



PwC Australia

Annual Report 2025



1 January – 31 December 2025

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

PwC Australia's annual report comprises externally audited financial statements for the year ended 31 December 2025, a remuneration report and disclosures aligned with ASX Corporate Governance Principles where appropriate for a partnership. It incorporates other key information about our firm and stakeholders.

This voluntary report documents our continued 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.

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6,700+

Over 6,700 people across Australia

364,000+

Tapping into a 364,000 strong global network



Supported by our **Alliances**

About PwC Australia

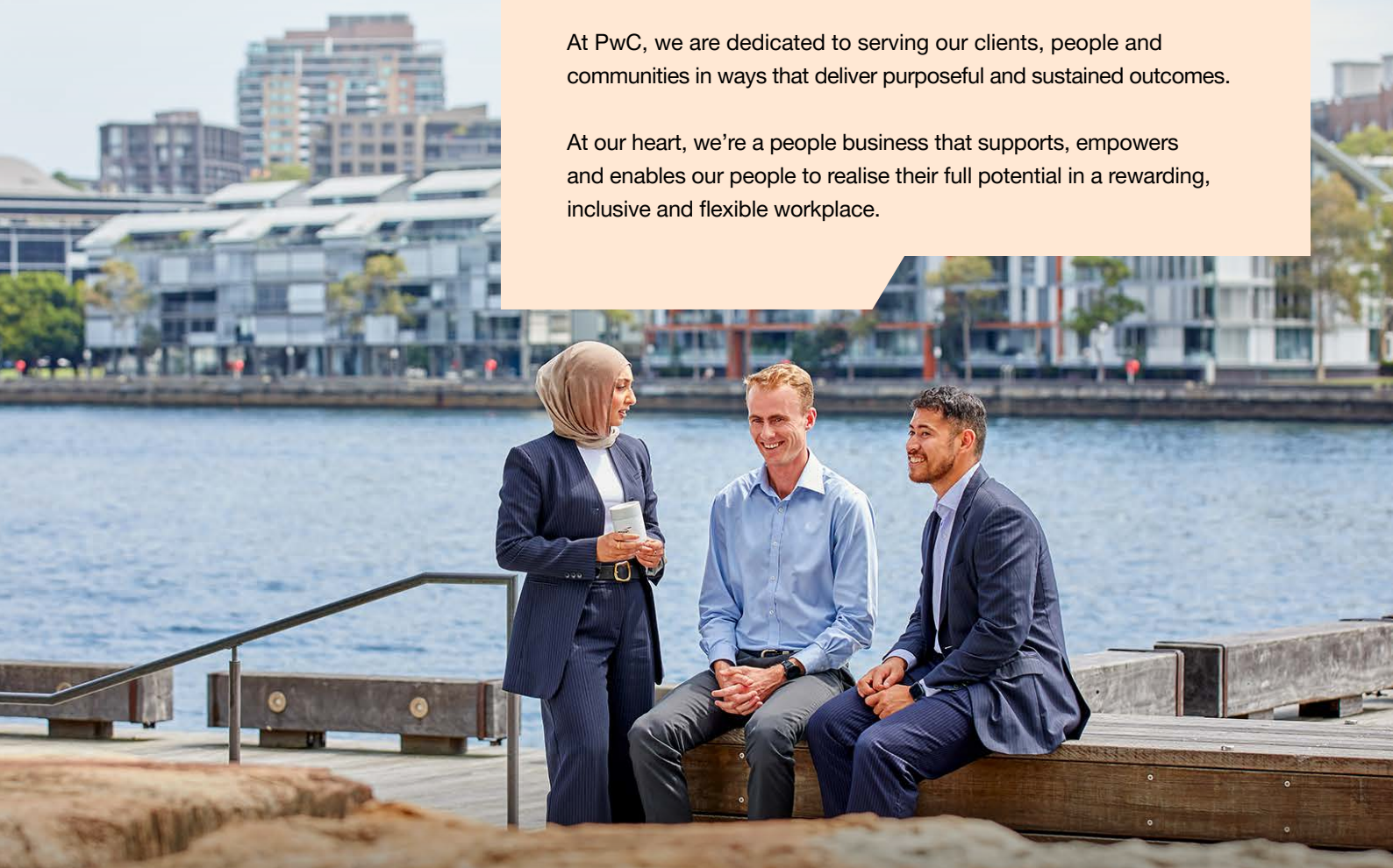
We serve clients across diverse sectors and industries, including financial services; energy, utilities and resources; consumer markets; technology, media and telecommunications; private capital; and health and education.

PwC Australia (PwC) is part of the PwC network, with each member firm a separate legal entity.¹ Through our network, spanning 136 countries and employing more than 364,000 people, we work together to deliver high-quality solutions for clients around the world.² It is the power of this network that positions us among the leading professional services firms in the world. PwC 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, firmwide governance and the network’s global Acceleration Centres.

At PwC, we are dedicated to serving our clients, people and communities in ways that deliver purposeful and sustained 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 Please see www.pwc.com/structure for further details.
² Numbers of countries and employees are as at 31 December 2025.

Our foundations

Our purpose

Build trust in society and solve important problems.

Our vision

To be the pre-eminent professional services firm, built on the highest ethical and professional standards, with integrity at the core of everything we do. Delivering purposeful and sustained outcomes for our clients, our people and our communities.

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

Our strategy

Our strategy includes building a leading culture that sets 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 behaviours

The Evolved PwC Professional is the foundation of who we are and how we work. It defines the behaviours that bring our purpose, strategy, and values to life. It guides our interactions, decisions, and commitments, ensuring we uphold trusted leadership and deliver distinctive outcomes—shaping a brighter future for our clients, people, and communities.

Our Three Cs 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

Our foundations

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—Advisory, Assurance and Tax & Legal.

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 policies, systems and processes, as well as our efforts to nurture a firmwide culture of excellence.

In 2025, a review of the design and operational effectiveness of the firm's Multi-Disciplinary Partnership (MDP) protocol and process for providing tax advice as a legal service was finalised and published on our website.

PwC appointed Mr Bruce Quigley as an independent consultant to the Tax & Legal practice to undertake this review. Mr Quigley issued his report in September and a summary of the report is available [here](#). Mr Quigley was supported in this review by a partner of Gilbert + Tobin.



How we deliver value

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	04	Technology, Media & Telecommunications
02	Energy, Utilities & Resources	05	Private Capital
03	Consumer Markets	06	Health & Education

Our core

We bring our capabilities and expertise together to deliver quality outcomes and integrated solutions for our clients.



Advisory

- A leading reinvention partner, focused on sustained value in a time of global disruption, bringing deep sector expertise, AI innovation and local insight.
- Delivers strategic solutions end-to-end across the full business lifecycle, including addressing growth, productivity, digital, deals, private business, and risk and regulatory challenges.
- Partners with clients to transition, transact and transform.



Assurance

- A leading provider of trust through assurance services built around deep technical expertise and AI-native technology.
- Delivers quality financial statement audits, internal audits and a wide range of trust and assurance services including AI, digital, sustainability and risk management.
- Provides clients with confidence so they can address market disruption and digitisation.



Tax & Legal

- Brings together tax, legal and workforce expertise to deliver tax compliance and consulting services.
- Offers end-to-end flexible technology solutions to help clients thrive in a complex and changing tax landscape.
- Leverages AI tools to increase value and innovation across the tax function.

Supported by Enabling Functions teams, firmwide governance and the network's global Acceleration Centres

Message from our Chair



“ We are driving uplift in governance, accountability, learning and development, and the lived experience of our people. These are not optional extras. They’re essential if we’re to deliver on our ambition to be the pre-eminent professional services firm.”

John M. Green
Chair, Governance Board

Since our last Annual Report, PwC has made meaningful progress on our reinvention journey. We’re not finished, but the direction is clear, the pace is real, and we’re getting on with it.

A core priority remains our building of a leading culture. We are driving uplift in governance, accountability, learning and development, and the lived experience of our people. These are not optional extras. They’re essential if we’re to deliver on our ambition to be the pre-eminent professional services firm.

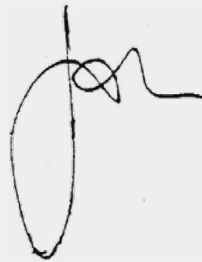
2025 brought significant disruption for PwC and for many of our clients. Domestic and geopolitical forces continued to shift the landscape, and, for many, the rapid acceleration of AI changed expectations almost overnight. Over the year, our Governance Board approved a major AI transformation program, developed by management, and we’ve now embedded it in our strategy. This involves a material investment: equipping our partners and people to work with AI responsibly and building the technologies to do it well.

AI’s potential is considerable. But so are its imperfections, and its pace of change; faster than any technology we’ve seen before. That makes trust the cornerstone of successful adoption. It’s why we’re committed to rigorous standards and a responsible approach in how we design, deploy and use AI.

We also passed two important milestones in 2025 that reflect the firm's progress, discipline and focus. First, our Independent Monitor delivered their final assessment of our progress against our 2023 Commitments to Change Action Plan. Second, the Commonwealth Department of Finance released its report into our ethical soundness, concluding we have implemented, or are in the process of implementing, appropriate governance, ethical and cultural structures to significantly improve our ethical operation.

Our evolution continues, embedding lasting changes in governance, culture and accountability. But with the progress we've already made, we're now in a position to pivot with confidence toward growth.

None of this happens without the sustained efforts of many: our leadership team led by Kevin Burrowes, our Governance Board, our people and our partners, and the continued support of our clients. Thank you to all.

A handwritten signature in black ink, appearing to be 'John M. Green', with a large loop on the left side and a horizontal line extending to the right.

John M. Green
Chair, Governance Board

Our Governance Board³



John M. Green

- Independent Non-Executive Governance Board Chair



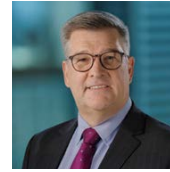
Emma Hardy

- Partner



Marcus Laithwaite

- Governance Board Deputy Chair
- Partner



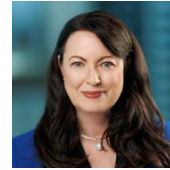
Ian Hockings

- Partner



Kevin Burrowes

- Chief Executive Officer
- Partner



Carmel Mulhern

- Independent Non-Executive Governance Board Member



Ewan Barron

- Partner



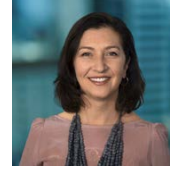
Wendy Stops

- Independent Non-Executive Governance Board Member



Lisa Chung AM

- Independent Non-Executive Governance Board Member



Rosalie Wilkie

- Partner

3

As at 31 December 2025, 50% of Governance Board members were female. This figure was 40% as at 31 December 2024.

Message from our CEO



“ We are steadfast in our dedication to delivering quality outcomes, trusted advice and building strong, lasting relationships with our clients. Central to our journey this year has been combining this with our deliberate approach to AI.”

Kevin Burrowes
Chief Executive Officer

Over the past year, amid significant global disruption, the landscape for Australian business has shifted at an extraordinary pace. Our clients are determined to evolve rapidly, and the following principles remain clear: those who move decisively, adapt confidently, and lead transformation set the benchmark for success. We have also adopted this approach as a firm, with 2025 a year of purposeful evolution, enabling us to deliver greater value and innovation for our clients.

We are steadfast in our dedication to delivering quality outcomes, trusted advice and building strong, lasting relationships with our clients. Central to our journey this year has been combining this with our deliberate approach to AI. Elevated in our strategy, we stepped out our ambition to become Australia’s trusted leader in responsible AI. It’s not just a vision—it’s a disciplined and targeted execution plan with humans at the helm of this developing technology.

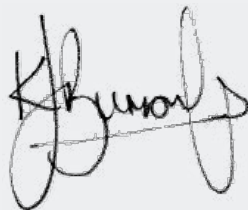
Already we’re seeing results. Clients are benefitting from the transformative tools we’re able to provide as we draw on leading solutions from across our global network, including agentic AI and end-to-end tax automation tools. We’re piloting AI-powered managed services, developing our leading next generation audit platform, and upskilling leaders to use AI with confidence.

With trust critical to the successful adoption of AI, we embed governance, risk management, and ethics into all our AI solutions, for ourselves and our clients. We provide AI assurance for our clients and take that same lens to our own work. Transparency, fairness, and accountability are at the forefront—ensuring technology amplifies human potential without compromising integrity. Our human at the helm approach to AI is part of an unwavering commitment to trusted and responsible use.

Our firm is not immune from the disruption our clients face, and we are leaning into the transformation opportunity. In 2025, we reset our brand globally and launched our new people value proposition—Grow here. Go further.—supported by initiatives such as our new Spotlight Recognition platform and our Work Well, Stay Well sustainable high performance framework. These initiatives are part of our commitment to build a leading culture, underpinned by our Three Cs—our behavioural pillars of curiosity, collaboration and challenge. We invested over \$34m in incentives for our people and supported our people’s development through 946 promotions.

We have not stood still; partnering with organisations like TED to give our clients access to leading innovators, and, globally, Formula 1 as its Official Consulting Partner. We have moved with deliberate momentum, building the foundations of the firm we aspire to be. In 2026, we have much to do as we continue to scale trusted AI across all our services, deepen our commitment to quality and governance, build our leading culture, and continue to deliver for our clients, regulators, and the communities we serve.

To our partners and people: your agility, curiosity, and creativity have set us apart. To our alumni and former partners: we are grateful for your enduring support. And to our clients: we look forward to continuing to partner with you through your business and industry’s challenges, as we realise the potential of AI for the benefit of all Australians.

A handwritten signature in black ink, appearing to read 'Kevin Burrowes', with a stylized, cursive script.

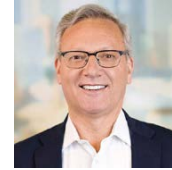
Kevin Burrowes
Chief Executive Officer

Our Management Leadership Team⁴



Kevin Burrowes

- Chief Executive Officer



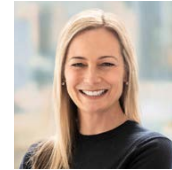
Tom Gunson

- Chief Clients & Markets Officer



Rohit Antao

- Advisory Leader



Sue Horlin

- Assurance Leader



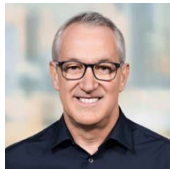
David Callaghan

- Chief Financial Officer



Karen Lonergan

- Chief People Officer



Warren Dick⁵

- Tax & Legal Leader



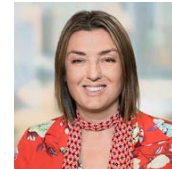
Debbie Smith⁶

- Chief Risk & Ethics Officer



Kylie Gray

- General Counsel



Jennifer Thomas

- Chief Information Officer

View profiles of our Management Leadership Team on our [website](#).

