclose a board charter setting out: (a) the respective roles and responsibilities of its board and management; and (b) those matters expressly reserved to the board and those delegated to management.	**Fully adopted**	(a)-(b) We have disclosed a copy of our **Governance Board Charter.**
1.2	A listed entity should: (a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and (b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.	**Fully adopted**	(a) Appropriate checks are put in place prior to the appointment of Governance Board members and Management Leadership Team members. (b) As a Partnership, whilst we do not have security holders, information relevant to the decision on whether to elect or re-elect a board member is provided to all participants involved in the voting process (i.e. equity partners as the owners of the business). A vote is required to elect partner board members, pursuant to the PwC Australia Partnership Agreement. For the avoidance of doubt, partners are not security holders.
1.3	A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	**Fully adopted**	Written agreements setting out terms of appointment are in place for Governance Board members and Management Leadership Team members.
1.4	The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	**Fully adopted**	The Partnership secretary is accountable to the Governance Board, through the independent Chair, on all matters to do with the proper functioning of the Governance Board.

Corporate Governance Council Recommendation		Adoption status	Further details
Principle 1 – Lay solid foundations for management and oversight			
1.5	A listed entity should: (a) have and disclose a diversity policy; (b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and (c) disclose in relation to each reporting period: (1) the measurable objectives set for that period to achieve gender diversity; (2) the entity's progress towards achieving those objectives; and (3) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined 'senior executive' for these purposes); or (B) if the entity is a 'relevant employer' under the Workplace Gender Equality Act, the entity's most recent 'Gender Equality Indicators', as defined in and published under that Act. If the entity was in the S&P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.	**Fully adopted**	(a)-(b) We have disclosed a copy of our **Diversity and Inclusion Policy** as well as our measurable objectives for achieving gender diversity across the firm. (c) 1)-2): Information has been disclosed on our **Diversity and Inclusion** website and progress against these objectives and relevant metrics are disclosed in the Annual Report. 3) (A) The gender diversity composition of our Governance Board, Management Leadership Team, Partners and workforce generally at the end of reporting period (31 December 2024) are disclosed in the Annual Report.
1.6	A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	**Fully adopted**	We have disclosed the information referred to in (a) and (b) in the Annual Report.
1.7	A listed entity should: (a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	**Fully adopted**	We have disclosed the information referred to in (a) and (b) in the Remuneration Report.

<table>
<tr><th colspan="2">Corporate Governance Council Recommendation</th><th>Adoption status</th><th>Further details</th></tr>
<tr><td colspan="4">Principle 2 – Lay solid foundations for management and oversight</td></tr>
<tr><td>2.1</td><td>The board of a listed entity should:
(a) have a nomination committee which:
(1) has at least three members, a majority of whom are independent directors; and
(2) is chaired by an independent director,
and disclose:
(3) the charter of the committee;
(4) the members of the committee; and
(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or
(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</td><td>Fully adopted</td><td>(a) 1) and 2) The Nominations and Public Interest Committee has a majority of independent non-executive members and is chaired by an independent non-executive board member.

3) We have disclosed a copy of our <u>Nominations and Public Interest Committee terms of reference.</u>

4) and 5) Information has been disclosed in the Annual Report.</td></tr>
<tr><td>2.2</td><td>A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</td><td>Fully adopted</td><td>We have disclosed a copy of our Board Skills Matrix in the Annual Report.</td></tr>
<tr><td>2.3</td><td>A listed entity should disclose:
(a) the names of the directors considered by the board to be independent directors;
(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and
(c) the length of service of each director.</td><td>Fully adopted</td><td>(a)-(c) We have disclosed the names of Governance Board members who are independent, board member interests and the length of service of each board member in the Annual Report.</td></tr>
<tr><td>2.4</td><td>A majority of the board of a listed entity should be independent directors.</td><td>Not adopted</td><td>The composition of the Governance Board does not have a majority of independent members. The current composition of the Governance Board comprises three independent non-executive board members (including an independent Chair), five elected Partner board members and the Country Senior Partner in their role as Chief Executive Officer. Changes have been made to the Partnership Agreement to allow for a majority of independent non-executive Board members in the future, subject to partner vote. Eligibility criteria for elected partner members includes that they are not members of the Management Leadership Team, and have not been for greater than 12 months in the preceding three years prior to appointment to the Governance Board.</td></tr>
<tr><td>2.5</td><td>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</td><td>Fully adopted</td><td>John M. Green is our firm's first independent non-executive Governance Board Chair.</td></tr>
<tr><td>2.6</td><td>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively.</td><td>Fully adopted</td><td>Board induction and skills development is overseen by the Chair and Secretary as disclosed in the <u>Governance Board Charter.</u></td></tr>
</table>