⁴ As at 31 December 2025, 50% of MLT members were female. This figure was 42% as at 31 December 2024.

⁵ Chris Morris ceased to be Tax & Legal Leader on 31 December 2025. Warren Dick, Partner, was appointed Tax & Legal Leader on 1 January 2026.

⁶ Debbie Smith replaced Jan McCahey as Chief Risk & Ethics Officer on 1 July 2025, following Jan's retirement from the firm.



01

2025 in review:
A year of evolution

Key achievements in 2025

Evolved

our strategy with the inclusion of our AI ambition and execution plan to proactively address disruption and support our clients.

Invested

in leading-edge AI tools and solutions for our clients, including our next generation audit platform, agentic services, and tax advice tool.

Expanded

our AI Champion network to more than 530 champions, who share their knowledge and promote the use of AI.

Reset

our brand globally to better express who we are as an expertise-led, tech-forward partner of choice to our clients.

Introduced

our global people value proposition, Grow here. Go further., for a unified network people experience.

Launched

our Spotlight Recognition platform, strengthening and embedding everyday recognition across the firm.

Revised

our Performance and Reward cycle to more consistently balance outcomes with the way we achieve them.



Gained

momentum in employee engagement, up 6% from 2024.

Set

our Inclusion 2030 diversity and inclusion strategy with input and feedback from our people.



Supported

leaders and teams to create sustainable, psychologically safe work through Work Well, Stay Well.

Uplifted

leadership capability with half of all partners, managing directors and directors completing our Leadership Reinvention experience to date.

Continued

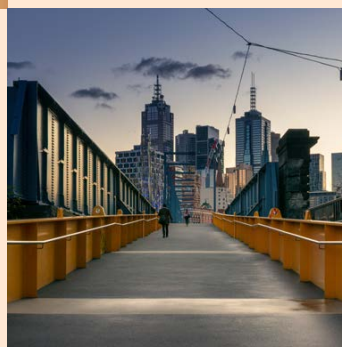
to exceed our target of 50% reduction in Scope 1 and 2 emissions.

Contributed

14,000 social impact hours and raised over \$307,000 in charitable donations during Impact Month.

Achieved

50/50 female and male gender balance on the Governance Board and Management Leadership Team.



Metrics at a glance

Financial results	Revenue⁷ \$2.1bn 2024: \$2.2bn	Profit \$608m 2024: \$619m	Total tax contribution⁸ \$411m 2024: \$551m	
Revenue by line of service⁹	Assurance \$792m 2024: \$817m	Advisory \$688m 2024: \$716m	Tax & Legal \$473m 2024: \$478m	
Our people	'Proud to work at PwC' score 72%	Employee engagement score Global Mojo¹⁰ 72%		
Employees	Total 6,131	Female 52.9%	Male 46.9%	Other¹¹ 0.2%
	Diverse cultural background 53.9% (5% not declared)	New employee hires joining the firm in 2025 1,519		
Partners	Total 575	Female 34.4%	Male 65.6%	
	Diverse cultural background 20.7% (1.9% not declared)	New partner admissions 33	Average partner income \$814k 2024: \$767k	
Ethics and conduct	Completion for Ethics and Code of Conduct training 100%	Serious misconduct matters tabled with the People and Ethical Conduct Panel 13	Substantiated and consequences applied 10	
Our community	Total Social Impact hours 98,334	Total Social Impact contribution \$18.7m		
Climate	Greenhouse gas emissions¹² ↓ 65%	Renewable electricity in Australian offices 100%		

7 Total revenue includes \$55m (2024: \$59m) in other revenue and \$76m (2024: \$83m) in recoverable disbursements on client assignments.

8 The reduction in total tax contribution reflects the decrease in profit over the relevant period as well as the partial reversal of significant cash to tax differences resulting in a lower effective tax rate and overall tax paid (refer page 23 for further information).

9 Certain comparative information has been restated where necessary to ensure comparability with current year presentation.

10 '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.

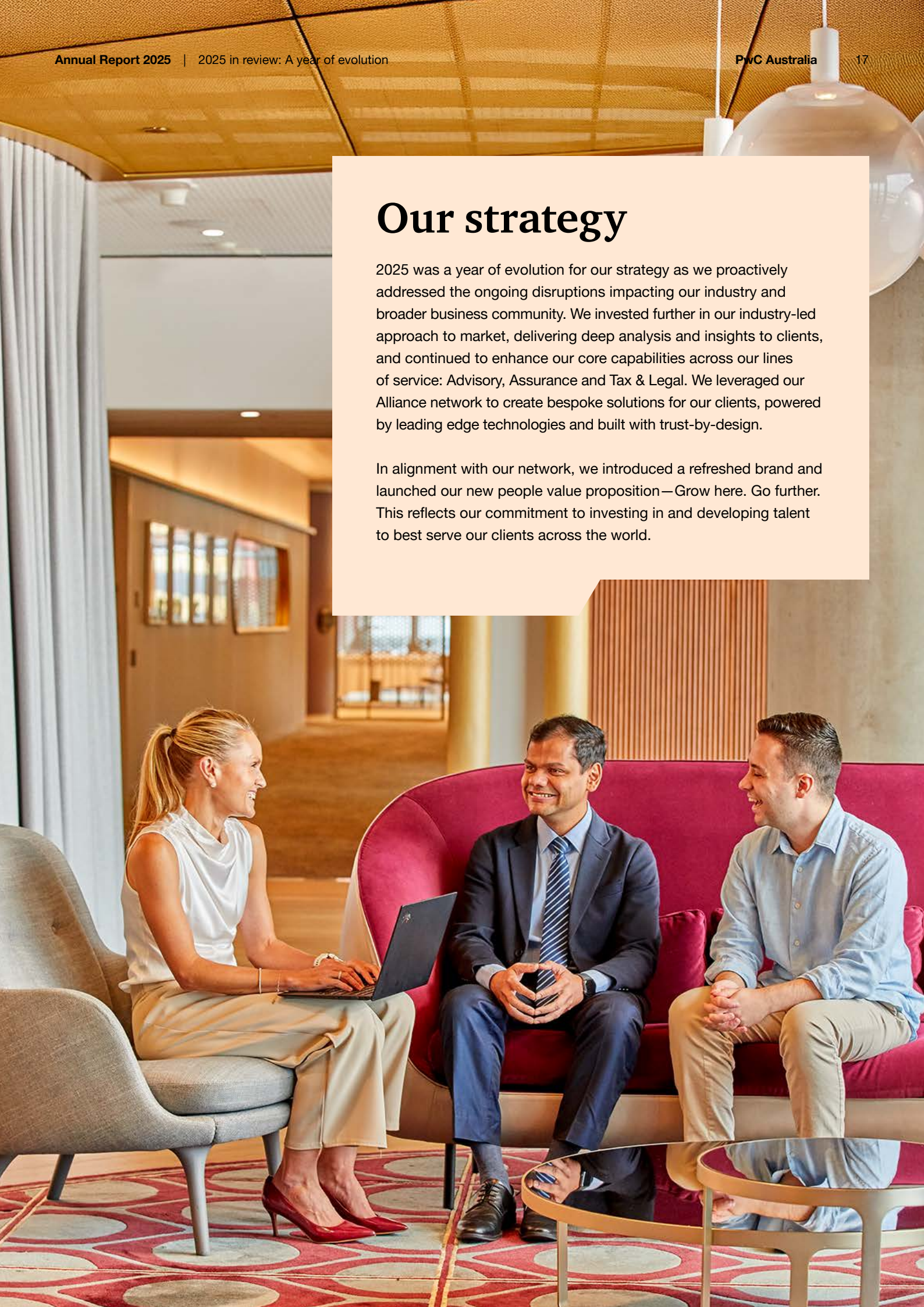
11 Not declared. For the purposes of reporting we rely on the self-disclosure of our people.

12 In calendar year 2025, we reduced our Scope 1, 2 and Scope 3 business travel emissions by 65% when compared to our 2019 base year.

Our strategy

2025 was a year of evolution for our strategy as we proactively addressed the ongoing disruptions impacting our industry and broader business community. We invested further in our industry-led approach to market, delivering deep analysis and insights to clients, and continued to enhance our core capabilities across our lines of service: Advisory, Assurance and Tax & Legal. We leveraged our Alliance network to create bespoke solutions for our clients, powered by leading edge technologies and built with trust-by-design.

In alignment with our network, we introduced a refreshed brand and launched our new people value proposition—Grow here. Go further. This reflects our commitment to investing in and developing talent to best serve our clients across the world.



We're rethinking how we use AI to transform today and build tomorrow. We're investing in AI training for everyone, with our partners and managing directors steadily advancing through their executive AI education, and more than 530 people now part of our AI Champions community. We're supporting the Australian business community by providing assurance over AI and have launched solutions with our Alliance partners to solve challenges such as data security, customer service, and efficiency. Together, these training programs, tools and solutions are driving productivity and helping us to grow differently, with the goal of becoming a human-led, agent-enabled enterprise.



This investment and direction has already produced leading-edge tools and solutions, including:

- Our network AI-native next generation audit platform, which enhances PwC's ability to provide real-time, full population set analysis, with our expert auditors at the helm.
- Seven new agentic AI-powered professional services solutions for clients available on Amazon Web Services, which gives businesses a faster, safer and more scalable path to adopt enterprise AI. These aim to address critical challenges from data management and cybersecurity to customer experience and operational efficiency.
- Our tax advice AI tool turns decades of PwC tax expertise into an asset our people can use in real time. Drawing on insight from years of collective experience, it helps our teams move faster and focus on the strategic judgment and commercial nuance that is the core of our advice.

This strategic evolution supports our vision of becoming the pre-eminent professional services firm, built on the highest ethical standards, with integrity at the core of everything we do. It enables us to continue delivering sustained outcomes for our clients, people, communities and network. As part of our vision, we are focused on the uplift of our Enabling Functions through the appropriate use of AI, business process improvement and utilising the capacity and capability of our connected teams in the PwC network. These initiatives will enable our people to spend more time focusing on delivering for clients and growing their careers.

“ This is fundamentally changing the way we design and execute our audit, while maintaining the high level of quality our clients know and expect from PwC.”



Sue Horlin
Assurance Leader

Highlights

\$1 bn

global investment

5

local pilots currently underway



On track to onboard further audit teams from 2026

Case study

Entering the next generation of audit

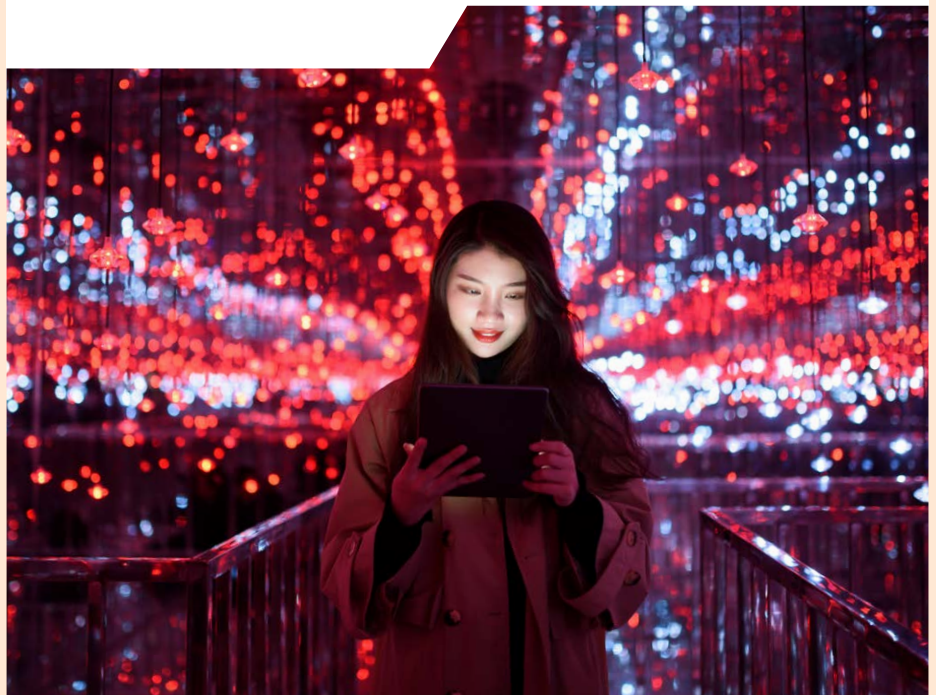
Our firm is among the first in the network to begin transitioning clients across to our \$1 billion AI-native audit platform as part of a global pilot.

The new system, built from the ground up with secure agentic AI, creates a seamless end-to-end audit which will allow our 1,600 auditors to focus on high-value areas and forward-looking insights. Of the many benefits, the system’s AI agents will execute full population analysis faster, automate evidence matching and documentation, and lead to a more efficient and higher quality audit.

The platform is currently being piloted with five Australian audit clients and will be rolled out in waves across all PwC’s audit teams from 2026. With each component able to be individually upgraded and enhanced without disruption, our platform has been built to allow for continuous innovation. This means that as AI capability evolves, so will the platform.

Each capability is subject to rigorous testing before being released across the PwC network in a staged manner. Local and regional regulations, as well as secure, responsible AI, are built into the core, while humans remain at the helm every step of the way.

As AI handles workflow, initial analyses and data-driven tasks, human auditors remain crucial for context, judgement, review and decision making. To support our auditors navigate this change, we are running a comprehensive upskilling program—which includes mandatory training for all people in the Assurance business.



Approach to sustainability

PwC's approach to sustainability is aligned to our purpose and values. It includes understanding and managing the impacts of our decisions and operations and seeking opportunities to create positive social and environmental impact. We do this by engaging responsibly with our clients and suppliers, maintaining transparency around our sustainability commitments and performance, and through our thought leadership and community engagement programs.

Our Sustainability Framework and material topics

Our Sustainability Framework helps us identify the sustainability topics that are most relevant to PwC and our stakeholders. We periodically assess these topics to determine which are material, considering their associated impacts, risks and opportunities. Our approach is supported by stakeholder insights, internal subject matter expertise, benchmarking, guidance from the PwC network as well as other key sources.

Our material sustainability topics help to guide the firm's strategy, inform decision-making, and shape our reporting—helping to ensure that our actions align with what matters most to our stakeholders and our business.

The sustainability framework and topics are overseen by our Chief Sustainability Officer with governance oversight provided by the Finance, Audit and Sustainability Committee of the Governance Board. Risks, including those related to our material sustainability topics, are managed through the firm's risk management framework. Details about how we manage and track progress against these topics can be found throughout this report.

More information, including how we engage with our key stakeholders and a list of our material sustainability topics, can be found on our website.

How we work

We embed sustainability into the way we work—through our operations, our client engagements, and driving impact in society.

Operating responsibly: As a responsible and well-managed firm, we strive to understand and manage the impact of our decisions and operations. Our Net Zero Action Plan, for example, outlines how we will decarbonise our operations and supply chain, and how we will measure and report on progress against our near-term emission reduction targets. We respect and uphold the rights of our people, and those impacted by our operations and supply chains—including our clients, suppliers, and communities. More information on each of our material sustainability topics can be found throughout this report.

Working with clients: We work alongside our clients to help them navigate complex sustainability challenges and unlock opportunities for long-term value creation. For example, through our advisory and assurance services, we support organisations in areas such as decarbonisation and sustainability reporting. Our consulting teams also provide services in areas such as human rights and modern slavery, and diversity and inclusion.

Driving impact in society: Leveraging our expertise, resources and influence, we convene our networks and broker connections, co-designing in and with communities to deliver tangible insights and actionable outcomes. We empower our people to share their skills, knowledge and experience through our community investment programs and we partner with community organisations aligned to our impact areas to support them to deliver on their mission. See the Community section for more detail.

Together, we are not only responding to the needs of today but are helping to shape a resilient and thriving tomorrow.



Business performance

Introduction

Our Advisory, Assurance, and Tax & Legal lines of service, supported by Enabling Functions teams, delivered a combined total revenue of \$2.1bn¹³ in 2025, down 3.2% from 2024.

The Advisory line of service delivers strategic solutions to address growth, productivity, digital, deals, private business, and risk & regulatory business leadership challenges. They help clients transition, transact and transform in a way that builds trust with their customers, employees, regulators and communities. During the year, Advisory delivered \$688m in revenue.

The Assurance line of service includes our Audit and Risk & Digital Trust offerings. Demand for our market-leading audit services continues to be strong and was supported by a significant increase in demand for sustainability services supporting our clients as they navigated the new reporting and disclosure requirements. Our Risk & Digital Trust team's result reflects a growing client demand for our innovative digital solutions. Overall revenue was \$792m.

Tax contribution**\$411m**

Total tax contribution

33.5%

Average tax rate on partner income

Our Tax & Legal line of service is a multidisciplinary practice that brings together tax, legal and workforce experts to deliver tax compliance, legal and consulting services. Performance remained in line with 2024 at \$473m. This result reflects our continued work supporting our clients through an increasingly complex tax regulatory landscape, coupled with our expertise in technology enabled transformation through market leading products like Tax Automate.

During the year, we continued to invest in our people, promoting 946 people and paying 1 July fixed reward increases at an average of 6.7%. This increase included a fixed reward alignment for managers and below to ensure fixed reward reflects market benchmarks and to transition this group away from variable reward eligibility. Variable reward payments in the year were \$34m. Our employees also benefited from investment in formal learning and education of 220,605 hours in 2025. This investment demonstrates our commitment to the development of our people and our focus on developing AI skills to transform today and build tomorrow.

PwC paid \$411m (2024: \$551m) in total taxes.¹⁴ 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 income¹⁵

Profit for the year

After covering investment in our people, taxes, and business expenses, annual profit was \$608m, a decrease of 1.8% from 2024. In 2025, the average partner income was \$814,000.

As PwC is a general partnership, individual partners and their beneficiaries are solely responsible for income tax on profits. The estimated percentage of tax paid by partners will vary from year to year as a result of timing and permanent differences. The average rate of tax paid by partners from 2021 to 2025 was 38.5%. The movement in average rate of tax between 2024 (43.5%) and 2025 (33.5%¹⁵) reflects the partial reversal of significant cash to tax differences reported in 2024.

Acquisitions and disposals

On 17 July 2025, PwC Australia entered into a Business Sale Agreement to sell its Business Restructuring Services (BRS) business to Teneo Financial Advisory Australia Pty Ltd. The transaction was completed on 29 August 2025.

There were no acquisitions during the year.

¹⁴ Total tax contribution does not include PNG.

¹⁵ The partners share of net income for 31 December 2025 is reported in their income tax returns for the year ending 30 June 2026. The amount of partner taxes and partner effective tax rate included in this report is referable to the year ended 31 December 2024.

02

Impact: Purposeful and sustained outcomes



Clients

Today's business landscape presents unprecedented complexity. Our clients—from family enterprises to global corporations—are navigating rapid market shifts, the integration of AI, other emerging technologies, and evolving customer expectations. We are privileged to partner with our clients to help them address their immediate challenges while positioning their strategy for long-term success in an increasingly dynamic global economy.

Evolving industries, unlocking opportunities

This complexity signals a broader transformation reshaping entire industries. Our Value in Motion research, released in 2025, reveals that traditional boundaries are reconfiguring, creating new opportunities for organisations that can successfully reinvent and navigate convergence. We work alongside our clients to identify, evaluate, and capitalise on these possibilities as new domains of growth emerge.



29th Annual Global CEO Survey¹⁶

58%

of Australian CEOs are optimistic about the local economic outlook

47%

of CEOs have entered new sectors in the past 5 years

67%

plan to invest in emerging technology, but only 28% believe their AI investment levels are sufficient

Deep industry expertise, comprehensive solutions

Our clients tell us that they value our deep industry expertise. We prioritise this by focusing on the six areas in which our clients operate: financial services; energy, utilities and resources; consumer markets; technology, media and telecommunications; private capital; and health and education. By tailoring our approach to each, we aim to offer relevant solutions that address our clients’ specific challenges, regulatory environments, and growth opportunities.

Across industries, our network of Alliance partners ensures we deliver complete solutions that combine our expertise with innovations from leading technology firms. This focused approach is strengthened by the integration of our core capabilities across Advisory, Assurance, and Tax & Legal.

Transforming today to build tomorrow

AI is a catalyst for reinvention across every sector we serve. Our approach is human-led and agent-enabled: we use AI to enhance our people’s expertise and judgment to deliver enhanced quality and better outcomes for clients. We keep humans at the helm of all we do. We believe AI’s full potential is unlocked through trust-by-design governance and assurance that fosters responsible innovation with transparency and accountability. In alignment with our network, we are leveraging AI to create sustained outcomes, empowering our clients and communities with the capabilities and confidence to thrive today and build tomorrow.

Growing profitably during changing times

The latest findings from the 29th PwC Annual Global CEO Survey, released in January 2026, highlight how Australian CEOs are optimistic about economic growth while being acutely aware of the challenges posed by technological disruption, particularly AI. This data underscores a dual mindset among CEOs: pursuing ambitious growth strategies and reinvention, while proactively addressing the risks and opportunities that come with rapid technological change. Their focus is firmly on steering their companies through uncertainty by investing in innovation and preparing for continued transformation.

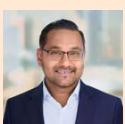
¹⁶ Conducted in October and November 2025, PwC’s 29th Annual Global CEO Survey obtained feedback from 4,454 CEOs from every region of the world’s economy, including 108 CEOs in Australia.

“ For over 130 years Avant has been trusted to protect doctors, and now with PwC and Microsoft, we can extend that trust into the future. AI lets us see both the forest and the trees, the big picture of member needs and the details of each conversation, that means we listen better, personalise more, and strengthen trust.”



Adrian Urquhart
CEO, Avant Mutual

“ Our work with Avant showcases what’s possible when we combine AI innovation with responsible adoption. This reflects our commitment to helping clients harness AI’s potential to drive transformation while maintaining the trust that is fundamental in healthcare.”



Rohit Antao
Advisory leader

Case study

Transforming member experience through AI-powered insights

Avant Mutual, Australia’s leading medical indemnity provider, faced a critical challenge: how to maintain exceptional service quality across thousands of daily member interactions. Traditional quality assurance could only sample a small number of conversations, leaving potential issues and insights invisible. Avant envisioned an ambitious solution—to ‘listen at scale’ to every member interaction while preserving the fundamental trust that defines healthcare.

In response, we partnered with Avant to design and implement an AI-powered solution that achieved 100% quality assurance coverage—ensuring every member receives the highest standard of care. Built on Microsoft’s Azure OpenAI and Power BI, the solution transforms every call, email, and chat into actionable intelligence, identifying emerging member needs, service gaps, and equipping staff with real-time insights for personalised responses.

Given the sensitivity of medical indemnity data, we embedded privacy protection, transparent governance, and decision-making into every layer of the solution. Our approach prioritises human at the helm and trusted AI principles, ensuring that critical decisions remain under human oversight. We worked closely with Avant’s leadership to build organisational AI fluency, ensuring their teams could confidently use, interpret, and continuously improve the system.

Crucially, the solution integrates directly into existing workflows. Staff access real-time guidance and institutional knowledge instantly, drawing on decades of organisational experience in every interaction. As a result, Avant achieved 100% quality coverage for the first time, delivering faster, more personalised support while establishing a scalable foundation for healthcare transformation.



Case study

AI Unbound: Accelerating human potential through AI

In August 2025, we partnered with TED to host AI Unbound, a landmark event exploring how AI is reshaping strategy, leadership, and commercial value. The challenge: help business leaders move beyond experimentation to purposeful adoption of AI.

To achieve this, we designed the event to address real client challenges, blending expert insights with client stories. Senior executives from diverse industries came together to share experiences, demystify AI, and explore practical applications that could drive immediate value for their organisations.

Global visionaries and Australian executives collaborated for a day of ideas and action. From TED Talks by Siri co-founder Tom Gruber to a powerful call for ethical innovation from technology policy expert Nanjira Sambuli, the program combined thought leadership with immersive AI showcases. Through curated discussions and interactive sessions, business leaders examined how AI can accelerate human potential while safeguarding trust.

Our role was to frame these conversations with practical insights—drawing on PwC's expertise in responsible AI, governance, and transformation strategy. By connecting global perspectives with local priorities, we helped leaders see AI as a catalyst for change, not just a tool.



People

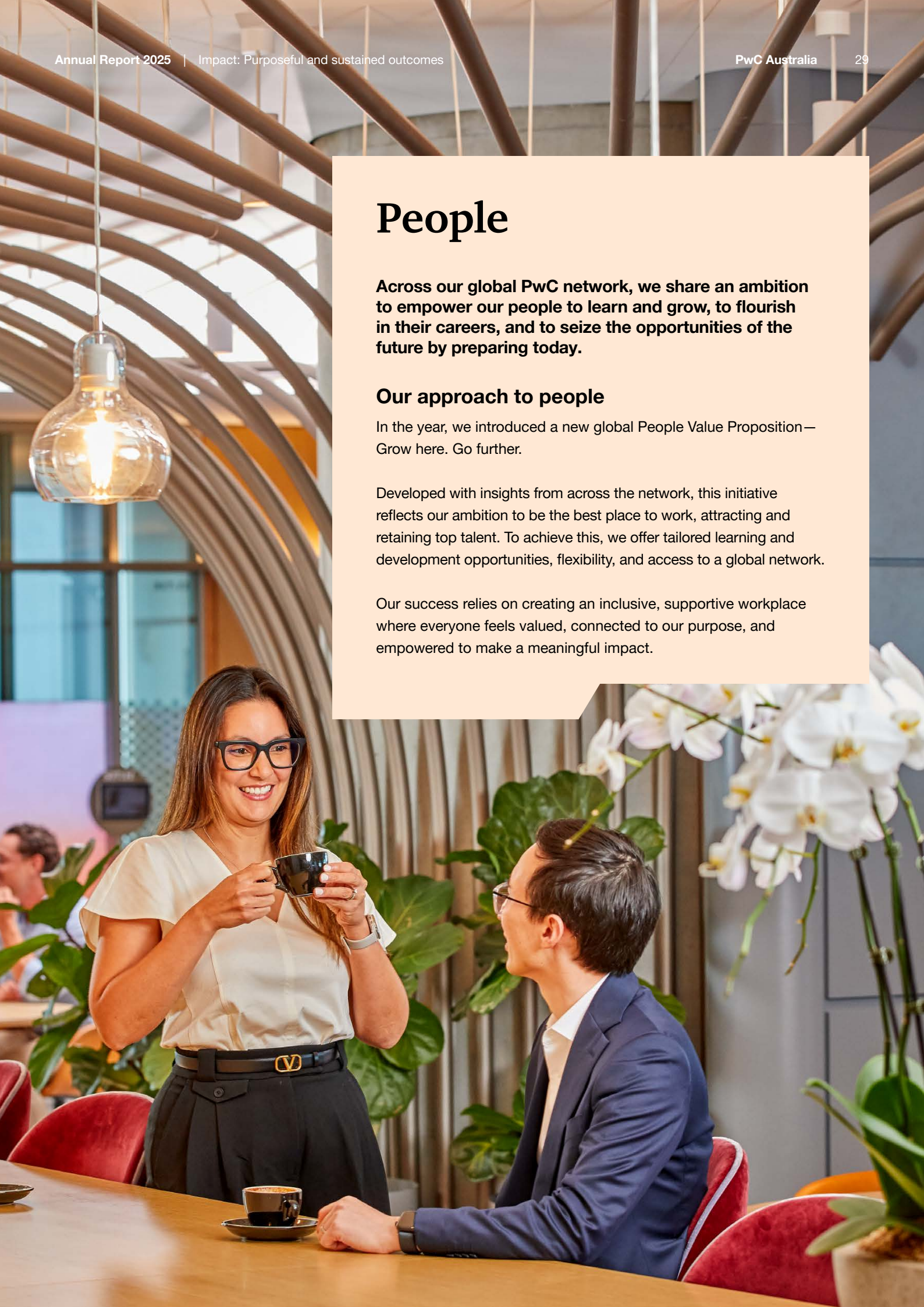
Across our global PwC network, we share an ambition to empower our people to learn and grow, to flourish in their careers, and to seize the opportunities of the future by preparing today.

Our approach to people

In the year, we introduced a new global People Value Proposition—**Grow here. Go further.**

Developed with insights from across the network, this initiative reflects our ambition to be the best place to work, attracting and retaining top talent. To achieve this, we offer tailored learning and development opportunities, flexibility, and access to a global network.