Corporate Governance Council Recommendation		Adoption status	Further details
Principle 3 – Instil a culture of acting lawfully, ethically and responsibly			
3.1	A listed entity should articulate and disclose its values.	**Fully adopted**	We have disclosed our values in the Annual Report.
3.2	A listed entity should: (a) have and disclose a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the board is informed of any material breaches of that code.	**Fully adopted**	(a) We have disclosed our **Code of Conduct**. (b) The Governance Board or a committee of the Board is informed of any material breaches of the Code of Conduct.
3.3	A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	**Fully adopted**	(a) We have disclosed our **Whistleblower policy**. (b) The Governance Board or a committee of the Board is informed of any material breaches of the Whistleblower Policy.
3.4	A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or committee of the board is informed of any material breaches of that policy.	**Fully adopted**	(a) We have disclosed our **Anti-Bribery and Corruption Policy**. (b) The Governance Board or a committee of the Board is informed of any material breaches of the Anti-Bribery and Corruption Policy.
Principle 4 – Safeguard the integrity of Corporate Reports			
4.1	The board of a listed entity should: (a) have an audit committee which: (1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (2) is chaired by an independent director, who is not the chair of the board, and disclose: (3) the charter of the committee; (4) the relevant qualifications and experience of the members of the committee; and (5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	**Partially adopted**	(a) 3) We have disclosed a copy of our **Finance, Audit and Sustainability Committee terms of reference.** 4) and 5) Information has been disclosed in the Annual Report. Recommendations 4.1(a) 1) and 4.1(a) 2) are not met as the composition of the Finance, Audit and Sustainability Committee does not have a majority of independent members and is not chaired by an independent board member. The current composition comprises two independent non-executive member, one of which who is the Deputy Chair and three elected Partner members. We consider having an elected board member as Chair of the Finance, Audit and Sustainability Committee to be appropriate. As a Partner of an accounting and professional services firm, the Chair brings significant accounting, financial and sustainability expertise and a deep understanding of PwC products and services. In addition, we consider the composition of the Finance, Audit and Sustainability Committee as appropriate, given the current Governance Board composition (three independent non-executive board members, five elected Partner board members and the Country Senior Partner in their role as Chief Executive Officer), the skills of the board members and the spread of responsibilities across the Board and its committees, to enable board members to discharge their duties effectively.

Corporate Governance Council Recommendation		Adoption status	Further details
Principle 4 – Safeguard the integrity of Corporate Reports			
4.2	The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	**Fully adopted**	A declaration from the CEO and CFO is provided to the Governance Board prior to the approval of the financial statements.
4.3	A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	**Fully adopted**	The PwC Australia Annual Report has been prepared and published voluntarily, and the Financial Report has been externally audited. For other public disclosures that are not externally audited or reviewed, including those within this Annual Report, processes are in place to verify the integrity of information before release commensurate with the nature of the disclosure. This includes review and sign-off by relevant function or business leaders as appropriate. Where required, confirmation of the verification processes is provided to the Governance Board or relevant committee prior to release.
Principle 5 – Make timely and balanced disclosure			
5.1	A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	**Not applicable**	As a Partnership, we do not have continuous disclosure obligations as listing rule 3.1 does not apply and hence this recommendation is not applicable.
5.2	A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	**Not applicable**	As a Partnership, we do not make ASX market announcements or provide investor/analyst presentations and hence this recommendation is not applicable.
5.3	A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	**Not applicable**	As a Partnership, we do not make ASX market announcements or provide investor/analyst presentations and hence this recommendation is not applicable.
Principle 6 – Respect the rights of security holders			
6.1	A listed entity should provide information about itself and its governance to investors via its website.	**Fully adopted**	Whilst we do not have investors, our **website** provides information about PwC Australia and our governance to interested stakeholders.
6.2	A listed entity should have an investor relations program that facilitates effective two-way communication with investors.	**Not applicable**	Whilst there is regular two-way communications with Partners, as we do not have security holders, we do not have an investor relations program hence this recommendation is not applicable.
6.3	A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	**Fully adopted**	As a Partnership, whilst we do not have security holders, meetings are conducted with Partners as owners of the business both in person across our offices and virtually. Attendance at these meetings is encouraged and includes the opportunity for Partners to engage in two-way communications with members of the Governance Board and Management Leadership Team.