Our success relies on creating an inclusive, supportive workplace where everyone feels valued, connected to our purpose, and empowered to make a meaningful impact.





Tech-enabled workforce of the future

As we prepare our people to succeed in an AI-enabled workplace, we're helping enhance technical application, while honing critical human capabilities such as curiosity, empathy, adaptability and creativity.

We're embedding advanced AI skills, including practical workflows and hands-on experience with new technologies. We pair these efforts with responsible AI practices to help teams use AI safely and effectively.

As part of this, our partners and managing directors are participating in executive upskilling, and directors are joining AI masterclasses, while our people are provided with capability-specific programs and bespoke upskilling. We're also recruiting graduates with important skills like critical thinking, collaboration, and communication. This significant program is supported by a thriving AI Champions community, who share their knowledge and promote the use of AI, plus access to leading AI-powered tools and solutions.

“ We’ve moved our people from AI-curious to AI-confident. This confidence is translating into real value — for our clients, our people and our firm — through the responsible adoption of AI.”



Warren Dick
Tax & Legal leader

Highlights

The impact has been significant, with over

97%

of our people in Tax & Legal now using AI, an uplift of

25%

in six months.

Case study

AI upskilling in Tax & Legal

Our Tax & Legal business launched comprehensive AI bootcamps across all teams in 2025, designed to transform theoretical AI knowledge into practical, daily application that delivers immediate value to our clients while maintaining rigorous risk and quality standards.

Led by Tax & Legal AI Champions and partners, and supported by our AI Centre of Excellence, we delivered nine bootcamps, reaching 800+ Tax & Legal colleagues nationally. The hands-on sessions focused on scenario-based learning ensuring participants could immediately apply new skills to their client work.

Drawing from successful implementations by other network firms, we discovered that the most impactful sessions featured peers and leaders presenting use cases directly relevant to attendees’ workflows. Each bootcamp was tailored to specific team’s needs, with frequent presenter changes and small group scenario rotations building confidence through practical exercises.

Importantly, the bootcamp does not represent the end of the AI learning journey—it’s just the start. To maintain the AI momentum and energy post-bootcamp, teams have been engaging with a number of different initiatives including sharing ‘daily drops’ with short but powerful tips and tricks, and knowledge sharing sessions to share implementation progress, refined prompts, and adopted use cases.

We have seen rapid adoption with participants moving from AI-curious to AI-confident in their daily delivery. However, speed is not our only focus. We addressed risk early in every session, providing clear guardrails and approved tool guidance. This responsible approach ensures our people can harness AI’s power while maintaining the trust and quality standards clients expect. We are using this experience to accelerate adoption across other lines of service, and to inform our firmwide upskilling going forward.



Employees

6,131 Employees | **33** Average age

52.9% Female | **46.9%** Male | **0.2%** Other¹⁷

53.9% Diverse cultural background¹⁸ | **63%** Diverse cultural background of new employees¹⁹

Partners

575 Partners²⁰

20.5% Diverse cultural background²¹ | **0.2%** First nations

34.4% Female | **65.6%** Male

New partner admissions

33.3% Female | **66.7%** Male

People demographics

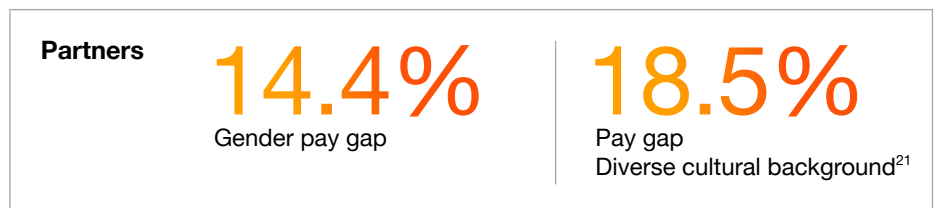
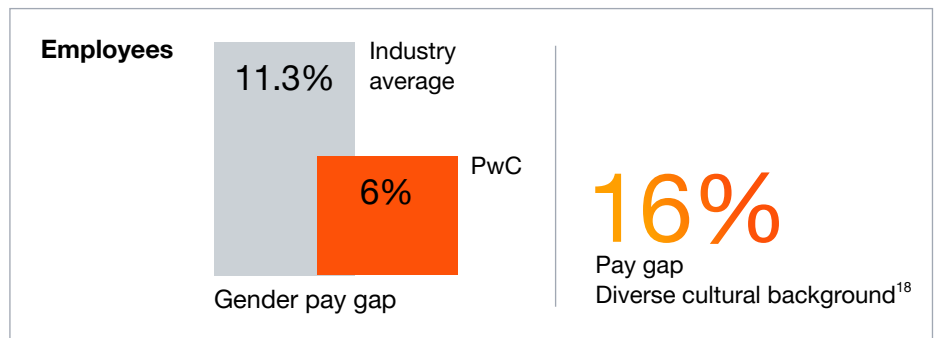
As at 31 December 2025, 52.9% of our workforce was female and 46.9% was male at the employee level; 0.2% of our PwC Australia employees did not disclose their gender. This reflects year-on-year stability in our overall gender composition. Our Diverse Cultural Background (DCB)²² population is 53.9% of our workforce.

Across 2025, we admitted 33 new partners, 75.8% of these were internal admissions, 21.2% were new to the firm, and 3% of these admissions were international transfers. These admissions brought our total partnership to 575 as at 31 December 2025. From a diversity and inclusion perspective, 33.3% of partners admitted in 2025 are female and 30.3% come from a non-Anglo-Celtic or non-European background. We continue our ongoing focus on strengthening representation within our partnership, working towards our measurable objective of 40% female partners by 2030.

Over the course of the year, we promoted 946 of our people, awarded our employees incentive payments of over \$34m, and increased total fixed remuneration by \$60m.

Our gender pay gap reporting shows continued progress, with the difference currently sitting at 6%.²³ This is below the professional services average of 11.3%, but there is more work to do. To promote fairness in pay, we regularly conduct gender and DCB pay gap audits across our employees and partners. We remain committed to closing the pay gap.

Pay gap



17 Not declared. For the purposes of reporting we rely on the self-disclosure of our people.
 18 5% of our employees did not declare.
 19 0.3% of our employees did not declare.
 20 574 of our partners are equity partners.
 21 1.9% of our partners did not declare.
 22 DCB is defined as non-Anglo-Celtic or non-European background.
 23 As reported in our 2024/2025 WGEA reporting period.

Culture

In 2025, we made strong progress on our multi-year culture program through an integrated portfolio of initiatives designed to drive positive change. Built around four strategic pillars, these programs focus on the ongoing improvement of our firm and making a lasting impact.

Uplifting leadership capability to deliver an improved and consistent experience for our people

We are investing in continuous learning and development including executive AI courses and learning opportunities for all employees.

As at December 2025, half of our partners, managing directors and directors completed our Leadership Reinvention experience, designed to open conversations about how we wish to lead our desired culture. The program included 360 feedback and coaching. Our goal is to have 80% of this cohort complete the program by the end of 2026.

Strengthening processes and systems to reinforce our culture of sustained high performance, giving our people access to the best tools, so they are efficiently able to do their work

We are focused on strengthening our systems to enable our people to access the information and tools they need to be able to do their jobs well, and to work more effectively.

This includes streamlining feedback systems to help our people give and receive constructive feedback to continuously learn and grow, optimise performance, and foster a culture of curiosity and challenge.

Building a culture of sustainable high performance to support work and wellbeing

This year we launched Work Well, Stay Well, a firmwide approach to supporting our leaders and people to design and deliver work in a sustainable and psychologically safe way.

Ongoing measurement of culture to identify areas for improvement and track progress over time

Working with a leading independent provider, we have established a quantifiable cultural baseline from which we will measure future improvement and embedment via a survey conducted every two years. We have been progressing the implementation of actions informed by this baseline research and associated insights, which were received in full in July 2025.

Case study

Work Well, Stay Well—towards building a culture of sustainable high performance to support work and wellbeing

This year we launched Work Well, Stay Well, our approach to supporting our high-performing workforce to deliver outcomes sustainably. This initiative focuses on creating a psychologically safe environment where our people feel encouraged to speak up, collaborate effectively and prioritise wellbeing and performance.

At the heart of this approach is the SMART Framework, developed by the Future of Work Institute at Curtin University and adapted with PwC's unique perspective. This evidence-based model has been implemented across more than 30 leading Australian organisations, helping teams rethink how tasks are organised and providing a common structure and language for conversations about how we work. Through this framework, our people and leaders are empowered to explore changes in work design that support ongoing wellbeing and build psychological safety through open conversations.

To bring this approach to life, we established a dedicated Work Well, Stay Well online site, activated in-person hubs across the country and generated meaningful discussions via our CEO Roadshows. We created a suite of resources with tailored tools for individuals and leaders and produced a podcast series, "Making Work, Work," where psychologists share insights on how good work design reduces stress and boosts performance. These conversations offer real-world examples and practical actions that our people can apply immediately within their day-to-day.

Work Well, Stay Well is helping us evolve the way we work as we aim for sustainable high performance, supporting the delivery of exceptional outcomes for clients while prioritising the wellbeing of our people.



Resetting our approach to Performance & Reward to enable our culture

To help our people deliver outcomes sustainably, we have redefined how we measure and reward their contributions.

In 2025, changes included:

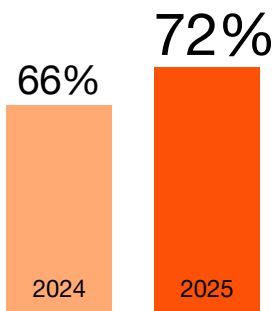
- Our performance ratings moved from a five-tier measure to three performance groups.
- Emphasis not only on what is delivered, but also on how it is delivered—balancing outcomes with clear demonstration of the Three C behaviours.
- A new AI supported approach to development planning to help individuals think through and discuss their career paths and opportunities with their Team Leaders.

These shifts help our people better understand how their performance is measured and feel supported in developing their careers for the future.

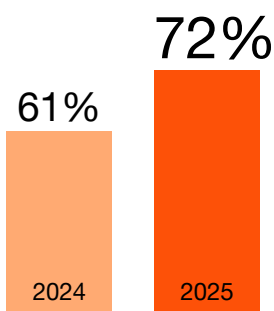
We also embedded our One Firm Balanced Scorecard (balanced scorecard) for partners which brings together financial and non-financial metrics as the overall measure of success, and introduced an aligned Balanced Performance Plan for senior managers, directors and managing directors. This variable reward framework links the balanced scorecard goals with individual performance to reinforce our focus on not only what is delivered but how it is delivered.

Global Mojo Survey results

Employee engagement score



'Proud to work at PwC' score



People engagement

We seek feedback year-round through targeted surveys, interviews, focus groups and our employee-led People Council, and use these insights to shape key people initiatives that support our ambition to be the best place to work.

Our annual employee engagement survey, Global Mojo, measures what our people think and feel about our firm, providing essential data and insights on their day-to-day experience. In April, our overall engagement score increased by six percentage points to 72%. This included an increase across all five engagement questions, with "pride in the firm" having the largest jump by 11 percentage points to 72%.

Parental leave

93%

of people who accessed parental leave remained with the firm after the first 12 months

51%

of people who accessed parental leave were men

Additional diversity metrics

6.3%

People with disability²⁴

2.7%

LGBTIQ+ people²⁵

0.2%

First Nations peoples²⁶

Diversity and Inclusion (D&I)

We believe we are at our best when we reflect the full breadth of society and bring a diverse set of perspectives and experiences to our discussions and decision-making.

Setting our Inclusion 2030 strategy with input from our people

We know that each employee experiences the workplace differently and this experience continues to change. To keep our approach relevant, we undertook a review of our strategy. We held listening sessions, where our people had the opportunity to share feedback that will shape our approach and priority initiatives for the coming years. This plan will be rolled out in July 2026.

CEO commitment

CEO Kevin Burrowes chaired conversations with Australian business leaders and clients to discuss the current state of LGBTQIA+ inclusion. Kevin proudly confirmed PwC's focus on D&I.

D&I policy now publicly available

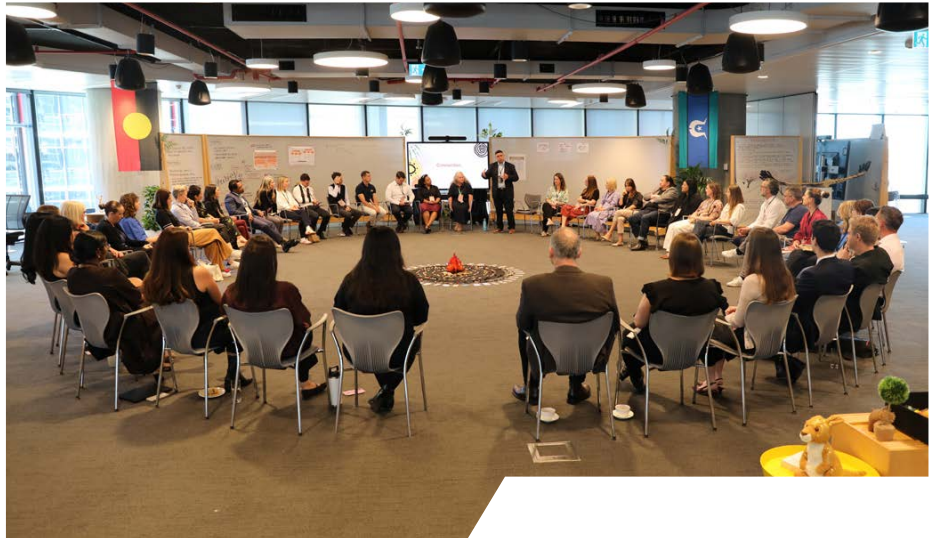
We demonstrated our commitment publicly by publishing our D&I policy on our [website](#). The policy reinforces our long-standing commitment to inclusion and supports our people and values.

We remain a Workplace Gender Equality Agency (WGEA) Employer of Choice for Gender Equality. We were once again recognised as a Platinum Employer in the Pride in Diversity Australian Workplace Equality Index LGBTIQ+ Inclusion awards.

During the year we also:

- Continued participation in the Champions of Change Coalition, with our CEO's commitment to participate in the cross-Coalition working group developing strategies to ensure inclusive AI
- Continued to support parents, seeing a further increase in the number of men accessing paid parental leave
- Designed and commenced rollout across the firm of our Every Day Action Disability Inclusion (EDDI) training. We launched EDDI training to build confidence in discussing disability and neurodivergence while learning practical strategies to create an accessible, inclusive workplace.

24 5.1% did not declare and 3.8% prefer not to share.
 25 14.9% did not declare and 10.4% prefer not to share.
 26 5% did not declare any cultural background



First Nations

In 2025, we refreshed our First Nations strategy, marking an evolution in our firm's approach to working with First Nations businesses and communities and building prosperity together.

The five-year strategy was co-designed with more than 150 stakeholders including First Nations businesses, experts, our people, and clients. It focuses on First Nations self-determination, economic growth, and shared value and builds on our 15 years of commitment with a renewed focus on First Nations prosperity.

The strategy focuses on six strategic pillars:

- Building cultural awareness and confidence for our people
- Culturally appropriate ways of working with 'mob'
- Supporting and building our network of First Nations suppliers and business partners
- Convening and collaborating with corporate Australia and the First Nations ecosystem for collective solutions
- Supporting the growth and sustainability of the Indigenous economy
- Enhancing our core service offerings to support our clients to deliver on their First Nations initiatives, through collaboration with First Nations businesses

People Networks

Our nine employee-led People Networks play a vital role in fostering a diverse and inclusive workplace. They create supportive communities for employees who share a common identity or interest.

In 2025, the People Networks continued to raise awareness of inclusion, wellbeing and sustainability through a wide range of online and in-person events, communications and resources. This included listening sessions for our LGBTQIA+ community, an event with clients to celebrate Eid, and nationwide internal events to recognise International Women's Day, R U OK? Day, International Day of People with Disability and Wear it Purple Day. During both National Reconciliation Week and NAIDOC week, our Reconciliation working group organised national events and hosted discussions on First Nations equity and empowerment.

Community

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

We live our purpose every day through the work we do with our clients, helping them to solve their important problems and build trust in society. We also leverage the skills and experiences of our teams and invest in purpose-led alliances and collaborations to help our communities solve their most difficult and important problems.

We do this through:

- 01** **Strategically investing time, skills and financial contributions in our Impact Areas**
- 02** **Enabling our people to make a difference in our communities**
- 03** **Supporting the not-for-profit (NFP) sector to build capability and capacity**



01

Strategically investing time, skills and financial contributions in our Impact Areas

Our approach to community includes a focus on three Impact Areas where we aim to have a long-term positive impact in society. These include:

Impact Area	Our focus	Our impact
Climate resilience	Supporting communities to prepare for and respond to climate-related disasters.	In 2025 our work included collaborating with Australian Red Cross to help build climate resilience in communities and help design a cross-sector approach to emergency response.
Responsible technology	Helping people in need build digital skills and strengthening digital capability in the NFP sector that supports them.	In 2025 our work included collaborating with Infoxchange, a NFP social enterprise, to build cyber, data and AI skills capability in the NFP sector. This enables them to protect the most vulnerable people in our community and ensure they can continue to deliver their services without interruption.
Equitable access to opportunity	Enabling access to education and employment for people facing disadvantage.	Throughout 2025 our work included support for the Aurora Education Foundation to deliver transformational education pathways for Aboriginal and Torres Strait Islander students.

Climate Resilience: Collaborating with Australian Red Cross

Working alongside Australian Red Cross, The Coca-Cola Foundation, QBE Foundation and satellite analytics company WEO, PwC supported a tech and data enabled pilot in Dargo, a natural hazard disaster prone town in remote Victoria. The project involved the local community to identify and map risks, developing a hyperlocal platform that combines satellite data, AI, and local input based on WEO’s framework to help communities understand and adapt to climate risks including fires, floods, and storms. PwC supported the project to design a scalable model for community-led climate adaptation, showing how technology and innovative thinking can transform the way humanitarian organisations work. By using data-driven tools, streamlining resources, and involving communities in co-design, this collaboration helps the Australian Red Cross better address more frequent and severe disasters, enhancing preparedness, digital inclusion, and resilience across communities.

Case study

Responsible technology: Protecting Australians from cyber attacks

One of the biggest risks facing Australia, including Australian corporates and NFPs, is a cyber-attack which can have significant consequences ranging from service disruption to stolen data and financial loss.

Due to financial constraints, only one in five NFPs are regularly conducting cybersecurity awareness training, so PwC and leading technology social enterprise Infoxchange joined forces to simulate a cyber-attack scenario for NFPs. This work drew on our expertise and experience delivering this work with our clients.

This first-of-its-kind cyber simulation for NFPs was part of a wider digital uplift program which is significantly enhancing the sector's cyber defences and awareness—enabling them to protect the most vulnerable people in our community and ensure they can continue to deliver their services without interruption.

The session involved an immersive cyber experience, placing NFPs on both the attacker and defender side of a mock cyber breach, helping to improve their cyber awareness and preparedness skills, which coincides with heightened cyber risk.

The workshop is one example of our ongoing collaboration with Infoxchange to build digital capability in the NFP sector, addressing an urgent need and delivering ongoing impact. More than 11,000 NFPs accessed critical support resources via Infoxchange's Digital Transformation Hub in 2025 and learning program participants reported a 35% digital skills uplift.



02

Enabling our people to make a difference in our communities

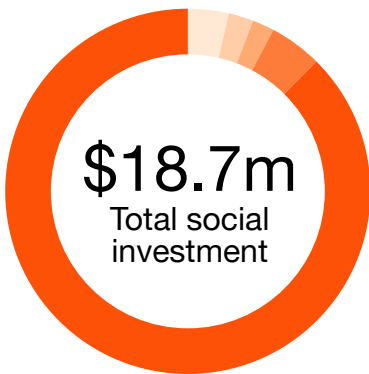
We are proud to make a difference through the following initiatives:

- Social impact time:
 - Pro bono and low bono projects: Using our skills and expertise to help build capacity and optimise the delivery of services in the NFP sector.
 - Volunteering: Supporting our people to use their time in a skilled or unskilled capacity.
- Workplace giving: Supporting the causes we care about through payroll giving, firm matching initiatives, emergency appeals and fundraisers.
- PwC OnBoard: Connecting our people and alumni with NFP board and advisory roles to make a difference at board level.
- PwC's Foundation Trust: Creating impact in our community through the Foundation, which is funded by individual charitable donations from our generous partners and employees.

Highlights for the year include:

- Delivering Impact Month: Contributing more than 14,000 social impact hours and raising over \$307,000 across September 2025 in charitable donations, reaching 341 NFPs through volunteering, giving, fundraising and pro/low bono support. Volunteering activities included nature conservation, making trauma teddies to support children in distress and providing nutritious lunches to children who would otherwise go without.
- Providing mentoring services, with 177 of our people continuing to lend their time to support 573 low socio-economic status students via our collaboration with Australian Business and Community Network.
- Supporting 10x10 Philanthropy to run *Shark Tank*-style events nationally to support emerging, innovative grassroots NFPs making a difference across our Impact Areas.
- Supporting OzHarvest through our in-office cafes and catering services and community volunteering. This year, partners, managing directors and directors across the country volunteered their time to help cook over 3,300 meals for people in need.

Social investment 2025



- Other firm charitable donations and contributions (\$676k)
- Fundraising (\$412k)
- Foundation trust (\$363k)
- Workplace giving (\$875k)
- Value of social impact time²⁷ (\$16.4m)

Social impact time of our partners and employees 2025



- Skilled volunteering (8,206 hours)
- Unskilled volunteering (7,772 hours)
- Pro bono (15,262 hours)
- Low bono (67,094 hours)



27

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.

- Giving blood: 2,235 lives were touched from 745 blood and plasma donations from the PwC team.
- Our national network of more than 550 Social Impact Champions and Green Team members continued to raise awareness and engagement with our community impact and environmental programs and initiatives.

Overall, the level of effort and the financial value of the firm's social investment during the year continued to grow.

03

Supporting the NFP sector to build capability and capacity

We support the NFP sector to build capacity through pro bono engagements, low bono engagements, volunteering and in-kind support. PwC endeavours to recognise the full cost of delivering impactful work for NFP organisations and as part of our strategic approach to funding, we provide both tied and untied funding to support a combination of direct costs, including program delivery, and indirect costs.

Environment

Contributing to a net zero future

Our approach

PwC is committed to supporting our firm's and our clients' transition to net zero.²⁸ Our Environmental Policy sets out our goal to minimise the impact of our operations and supply chain on the environment through emissions reduction and resource efficiency, and to work collaboratively with our clients, people, suppliers and other stakeholders to promote environmental outcomes.

In September 2020, the PwC network announced a global commitment to achieve net zero greenhouse gas (GHG) emissions, with near-term targets set for 2030.²⁹ In July 2021, these near-term emission targets were independently validated by the Science Based Targets initiative (SBTi) in line with a 1.5-degree climate scenario as outlined in the Paris Agreement. Our emissions reduction targets apply to gross GHG.³⁰

28 SBTi defines achievement of net zero as reducing GHG emissions across the value chain to a residual level consistent with limiting warming to 1.5-degrees, by 2050 at the latest. Residual emissions must then be neutralised using permanent carbon removals.

29 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 Scope 2 market-based approach is considered in the targets.

We are committed to:

- Reducing absolute scope 1 and 2 (market-based) emissions by 50% by the end of June 2030 from 2019 levels
- Reducing absolute scope 3 business travel emissions by 50% by the end of June 2030 from 2019 levels
- Having 50% of our purchased goods and services suppliers (by emissions) set science-based targets (SBTs) to reduce their own climate impact by the end of June 2025
- Maintaining 100% renewable energy in our offices
- Offsetting our scope 1, 2 and scope 3 business travel emissions that we have not yet reduced by purchasing carbon credits, at least 50% of which are from nature-based solutions

Our Net Zero Action Plan sets out how we are to decarbonise our operations and supply chain, and how we measure and report progress against our near-term targets.

In November 2024, the PwC network set a long-term science-based target—to reach net zero GHG emissions across the value chain by the end of June 2050—which was independently validated by the SBTi. This target requires an absolute 90% reduction in scope 1, 2 and 3 emissions from a 2019 base level by 2050.

PwC has contributed to the 2025 PwC Network Sustainability Report, which is guided by the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. The report highlights, among other things, the most important climate risks and opportunities affecting PwC at a global level. We will also be informed by AASB S2 *Climate-related Disclosures*, which is aligned with the IFRS framework, and therefore leverage the global PwC network's analysis as we work towards developing our own climate-related disclosures.

Our performance against targets

Our scope 1 and 2 (market-based) emissions are on track to deliver our near-term target. Over the past 12 months our emissions decreased by 6.9% which is attributed to energy efficiency measures in our operations. We have achieved 100% renewable electricity across all our offices.

Scope 3 business travel emissions are on track to meet our near-term target with a 60% reduction since our base year.

We did not meet our near-term target of having 50% of our purchased goods and services suppliers (by emissions) set SBTs by the end of June 2025. While we have focused our efforts and activities on those areas 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. The pace and scale of the changes taking place differ across both geographical regions and sectors. In Australia, 28% of purchased goods and services suppliers (by emissions) have SBTs (vs 22% last year). To support our approach, we have integrated environmental, social and governance criteria into supplier interactions, including detailed questionnaires and weighted evaluations.

GHG emissions by scope³¹

GHG emissions by scope (tCO ₂ e)		2019 (base year)	2024	2025	% change (current and base year)	2030 reduction target (from base year)
Scope 1	Fuel combustion	190	115	159	-16%	
Scope 2 (market- based)	Electricity	4,709	47	0	-100%	
	Cooling, heating, hot water, steam	1,625	669	547	-66%	
Total scope 1 and 2 emissions (market-based)		6,524	831	706	-89%	50% absolute reduction
Scope 3	Business travel	32,128	13,676	12,951	-60%	50% absolute reduction
Total scope 1, 2 and 3 – Business travel emissions		38,652	14,507	13,657	-65%	50% absolute reduction

We continue to measure and report scope 3 purchased goods and services emissions. In 2025 they were 33,791 tonnes of carbon dioxide equivalent, a 20% decrease on 2024.

As we decarbonise our business, there are emissions that we have not yet reduced or eliminated. We continue to purchase high-quality carbon credits each year equivalent to the volume of remaining emissions for our scope 1, scope 2 (market-based) and scope 3 (business travel only).³² We do not account for the use of carbon credits as emissions reductions towards our near-term targets.

Driving impact in society on climate

We engage our people through our internal employee network, the Green Team, to provide grassroots support for community initiatives such as Clean-up Australia Day, plastic free July, national recycling week, national tree planting day, and Earth Hour. We also engage them in internal initiatives to reduce our emissions through energy efficiency and reuse and recycling.

Beyond our ongoing focus as a firm, climate is one of the ways we support our clients, with expertise across several key areas. We are working closely to support our clients as they prepare to meet the new AASB S2 *Climate-related Disclosures* mandatory reporting requirements, whether as their assurance providers or in a technical role. In addition, we continue to support our clients to understand and act on the interconnected risks and opportunities between climate change and nature loss, and to prepare strategies to build resilience, prepare for Taskforce on Nature-related Financial Disclosures (TNFD) aligned reporting, and drive sustainable finance.

As well as engaging with our people and clients, we drive a broader impact in society. Refer to our Community section for more information about our Impact Areas, which include Climate Resilience.

³¹ Additional details on the GHG emissions core metrics and disclosures can be found in "Other information".

³² We will purchase our carbon credits via the PwC network to offset relevant emissions for the 12-month period ending 30 June 2026, in line with the PwC network reporting cycle.

Australian Climate Leaders Coalition

In 2025 we continued our role providing subject-matter expertise and collaboration for systems change to our long-term partner, the Australian Climate Leaders Coalition (CLC), in their working groups for nature, and for demand-side energy. The CLC is a group of cross-sectoral Australian corporate CEOs committed to the Paris Agreement, and its implementation to meet their decarbonisation targets. The CLC is action-oriented, with delegates participating in collaborative projects for transition, emissions reduction, and for nature and biodiversity.

CLC Demand-side Energy Toolkit

In 2025, PwC supported the CLC to develop a demand-side energy (DSE) toolkit. DSE is the term for energy assets and operations within the energy customer's sites and facilities. The toolkit offers business leaders practical guidance on planning for the risks and opportunities of the rapid evolution in the Australian energy market. Developed by a cross-sectoral group of CLC members and sustainability leaders, the toolkit introduces what DSE is, why it matters, and how to make the business case for timely investment. It offers real-world use cases and a structured approach to help organisations cut costs, strengthen resilience and reduce emissions while preparing for a net-zero economy. PwC is proud to have brought our subject-matter expertise and collaboration capability to this project.