Corporate Governance Council Recommendation		Adoption status	Further details
Principle 6 – Respect the rights of security holders			
6.4	A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	**Fully adopted**	As a Partnership, whilst we do not have security holders, where there are matters for a Partner vote, the voting process is via ballot and not by show of hands.
6.5	A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	**Not applicable**	As a Partnership, we do not have external security holders or a security registry hence this recommendation is not applicable.
Principle 7 – Recognise and manage risk			
7.1	The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose the fact and the processes it employs for overseeing the entity's risk management framework.	**Partially adopted**	(a) 2) The Committee is chaired by an independent non-executive Governance Board member. 3) We have disclosed a copy of our **Risk Committee terms of reference.** 4) and 5) Information has been disclosed in the Annual Report. Recommendation 7.1(a) 1) is not met as the composition of the Risk Committee does not have a majority of independent members. The current composition comprises one independent non-executive member, who is the Chair and three elected Partner members. We consider the composition of the Risk Committee as appropriate, given the current Governance Board composition (three independent non-executive board members, five elected Partner board members and the Country Senior Partner in their role as Chief Executive Officer), the skills of the board members and the spread of responsibilities across the Board and its committees to enable board members to discharge their duties effectively.
7.2	The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose, in relation to each reporting period, whether such a review has taken place.	**Fully adopted**	(a) The Governance Board annually reviews, challenges and approves the firm's Risk Management Framework and Risk Appetite Statement. (b) We have disclosed that this review was conducted in the reporting period within the Annual Report.
7.3	A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.	**Fully adopted**	We have disclosed how our internal audit function is structured and what role it performs in the Annual Report.
7.4	A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	**Fully adopted**	We have disclosed whether we have any material exposure to environmental and social risks and how we intend to manage those risks at our **Stakeholder Engagement & Transparency** website.

Corporate Governance Council Recommendation		Adoption status	Further details
Principle 8 – Remunerate fairly and responsibly			
8.1	The board of a listed entity should: (a) have a remuneration committee which: (1) has at least three members, a majority of whom are independent directors; and (2) is chaired by an independent director, and disclose: (3) the charter of the committee; (4) the members of the committee; and (5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose the fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	**Partially adopted**	(a) 2) The Committee is chaired by an independent non-executive Governance Board member. 3) We have disclosed a copy of our **Partnership, People and Culture Committee terms of reference.** 4) and 5) Information has been disclosed in the Annual Report. Recommendation 8.1(a) 1) is not met as the composition of the Partnership, People and Culture Committee does not have a majority of independent members. The current composition comprises one independent non-executive member, who is the Chair, and three elected Partner members. We consider the composition of the Partnership, People and Culture Committee as appropriate, in consideration of the current Governance Board composition (three independent non-executive board members, five elected Partner board members and the Country Senior Partner in their role as Chief Executive Officer), the skills of the board members and the spread of responsibilities across the Board and its committees to enable board members to discharge their duties effectively.
8.2	A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	**Fully adopted**	We have disclosed our remuneration policies and practices regarding the remuneration of our Governance Board members (both independent non-executive and elected partner board members) and key members of the Management Leadership Team in the Remuneration Report.
8.3	A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	**Not applicable**	As a Partnership, we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable.
Principle 9 – Additional recommendations that apply in certain cases			
9.1	A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.	**Not applicable**	We do not have a board member in this position and hence this recommendation is not applicable.
9.2	A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.	**Not applicable**	We are established in Australia and this hence recommendation is not applicable.
9.3	A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	**Not applicable**	We are established in Australia and not an externally managed listed entity hence this recommendation is not applicable.

2. Greenhouse gas emissions core metrics and disclosures

<table>
<tr><th>Disclosure included in our report</th><th>Basis of preparation description</th><th>Report section</th></tr>
<tr><td>Total greenhouse gas emissions</td><td>Reporting year

Greenhouse gas (GHG) emissions for PwC Australia and PwC PNG have been prepared based on the reporting period 1 January 2024 to 31 December 2024. Consistent with disclosures under the PwC Network Environment Report, our baseline and targets are set based on the PwC Network fiscal year, which is the 12-month period ending 30 June. PwC PNG's emissions have been included within our disclosures for the first time for the year ended 31 December 2024 to align with entities captured in the Financial Report.

Standard

Our GHG emissions data is monitored and measured in accordance with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard, revised edition ("GHG Protocol"). This includes the GHG Protocol's reporting principles of accuracy, completeness, consistency, context, relevance, stakeholder inclusiveness and transparency.

Greenhouse gases

Emission factors applied cover all of the Kyoto protocol gas emissions and are denominated on a carbon dioxide equivalent basis. Air travel conversion factors include the effector of radiative forcing. All GHG emissions figures are reported in tonnes of carbon dioxide equivalent (tCO2e).

Organisational boundaries

PwC Australia and PwC PNG are part of the PwC Network where each member firm is a separate legal entity. We use the operational control approach to determine our organisational boundaries. This aligns with the GHG Protocol which defines 'operational control' as 'having the full authority to introduce and implement operating policies'. The organisational boundary includes all PwC entities and operations within Australia and PNG, including our 10 office locations and all partners and employees across Australia and PNG.