Nature and biodiversity

Globally, PwC has supported the TNFD since the launch of its recommendations and is a member of the Taskforce. The PwC network is among 320 inaugural early adopters committing to TNFD-aligned corporate reporting, helping lead business action on nature-related risks and opportunities.

In Australia, we are deepening our understanding of nature across our operations and supply chain. Building on our emissions-reduction focus, we recognise nature and climate are inseparable and are working towards embedding nature outcomes into our Net Zero Action Plan, prioritising initiatives that cut emissions and deliver direct benefits to nature.

03

Governance: Proactive, risk-aligned and driving trust



Our approach

Our Governance Board provided strong and constructive oversight of the firm in 2025, supporting PwC to deliver on our vision with confidence and strategic clarity.

This work is guided by six priorities that shape the Board's current focus.



Monitor and guide management's execution of the firm's strategy



Continue to oversee the rebuild of our reputation with clients, regulators and the market



Provide focus on the financial stability of the firm



Oversee embedment of our cultural transformation



Deliver leadership succession



Help navigate our people and partner strategies as our firm evolves

The significant strengthening of our governance approach supports the firm to create sustained value while maintaining the rigorous oversight our clients, our people, our communities and our partners expect of a pre-eminent professional services firm.

Evolved governance framework

The Governance Board operates with a productive mandate that spans strategy, risk, finance and culture. The remit also includes CEO succession planning, partner admissions and retirements, and major transaction approvals.

The strength of our governance enables ongoing refinement and strategic innovation across the firm, and allows us to remain responsive in an increasingly dynamic business environment. In 2025, the Board has established a strategic rhythm that positions us to be forward-looking, enabling sharp strategic focus. The Board's structural composition reflects our commitment to balanced expertise: the firm's CEO plus six to ten additional members, combining elected equity partners with appointed independent non-executive members.

Each member brings deep and varied expertise, appropriately allocated time for their responsibilities, and a commitment to continuous professional development with formal performance assessment. They bring our Three Cs to every interaction, operating with a questioning mindset that challenges management constructively and holds leadership to account.

An independent external advisor completed a Board Effectiveness Review in August, which has given reassurance that the Governance Board is working effectively and has become well-established over the short time it has been in place.

To ensure continuity of leadership and maintain the Board's balance of relevant experience and expertise, Governance Board members are elected or appointed in a staggered cycle. This ensures stable oversight during member and leadership transitions, protecting the organisation from governance disruptions. The Governance Board will hold an election in 2026, as the terms of three elected equity partner members conclude on 30 June. We have also commenced planning for our CEO succession process to ensure readiness for selection and transition ahead of that change.

Governance Board and Committees³³

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. The Governance Board has four Committees:

Finance, Audit and Sustainability Committee

Oversees the financial performance of the firm including budgeting, major financial decisions, and external audit, as well as sustainability reporting.

Risk Committee

Oversees the firm's risk management framework and risk appetite, internal audit, compliance, and major litigation and regulatory matters.

Partnership, People and Culture Committee

Oversees partner lifecycle matters, partner and staff remuneration policies, and the firm's people and culture agenda.

Nominations Committee

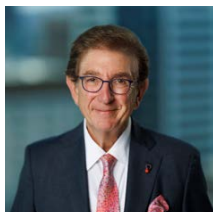
Leads CEO succession planning, Board nominations and oversight of the Partner Performance Evaluation and Income scheme (PEIS) for the Management Leadership Team and Board members.

33

In October 2025, the Governance Board undertook its annual review of Committee performance and, in parallel, updated its Charter and each committee's terms of reference. As part of the review, the Board appointed Wendy Stops to the Risk Committee and resolved to narrow the remit of the Nominations and Public Interest Committee to nominations only, with public interest oversight elevated to the Board.

Our Governance Board members

Below are the profiles of PwC's Governance Board members³⁴ and the committees they are members of:



John M. Green
Independent Non-Executive
Governance Board Chair

Date appointed:
2 August 2024

Committee Membership:
Nominations 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.



Kevin Burrowes
Chief Executive Officer
Partner

Date appointed:
17 July 2023

Kevin is the Chief Executive Officer of PwC 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 PwC 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 Accounting and Assurance Public Policy Committee (AAAPPC), which comprises representatives of the six largest professional services firms in Australia. AAAPPC's objective is to promote positive policy outcomes in relation to audit, accounting and related services.

**Carmel Mulhern**

Independent Non-Executive
Governance Board Member

Date appointed:

1 September 2024

Committee Membership:

- Risk Committee (Chair)
- Finance, Audit & Sustainability Committee
- Nominations Committee

Carmel is an independent non-executive member of the Governance Board. Carmel has more than 25 years' experience advising CEOs and Boards across 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.

Her previous roles include 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, a director trustee of the Australian Cancer Research Foundation 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 (Directors' Duties/Corporate Governance) from Monash University.

**Emma Hardy**

Partner

Term commenced:

1 July 2024

Committee Membership:

- Partnership, People & Culture Committee (Deputy Chair)

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). She is also a member of Chartered Accountants Australia and New Zealand.

**Ewan Barron**

Partner

Term commenced:

1 July 2024

Committee Membership:

- Partnership, People & Culture Committee
- Finance, Audit & Sustainability 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:

- Risk Committee (Deputy Chair)
- Partnership, People & Culture Committee

Ian is an Advisory 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 & Culture Committee (Chair)
- Finance, Audit & Sustainability Committee
- Nominations 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

Partner
Governance Board Deputy Chair

Term commenced:

1 July 2024

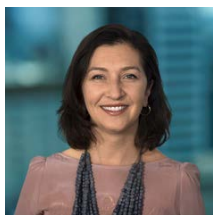
Committee Membership:

- Nominations Committee (Deputy Chair)
- 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, current board member of PwC International Ltd, 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.

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

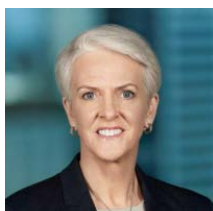
Committee Membership:

- Finance, Audit & Sustainability Committee (Chair)
- Risk Committee

Rosalie is an audit and sustainability partner with over 35 years' experience leading external audits and related services. Rosalie's client and industry sector experience is extensive, particularly in the Technology, Media and Telecommunications sectors.

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, community strategies and working towards systemic change in key social issues. Rosalie is currently a Director and Chair of the Finance, Audit and Risk Committee at White Box Enterprises, a Director of the B Team Australasia 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

Date appointed:
1 July 2025

Committee Membership:






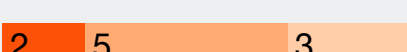


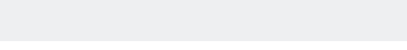



- Risk Committee (from 1 November 2025)
- Finance, Audit & Sustainability Committee
- Nominations Committee




Wendy is an independent non-executive member of the Governance Board. Wendy's other roles include Non-Executive Director of Coles Group, Non-Executive Director of Melbourne Business School, Chair of the Industry Advisory Board for the Institute of Digital Innovation and AI (IDIA) at the Melbourne Business School, Chair of the Fitted for Work Future Fund and a member of the AICD's Governance of Innovation & Technology Advisory panel. Wendy was previously Chair and Non-Executive Director of Fitted for Work, Deputy Chancellor and Council Member of the University of Melbourne, Chair and Non-Executive Director of Blackmores Group, Non-Executive Director of the Commonwealth Bank of Australia, Non-Executive Director of 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 more than 32 year career with global leader Accenture. During her final years with Accenture, she had been in various regional and global positions including Director of Operations (COO) – Asia Pacific; Global Senior Managing Director, Outsourcing – Quality & Risk Management; Global Senior Managing Director, Technology – Quality & Risk Management; and finally, as Senior Managing Director, Technology – Asia Pacific. Over her career with Accenture Wendy worked across multiple industry sectors and operated across multiple countries (including living in New York, Singapore and Kuala Lumpur). Wendy is also a member of Chief Executive Women, previously serving on the Leaders Program and Scholarships Committees, and a Graduate of the Australian Institute of Company Directors (GAICD).

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. In December 2025, the Governance Board refreshed the matrix to confirm that the skills and experience identified remain appropriate. The revised matrix has three changes including new Client Leadership capability; a new measure to reflect contemporary experience in the firm’s regulated businesses (Assurance and Tax & Legal); and updated Technology, Cyber and Data experience with a focus on AI.

Skills & Competencies	Level of proficiency
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 
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 
Financial Acumen: Understanding of financial statements and reporting, key drivers of financial performance, corporate finance and internal controls.	7 
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 
Sustainability: Experience and understanding of impacts, risks or opportunities relating to relevant sustainability topics including climate change, workforce and business conduct.	2 
Stakeholder Management: Experience in managing brand reputation, standing in the community and building trusted relationships with key stakeholders.	10 
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 
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 
Client Leadership: Experience at a senior level in managing client relationships with a focus on quality service delivery and sustainable revenue generation.	9 
Regulated Line of Service Experiences: Contemporary experience in the firm’s regulated businesses: (i) Assurance; or (ii) Tax & Legal.	4 
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.

Governance Board members meetings

The table below lists the attendance at Governance Board and committee meetings in 2025. 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 ³⁵							
	Governance Board		Finance, Audit and Sustainability Committee		Nominations Committee		Partnership, People and Culture Committee		Risk Committee	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Held	Attended
John M. Green	13	13			8	8				
Kevin Burrowes	13	12								
Carmel Mulhern	13	13	9	9	8	8			6	6
Emma Hardy	13	13					13	13		
Ewan Barron	13	13	9	8			13	11		
Ian Hockings	13	12					13	12	6	5
Lisa Chung AM	13	13	9	9	8	8	13	13		
Marcus Laithwaite	13	12			8	7			6	4
Rosalie Wilkie	13	13	9	8					6	6
Wendy Stops ³⁶	6	6	3	2	4	4			0 ³⁷	0
Michael Fung ³⁸	1	1								

³⁵ 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.

³⁶ Wendy Stops was appointed to the Governance Board on 1 July 2025.

³⁷ Although Wendy Stops was appointed to the Risk Committee on 1 November 2025, no meetings were held between 1 November and 31 December 2025.

³⁸ Michael Fung ceased to be a member of the Governance Board on 20 January 2025.

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.

To support this process a copy of the register of notified other positions held by members of the Governance Board is provided in the papers for each Governance Board meeting.

Internal Audit function

Our Internal Audit function provides independent assurance to the Governance Board Risk Committee and senior management on internal controls, risk management, governance, policies, and processes.

Reporting directly to the Governance Board Risk Committee Chair and administratively to the Chief Risk & Ethics Officer, Internal Audit maintains independence with full and unrestricted access to the Governance Board Risk Committee, PwC entities, personnel, records, and systems.

Operating under an Internal Audit Charter approved by the Governance Board Risk Committee, Internal Audit develops a risk-based annual audit plan, which is regularly reviewed to address emerging risks and strategic priorities.

Internal Audit evaluates the effectiveness of internal controls, risk frameworks, and second line functions, ensuring material risks are identified, assessed, reported, and managed.

The Governance Board Risk Committee oversees Internal Audit's independence, resourcing, performance, and effectiveness, including the Head of Internal Audit's appointment. Internal Audit regularly reports findings and escalates significant issues as needed.

As the third line of accountability, Internal Audit delivers essential independent assurance supporting PwC's governance and engenders trust in our firm's performance.

Our CEO and Management Leadership Team

PwC'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. Partners are invited to express their interest in applying for roles on the MLT, ensuring we can consider the full breadth of talent and perspectives across our partnership when building our leadership team. This approach is guided by our Partner Leadership Appointment Policy. On 1 July 2025, Chief Risk and Ethics Officer Debbie Smith succeeded retiring partner Jan McCahey in this role. Additionally, Tom Bowden stepped down from the MLT on 30 June 2025 when he retired from the firm, and Chris Morris stepped down on 31 December 2025, replaced by Warren Dick, who took up the role of Tax & Legal Leader on 1 January 2026.

View profiles of our current Management Leadership Team on [our website](#).

MLT committees

The MLT committees, outlined below, 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

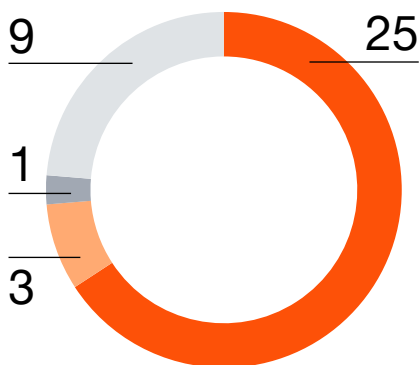
Has delegated authority to oversee that adequate policies, practices and frameworks are in place to manage risk. Additionally, it oversees the identification, measurement and management of risk.

ASX Corporate Governance Principles

We apply the ASX Corporate Governance Principles (4th edition) to the extent appropriate for a Partnership.⁴⁰ 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.

We have again 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



- Fully adopted
- Partially adopted
- Not adopted³⁹
- Not applicable

Principle 1 Lay solid foundations for management and oversight	7
Principle 2 Structure the board to be effective and add value	5 (Fully adopted) 1 (Not adopted)
Principle 3 Instil a culture of acting lawfully, ethically and responsibly	4
Principle 4 Safeguard the integrity of corporate reports	2 (Fully adopted) 1 (Partially adopted)
Principle 5 Make timely and balanced disclosures	3
Principle 6 Respect the rights of security holders	3 (Fully adopted) 2 (Not applicable)
Principle 7 Recognise and manage risk	3 (Fully adopted) 1 (Partially adopted)
Principle 8 Remunerate fairly and responsibly	1 (Fully adopted) 1 (Partially adopted) 1 (Not applicable)
Principle 9 Additional recommendations (Foreign domicile & language)	3

³⁹ 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.

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

In 2025, PwC's approach to the management of risk and compliance focused on the embedment of sophisticated, business-enabling systems—all while maintaining the highest ethical standards. Our maturing risk management practices are strategic enablers, supporting informed decision-making and fostering a culture in which risk awareness drives opportunity and excellence.

Awareness and ownership of regulatory obligations and key controls are governed by our compliance framework and supported by a central compliance function and subject matter experts across the firm. We also 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.



Three Lines of Accountability

The firm applies the Three Lines of Accountability (3LoA) model as a cornerstone of our risk management approach. In June 2025, the Governance Board approved five guiding principles that inform our desired 3LoA operating model and reflect our commitment to strategic risk enablement:

- Risk is everyone's business
- Responsibilities are clear
- Risk is best managed closest to the business
- No matrix reporting
- Independence is key

These provide a frame of reference for the operation of 3LoA. The guiding principles drive a dynamic, business-integrated approach where risk management enhances rather than constrains performance. Accountability for implementation of 3LoA activities sits with the Chief Risk and Ethics Officer.

The Governance Board Risk Committee has also received ongoing reports on the status of risk management across the Firm's eight risk classes:

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

This, in tandem with our ongoing risk and compliance activities, underpins our work to ensure our risk management framework is agile, forward-looking and capable of adapting to an increasingly complex and rapidly evolving business environment.

Ethical excellence and continuous learning

Our commitment to ethical excellence strives to balance the highest standards of conduct while fostering a learning-oriented, proportionate approach to consequence management. The firm places great importance on comprehensive training, policies and controls to meet our obligations to comply with relevant laws, regulations, PwC network standards, client contractual obligations and our own policies.

Our business and ethical conduct framework reflects this mature, enabling approach:

- **Consequences Management and Learning:** Our Consequences Management Policy and Compliance Gateway provide a fair, equitable framework for addressing misconduct while emphasising learning and development. The Policy seeks to ensure all our people are treated fairly and equitably, with independent oversight of investigations and outcomes ensuring consistent application of principles that support both accountability and growth.

- Speak Up Culture:** We promote a culture of openness and transparency, ensuring our people feel safe to raise concerns, share ideas and report issues without fear of retaliation. Also available to our clients and to the public, the **Ethics Helpline** serves as a key channel for open and anonymous reporting, managed centrally to ensure substantiated consistency and appropriate escalation.
- People and Ethical Conduct Panel (Panel):** When issues arise, our expectation remains that they are promptly identified, investigated and managed with appropriate, proportionate consequences. The Panel comprising senior leaders including the Chief Risk and Ethics Officer serves as an escalation forum for conduct matters. Outcomes are communicated to the Management Leadership Team and Governance Board, ensuring enterprise-wide visibility and learning.

In 2025, we continued to focus on the impact of communicating ethical behaviour expectations, and we are pleased to note the reduction in number of the most serious matters substantiated. Of the matters reported, including through our Ethics Helpline, 13 were deemed serious misconduct complaints requiring Panel review. Of these, ten were substantiated, with appropriate action taken.

	2025	2024
Substantiated serious matters	Instances (n=10)	Instances (n=21)
Bullying, harassment and other workplace misconduct	7 (70%)	15 (71%)
Sexual harassment	2 (20%)	1 (5%)
Data breaches	1 (10%)	5 (24%)
Action taken	Result (n=10)	Result (n=21)
Written warnings (including financial penalties, counselling and training)	2 (20%)	16 (76%)
Exit from the firm (including termination and resignation)	8 (80%)	5 (24%)

The firm also maintains stringent protocols to prevent and detect financial crime, including money-laundering, tax-evasion, fraud and embezzlement. There were no allegations or confirmed incidents of bribery or corruption during 2025. Our **Anti-Bribery and Corruption Policy** is available on our website.

The Commonwealth Department of Finance approved PwC to resume bidding for Australian Government contracts in August 2025. PwC’s non-compete agreement with Scyne prohibits the firm from bidding on general government consulting contracts until 9 November, 2028. Under the terms of this same agreement, the prohibition on bidding for general contracts with government-owned corporations expired in November 2025. The firm has elected to adhere to these expired non-compete conditions at the current time.



Human rights and modern slavery

Our ethical obligations extend beyond the boundaries of our firm, and we are committed to respecting and upholding the rights of our people and the individuals or groups that we may impact through our operations and supply chains, including our clients, suppliers, and communities.

In 2025, we continued to collaborate with internal and external stakeholders to further embed a rights-based approach into our policies, processes, frameworks, and actions. We:

- Published our **Global Human Rights Policy** (GHRP) and **Australian Addendum** which include our standard for health and safety, inclusion, modern slavery, rights of First Nations peoples and how we apply them.
- Completed a firmwide human rights risk assessment to focus our efforts on human rights issues that are relevant to our business.
- Submitted and published our annual **Joint Modern Slavery Statement** (JMSS) consistent with the requirements of the Modern Slavery Act 2018 (Cth).
- Participated in various fora hosted by the United Nations Global Compact Network Australia to stay informed of the latest developments and industry trends in an increasingly complex global and local landscape.

Together with our **Code of Conduct**, the human rights principles outlined in our GHRP and Australian Addendum set expectations for our people to identify, assess and address potential human rights impacts. They draw on international frameworks including UN Guiding Principles on Business and Human Rights. These serve as guiding principles for our business conduct, employment decisions, and engagement with clients, suppliers and communities.

For more information or to view our latest JMSS, visit Human Rights and Modern Slavery on our [website](#).

04

Remuneration Report

PwC Australia | 2025



Message from the Chair of Partnership, People and Culture Committee



“ On behalf of the Governance Board, I am pleased to present PwC Australia’s remuneration report, outlining our continued evolution of performance frameworks as we consolidate our renewal, and move to build the firm of the future for our clients, communities and people.”

Lisa Chung AM

Chair, Partnership, People & Culture Committee

Consolidating our renewal

In 2025, we continued to embed our cultural commitments and enhanced governance frameworks and structures, recognising the critical cultural lever our performance and reward models offer. Specifically, we:

- Had a full year with our revised Governance Board, embedding revised governance structures to deliver the highest standards of corporate governance
- Fully operationalised our revised Management Leadership Team with clear accountabilities to manage the firm as a whole
- Applied our whole-of-firm balanced scorecard, revised consequence management framework and enhanced feedback mechanisms to our partner performance and income distribution process, to ensure performance and income outcomes aligned with our whole-of-firm broader performance definition and behavioural standards
- Introduced an Independent Partner Review process to assess the performance of our most senior Partners in addition to the Independent Performance Assessment process for MLT members
- Applied our Evolved PwC Professional framework to performance assessment for our people, using simplified performance ratings to inform our fixed and variable reward outcomes

In addition to ensuring alignment to rigorous corporate governance principles, our approaches reinforce our cultural commitment to fairness and alignment to firm values. We will continue to evaluate the performance and reward models for our partners and people to ensure they are supporting our cultural aspiration.

The Key Management Personnel disclosure within this remuneration report includes the Governance Board members, Chief Executive Officer, Chief Financial Officer and the leaders of our client service businesses that operated as part of our governance structures.

Building the firm of the future

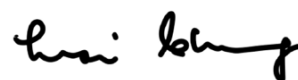
Importantly, in 2025 we began to make changes to build the firm of the future, to ensure we have the talent and culture required to serve the emerging and changing needs of our clients, communities, and people. As clients shift their expectations for expert advice leveraging artificial intelligence, it is critical that as a firm PwC Australia actively responds to ensure we have the talent, culture and operating models to support.

Our focus has been to:

- Evolve our thinking on talent management and development to a broader concept, to developing talent to operate and respond with agility, nuance and sophistication in an ever-changing world
- Target the acquisition and development of the essential human skills of critical and creative thinking, and empathy, to ensure our use of artificial intelligence tools is insightful, judgmental and humanistic
- Build rigorous quality control protocols and procedures for the use of artificial intelligence, to ensure transparency of use and critique of outputs
- Supplement our cultural transformation with an organisational culture survey, enabling a data-led approach to changes that support our aspirational culture
- Continue our focus on leadership, with over half of our partners, managing directors and directors having completed Leadership Reinvention, our flagship leadership program
- Launch 'Work Well, Stay Well', our practical approach to performance and wellbeing across the firm
- Refresh the metrics in our whole-of-firm balanced scorecard including cross-firm collaboration, artificial intelligence use and skills, and environmental responsibilities, to appropriately reinforce our broader definition of performance
- Align our senior leader grades below partner to our whole-of-firm scorecard via a refreshed variable reward approach, ensuring that all our senior leaders have clarity and focus on delivering our firm strategy

We believe these shifts will help position the firm well to be relevant and ready to serve our clients, communities and people as the pre-eminent professional services firm in Australia, with the highest ethical and professional standards and integrity at our core.

We appreciate your interest in our firm, and I am pleased to share our annual remuneration report including our independently audited income and remuneration tables.



Lisa Chung AM

Chair, Partnership, People & Culture Committee

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01 Key Management Personnel

We have prepared this remuneration report in respect of the firm's Key Management Personnel (KMP), which includes executive KMP and Governance Board members (both independent non-executive and elected partner members). All the elected partner Governance Board members and executive KMP are, or were, partners of PwC Australia, except for the Chief Financial Officer (CFO) who is an employee of the firm.

Table 1.1: Key Management Personnel

Name	Position held	Term as KMP in 2025
Executive KMP		
Kevin Burrowes	Chief Executive Officer, Partner & Governance Board Member	Full Year
Rohit Antao	Advisory Leader, Partner	Full Year
Sue Horlin	Assurance Leader, Partner	Full Year
Chris Morris ¹	Tax & Legal Leader, Partner	Full Year
David Callaghan	Chief Financial Officer	Full Year
Governance Board		
Independent non-executive Governance Board members		
John M. Green	Governance Board Chair	Full Year
Lisa Chung AM	Governance Board Member	Full Year
Carmel Mulhern	Governance Board Member	Full Year
Wendy Stops	Governance Board Member	Commenced 1 July
Elected partner Governance Board members		
Marcus Laithwaite	Governance Board Deputy Chair, Partner	Full Year
Ewan Barron	Governance Board Member, Partner	Full Year
Michael Fung	Governance Board Member, Partner	Until 20 January
Emma Hardy	Governance Board Member, Partner	Full Year
Ian Hockings	Governance Board Member, Partner	Full Year
Rosalie Wilkie	Governance Board Member, Partner	Full Year

1 Chris Morris ceased to be Tax & Legal Leader on 31 December 2025. Warren Dick, Partner, was appointed Tax & Legal Leader on 1 January 2026.

03 Income and Remuneration: Policy & Framework

3.1 Partners

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

Performance element	Overview	Key details
Responsibility rating	Aligns each partner with a ‘responsibility rating’ tier reflective of their allocated leadership responsibilities, including those across clients, people, and firm.	<p>Each partner is assigned a responsibility rating reflecting their evaluated experience, responsibility, and role within the firm, including consideration of people accountability, strategic impact, complexity, client accountability, brand and market presence and practice accountability, as well as risk and quality roles.</p> <p>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.</p>
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 pre-eminent professional services firm, built on the highest ethical and professional standards, with integrity at the core of everything we do.	<p>Partners are required to set individual goals at the commencement of each performance year,² with consideration of the firm’s goal framework and whole-of-firm balanced scorecard, as well as individual roles and responsibilities.</p> <p>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.</p> <p>The whole-of-firm balanced scorecard is applied at the commencement of each performance year. The current whole-of-firm balanced scorecard includes five measures: best place to work, healthy brand, quality client experience, sustainable business, and financial outcomes.</p>
Compliance Gateway	A compliance condition that must be passed for a partner to be eligible to participate in the Performance Award process.	<p>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.</p> <p>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 the Performance, Evaluation and Income Scheme.</p> <p>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 and employees, however the consequences of failing to pass the gateway are different for employees.</p>

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

Performance element	Overview	Key details
Performance assessment and ratings	<p>Ensures a consistent approach to partner outcomes in line with goals and expectations set for the year. These achievements are reviewed and assessed against a whole-of-firm balanced scorecard.</p>	<p>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.</p> <p>Assessments consider partner achievement and how they contributed enterprise value in terms of both the 'what' (against their goals and personal plan) and the 'how' (their behaviours and demonstrated values). Compliance with the gateway forms a significant component of this assessment. In this way, we ensure that performance assessment is objective, independent, and transparent in support of our cultural commitments.</p> <p>At the conclusion of the assessment process, each partner is assigned one of the following performance ratings:</p> <ul style="list-style-type: none"> • Exceptional • Performing • Needs Improvement <p>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.</p> <p>MLT members are assessed using the recently introduced Independent Performance Assessment process, utilising an independent experienced Partner appraiser from a different part of the business to complete detailed interviews for feedback. Summaries are presented to a moderation committee comprising a Governance Board observer, the CEO and the Head of Partnership to assist the CEO in determining final performance ratings.</p> <p>The performance rating for the CEO is determined by the Nominations Committee.</p> <p>This year, our most senior partners were subject to Independent Partner Review, a new independent review process conducted by an independent panel that included two external advisors and select members of the MLT with a Governance Board observer. The evaluation of senior partners focused not just on what partners achieved, but on how they lead and uphold our values from a whole-of-firm perspective.</p> <p>Partner ratings and outcomes are shared amongst all partners at the conclusion of the assessment and rating process.</p>

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

Income component	Overview	Application
Net income	<p>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 of each partner.</p> <p>Adjustments (positive or negative) are determined as part of the performance assessment and rating process based on individual and/or firm performance.</p>	<p>Individual performance income adjustments may occur reflective of the performance assessment and rating process against the whole-of-firm balanced scorecard.</p> <p>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.</p> <p>Partners are provided with 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.</p> <p>The total Net Income disclosed in the Audited Income and Remuneration Tables is calculated as:</p> <ul style="list-style-type: none"> • Total income for the performance year ended 30 June 2025 less 50% of target income for the same performance year, plus • 50% of target partner income for firm performance for the subsequent performance year • Adjusted for any rights to deferred income or known other adjustments to 31 December 2025; and • Amounts pro-rated as required based on time in a KMP role as noted in Table 1.1
Performance awards	<p>Performance awards may be available at the completion of the performance period to reward behaviours and outcomes highlighted through the Performance, Evaluation and Income Scheme.</p>	<p>Partners assigned an ‘exceptional’ performance rating will be allocated an individual award where a partner performance award pool is available.</p> <p>Partners assigned a ‘performing’ performance rating may be allocated a discretionary individual award where a partner performance award pool is available.</p> <p>An individual performance award will only be allocated to partners who have met expectations in living the firm’s values.</p>
Entitlements and benefits	<p>Partners are able to access other benefits available to them during the performance period.</p>	<p>Other Benefits available to partners disclosed within the Audited Remuneration Tables include:</p> <ul style="list-style-type: none"> • Health benefits • Wellness benefits • Tax compliance services • Provision of car parking
MLT income deferral Effective 1 July 2024	<p>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.</p>	<p>Upon the completion of the three-year period, the deferred amounts are payable to partner members provided no trigger events or breaches occurred which may result in a permanent reduction in 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 may reasonably be expected to lead to a significant loss of market confidence.</p> <p>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. The movement in deferred amounts is set out in Table 4.2.</p>

Post termination payments

In addition, in accordance with the Partnership Agreement, partners are eligible to participate in the firm's post termination payment (PTP) arrangements where they satisfy certain qualifying criteria including 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 and other criteria. PTP payments are made from future profits of the firm and if an individual is eligible, 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 report.