Base year

PwC Australia and PNG have established the reporting period 1 July 2018 to 30 June 2019 as its base year aligned to the PwC Network.

Materiality and restatements

PwC Australia and PNG have set a materiality level of 5%. This means that PwC Australia and PNG will recalculate and restate emissions where our reported emissions in the prior years (including the base year) would increase or decrease by 5% or more. Events which may trigger the need for a recalculation include:
• Changes in calculation methods resulting in changes to prior year data.
• Changes in published emissions factors, even when there has been no material change in the underlying consumption or activity data for that KPI.
• Discovery of an error or a number of errors which, taken together, are material.
• Updated or new data becomes available for previous reporting years.
• Organisational changes impacting the firm's operations – e.g, mergers, acquisitions and divestments.</td><td>Planet</td></tr>
</table>

<table>
<tr><th>Disclosure included in our report</th><th>Basis of preparation description</th><th>Report section</th></tr>
<tr><td>Total greenhouse gas emissions (cont'd)</td><td>
Calculation methodology and estimates

PwC has adopted the calculation-based quantification methodology to estimate emissions. Activity data is collected from internal and external data sources including invoices, reports provided by suppliers (e.g. building managers and travel suppliers) and internally generated consumption reports (e.g. expense claims). Primary data is used to calculate emissions.

Where primary data is not available estimates are used based on extrapolation of available data, proxy data and local statistical data benchmarks.

Scope 1 and 2 emissions have been calculated using Australian specific emissions factors sourced from the National Greenhouse Accounts Factors for the relevant year. Business travel emissions are calculated by applying the most recent conversion factors published by the UK Department for Energy Security and Net Zero previously the Department for Business, Energy & Industrial Strategy (BEIS, formerly Defra). PG&S emissions are calculated using a spend-based methodology and an environmentally extended input-output (EEIO) model due to a scarcity of supplier-specific emission data in the market.

Scope 1 emissions

Includes:
• Stationary combustion of fuel in our office locations, including diesel for backup generators and natural gas in commercial kitchens (kilowatt hours of energy consumed per office location).

Scope 2 emissions (market-based)

Includes:
• Purchased electricity (kilowatt hours of electricity consumed per office location)
• Purchased heat, steam and cooling for our office locations (kilowatt hours of electricity and megajoules of natural gas consumed per office location)
• Our Scope 2 emissions, including renewables consumption, are prepared in accordance with the GHG Protocol Scope 2 Guidance and RE100 technical criteria. We report on our Scope 2 emissions using the market-based approach which has been designed to better reflect electricity purchasing decisions, including accounting for the impact of green or renewable electricity products on GHG emissions. PwC Australia maintains an RE100 commitment of 100% renewable electricity in our offices in Australia through the purchase of renewable electricity certificates. This allows us to reduce our reported Scope 2 emissions by the amount of renewable electricity certificates purchased, used the market-based method. The timing of this purchase is for the 12-month period ending 30 June 2025 to align with our reporting to the PwC Network. PwC PNG does not currently source renewable electricity.
• Heating, hot water and steam reflects our portion of base building emissions in our buildings and is included within our organisational boundary in alignment with PwC Network Methodology and our emission reduction targets.

Scope 3 emissions

Includes:
Business travel:
• Air travel (passenger kilometres travelled by cabin class and haul)
• Land travel (kilometres travelled in taxi, train and car by fuel type)
• Overnight accommodation (number of nights in domestic and international accommodation)
Purchased goods and services:
• Business services & human capital
• Property & facilities management
• Technology
</td><td>Planet</td></tr>
<tr><td>GHG emissions targets</td><td>PwC is committed to reducing its emissions in line with a 1.5 degree climate scenario. In July 2021, our global emissions reduction targets were independently validated by the Science Based Targets initiative (SBTi). They include targets to reduce our scope 1 and 2 emissions and our scope 3 business travel emissions by 50% in absolute terms by 2030 (from the base year). These targets are part of our worldwide commitment to achieve net zero with 2030 goals.</td><td>Planet</td></tr>
</table>

Directory

Address

PwC Sydney (Gadigal Country)
One International Towers Sydney
Watermans Quay
Barangaroo NSW 2000
Australia
Tel: +61 2 8266 0000
Fax: +61 2 8266 9999

Our other office locations across Australia can be found on our **website**.

Website

For further information about us, our Governance Board and Management Leadership Team visit our website at: **www.pwc.com.au**

Auditor

Crowe Audit Australia
Level 24
1 O'Connell Street
Sydney NSW 2000
Australia

Media Queries

For any media queries please **contact** our Media Relations team.

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