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 2001* (Cth), 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.

3.2 Employees

The details below sets out the core performance elements for 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 employee expectations across business strategy as well as across the values and behaviours critical to the delivery of our vision— to be the pre-eminent professional services firm, built on the highest ethical and professional standards, with integrity at the core of everything we do.	<p>Employees set individual goals at the commencement of each performance year. For senior managers and above, these reflect the firm’s goal framework based on the whole-of-firm balanced scorecard, as well as individual employees’ roles and responsibilities. The whole-of-firm balanced scorecard is set at the commencement of each performance year. For junior grades, these reflect the relevant grade expectations for their business area.</p> <p>An assigned Team Leader will agree the goals of that employee for the performance year ahead.</p> <p>We use the Evolved PwC Professional framework to enable a broader and deeper view of performance to be considered, one that reflects on outcomes as well as values and behaviours.</p>
Compliance Gateway	A compliance condition that must be passed for an employee to be eligible to participate in any variable reward available.	<p>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.</p> <p>Employees who do not meet the Compliance Gateway:</p> <ul style="list-style-type: none"> • May be ineligible for a variable reward payment, or • Have the variable reward payment reduced. <p>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.</p> <p>Compliance Gateway requirements are applicable to all partners and employees however the consequences of failing to pass the gateway are different for partners.</p>
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.	<p>An employee performance review process is undertaken each year. The ‘what’ and the ‘how’ of contribution during the year determines the performance rating, ensuring performance assessment is aligned with our cultural commitments. Factors considered when assessing performance are:</p> <ul style="list-style-type: none"> • Consistent delivery of business and behavioural impact • Performance against goals for the performance year, or grade expectations • Influence with people, clients, and or firm to deliver value and business results • Role modelling living our values and influencing others to do the same • Seeking constructive feedback and offering quality feedback for others <p>Three performance ratings are used to describe performance in the performance year relative to peers:</p> <ul style="list-style-type: none"> • Exceptional year — one consistently delivers value (the ‘what’ and ‘how’) beyond what we generally see among high performing peers • High performing year — one delivers value (the ‘what’ and the ‘how’) consistent with what we generally see among high performing peers • Inconsistent year — one inconsistently delivers value (the ‘what’ and the ‘how’) compared with what we generally see among high performing peers

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

Remuneration component	Overview	Application
Fixed reward	Market competitive base salary and applicable statutory superannuation to attract and retain relevant skills and experience.	<p>External benchmark data is used to determine pay bands for required skills at each grade level. Annual increases reflect market shifts and performance ratings, with higher performance rating outcomes typically receiving larger annual adjustments subject to market positioning.</p> <p>Specifics as relevant to the CFO's contractual arrangement:</p> <ul style="list-style-type: none"> Fixed reward 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 reward. The remaining 15% of target total remuneration is treated as variable reward.
Variable reward	<p>Variable reward payments may be available at the completion of the performance year subject to individual and firm performance.</p> <p>Specific to the contractual arrangements of the CFO, 15% of target total remuneration, dependent on receiving a Firm Performance Award. Additionally, the CFO is eligible for consideration for an Individual Performance Award.</p>	<p>For employees, the Balanced Performance Plan operates for the performance year, where performance against firm goals creates a pool from which variable reward payments can be made. Over and under performance against firm goals can increase or reduce the pool from which variable reward payments can be made. From 1 July 2025, the whole-of-firm balanced scorecard will be used to assess firm performance for all variable reward payments for employees.</p> <p>Individual performance ratings referencing the 'what' and the 'how' are used to inform payments to individuals, with exceptional year and high performing year ratings eligible. Target payment range is 5–14% dependent on grade and performance rating achieved. Compliance Gateway outcomes can impact eligibility for, and size of, variable reward payments for employees. Ongoing employment is a condition of payment.</p> <p>For the CFO specific variable reward arrangements operate and as a member of the MLT are governed by the Nominations Committee:</p> <ul style="list-style-type: none"> A Firm Performance Award is the final income of the commensurate partner responsibility rating less the fixed reward already paid throughout the year. If the fixed reward is greater, the Firm Performance Award is nil. The payment of the Firm Performance Award is not contingent on the Compliance Gateway or employment on date of payment. An Individual Performance Award is discretionary and determined in the same manner as such awards are determined for partner members of the MLT, including being contingent on the Compliance Gateway and employment when paid.
Entitlements and benefits	Employees are able to access statutory leave provisions as well as other market competitive benefits.	<p>'Other Benefits' available to all employees disclosed within the Audited Income and Remuneration Tables may include:</p> <ul style="list-style-type: none"> Health benefits Wellness benefits Insurances, including salary continuance <p>For the CFO, additional benefits consistent with the grade of managing director, and the partner benefits outlined in section 3.1 are also provided.</p> <p>Fringe benefits tax has been disclosed, where applicable.</p>
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.	<p>Upon the completion of the three-year period, the deferred amounts are payable to non-partner MLT members provided no trigger events or breaches occurred which may result in a permanent reduction to total remuneration for those years. A clawback event occurs where a non-partner MLT member has committed serious misconduct or where a significant audit, regulatory or client service delivery failure may reasonably be expected to lead to a significant loss of market confidence.</p> <p>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. The movement in deferred amounts is set out in Table 4.2.</p>

3.3 Independent non-executive Governance Board members

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.

The table below 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 69. The fees are presented inclusive of superannuation.

Table 3.3: Board & Committee Annual Fees (\$)

Board/Committee	Chair Fee	Member Fee
Governance Board Base Fee ³	500,000	195,000
Risk Committee	35,000	17,500
Nominations 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 Benefits but are reimbursed for reasonable out-of-pocket expenses incurred in performing their duties under the requirements of their appointment.

04 Audited Income and Remuneration Tables

Tables 4.1 and 4.2 and their supporting notes reflect the disclosures within the PwC Australia financial report for the year ended 31 December 2025 which have been independently audited. Refer to Note 23 of the financial report.

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 (\$)

Name	Year	Income and Fixed Remuneration				Variable Components		Total
		Net Income ⁴	Annual & Long Service Leave ⁵	Superannuation	Other Benefits ⁶	Performance Awards/Incentives ⁷	Rights to deferred income ⁸	
CEO & Executive Governance Board Member								
K. Burrowes ⁹	2025	3,073,169	-	-	16,186	-	341,463	3,430,818
	2024	3,185,020	-	-	20,075	-	167,112	3,372,207
Executive KMP								
S. Horlin	2025	2,126,874	-	-	21,891	-	236,319	2,385,084
	2024	2,035,817	-	-	15,146	-	115,643	2,166,606
R. Antao	2025	1,685,797	-	-	15,105	-	187,311	1,888,213
	2024	1,402,840	-	-	14,889	-	88,320	1,506,049
C. Morris	2025	1,819,969	-	-	13,186	-	202,219	2,035,374
	2024	890,610	-	-	9,753	-	98,957	999,320
D. Callaghan	2025	1,115,683	196,697	29,966	16,840	74,873	146,200	1,580,259
	2024	792,079	196,754	22,147	8,320	112,272	53,990	1,185,562
Former KMP								
R. Silverwood	2025	-	-	-	-	-	-	-
	2024	2,416,837	-	-	11,841	-	140,643	2,569,321
D. McKeering	2025	-	-	-	-	-	-	-
	2024	213,698	-	-	3,502	-	-	217,200
L. Maimone	2025	-	-	-	-	-	-	-
	2024	449,377	-	-	2,446	-	-	451,823
Total	2025	9,821,492	196,697	29,966	83,208	74,873	1,113,512	11,319,748
	2024	11,386,278	196,754	22,147	85,972	112,272	664,665	12,468,088

4 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 fixed remuneration in the period while a KMP.

5 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.

6 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.

7 Incentives paid to Mr. Callaghan include those for his role as CFO and, in the case of 2024, the remuneration expense associated with a legacy long term incentive arrangement related to prior roles held in the firm. This arrangement was finalised in the year ended 31 December 2024 with no further ongoing entitlements.

8 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 3 of the remuneration report.

9 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 \$1,200,000 (2024: \$1,200,000) plus superannuation of \$29,966 (2024: \$28,666), other benefits of \$159,791 (2024: nil) and no Performance Awards/Incentives in the year ended 31 December 2025 (2024: nil).

Rights to deferred income granted and forfeited during the year

The following table details the movements in the rights to deferred income balances.

Table 4.2: Rights to deferred income – Executive KMP (\$)

Name	Accumulative rights to deferred income at 31 December 2024	Additional rights to deferred income in 2025	Rights to deferred income forfeited/ paid in 2025	Adjustments due to movements in KMP in 2025	Accumulative rights to deferred income at 31 December 2025
K. Burrowes	167,112	341,463	-	-	508,575
S. Horlin	115,643	236,319	-	-	351,962
R. Antao	88,320	187,311	-	-	275,631
C. Morris	98,957	202,219	-	-	301,176
D. Callaghan	53,990	146,200	-	-	200,190
Former KMP					
R. Silverwood	140,643	-	-	(140,643)	-
Total	664,665	1,113,512	-	(140,643)	1,637,534

Governance Board

The Governance Board at 31 December 2025 comprised four independent non-executive Governance Board members and five elected partner members. The CEO is also a member of the Governance Board.

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

Table 4.3: Independent non-executive Governance Board member remuneration (\$)

Name	Year	Board & Committee Fees	Superannuation	Total
John M. Green ¹⁰	2025	500,000	-	500,000
	2024	199,506	7,483	206,989
Lisa Chung AM ¹⁰	2025	265,000	-	265,000
	2024	70,833	-	70,833
Carmel Mulhern	2025	237,136	27,864	265,000
	2024	63,528	7,305	70,833
Wendy Stops ^{10,11}	2025	117,916	-	117,916
	2024	-	-	-
Total	2025	1,120,052	27,864	1,147,916
	2024	333,867	14,788	348,655

The base fees reflect the pro-rated board fees from the date of appointment to the Governance Board where applicable. For detail on current Governance Board and Committee fee structure and the framework for establishing fees, refer to section 3.3 of the remuneration report.

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 six individuals as elected partner members of the Governance Board in the year was \$5,717,912 (2024: Fourteen individuals and \$7,885,151). The range of total annualised target partner incomes for the five elected partner members as at 31 December 2025 for the current performance year is \$652,000 to \$1,565,000 (2024: \$633,000 to \$1,519,000). Those members are Ewan Barron, Emma Hardy, Ian Hockings, Marcus Laithwaite, and Rosalie Wilkie. Michael Fung stepped down in January 2025.

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. In the case of John M. Green, this exemption was in respect of 2025 only.

¹¹ Wendy Stops was appointed to the Governance Board, the Finance, Audit and Sustainability Committee and the Nominations Committee on 1 July 2025 and appointed to the Risk Committee on 1 November 2025. Remuneration reflects fees from the relevant date.



05

Financial Report

PwC Australia | 2025

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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 these financial statements and make them publicly available.

These special purpose financial statements were approved by the Governance Board on 14 April 2026 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.

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Notes	2025 \$'000	2024 \$'000
Profit or loss			
Revenue from contracts with customers	3	2,083,915	2,153,281
Other income		20,729	12,433
		2,104,644	2,165,714
Expenses			
Employee benefits expense		1,019,829	1,046,540
Occupancy and utility charges		72,349	82,353
Other expenses	4	367,602	384,481
Finance costs		27,558	26,335
Profit before income tax		617,306	626,005
Income tax expense	5	9,324	6,831
Profit for the year		607,982	619,174
Profit attributable to current and former partners of PwC Australia		607,982	619,174
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Changes in the fair value of cash flow hedges	16	(1,280)	2,132
Exchange differences on translation of foreign operations	16	(995)	1,432
<i>Items that will not be reclassified to profit or loss</i>			
Changes in the fair value of equity investments at fair value through other comprehensive income	16	808	4,176
Other comprehensive (loss)/ income for the year		(1,467)	7,740
Total comprehensive income for the year		606,515	626,914
Total comprehensive income for the year attributable to current and former partners of PwC Australia		606,515	626,914

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

Consolidated statement of financial position

As at 31 December 2025

	Notes	2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents		84,598	50,467
Trade receivables	6	293,300	291,836
Contract assets	6	204,988	186,473
Other current assets	7	63,098	63,008
Total current assets		645,984	591,784
Non-current assets			
Financial assets	8	74,200	68,069
Property, plant and equipment	9	34,823	45,255
Right-of-use assets	10	244,424	263,636
Intangible assets	11	124,637	127,741
Deferred tax assets	5	4,669	13,677
Total non-current assets		482,753	518,378
Total assets		1,128,737	1,110,162
Liabilities			
Current liabilities			
Trade and other payables	12	147,597	137,468
Contract liabilities		74,559	75,057
Borrowings	15	147,703	154,936
Lease liabilities	10	35,545	40,667
Employee benefit obligations	13	97,096	104,907
Provisions	14	15,282	10,642
Total current liabilities		517,782	523,677
Non-current liabilities			
Borrowings	15	225,000	200,000
Lease liabilities	10	230,174	241,615
Employee benefit obligations	13	15,885	26,200
Provisions	14	12,538	17,039
Other non-current liabilities		598	532
Total non-current liabilities		484,195	485,386
Total liabilities		1,001,977	1,009,063
Net assets		126,760	101,099
Equity			
Other reserves	16	24,910	26,377
Retained earnings		101,850	74,722
Total equity		126,760	101,099

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 2025

	Notes	Other reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2024		(1,449)	132,698	131,249
Profit for the year		-	619,174	619,174
Other comprehensive income		7,740	-	7,740
Total comprehensive income for the year		7,740	619,174	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)
		20,086	(677,150)	(657,064)
Balance at 31 December 2024		26,377	74,722	101,099
Profit for the year		-	607,982	607,982
Other comprehensive loss		(1,467)	-	(1,467)
Total comprehensive income for the year		24,910	682,704	707,614
Transactions with current and former partners:				
Distributions to current and former partners		-	(580,854)	(580,854)
Balance at 31 December 2025		24,910	101,850	126,760

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

Consolidated statement of cash flows

For the year ended 31 December 2025

	Notes	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		2,281,359	2,447,124
Payments to suppliers and employees (inclusive of goods and services tax)		(1,646,788)	(1,744,477)
		634,571	702,647
Interest received		2,591	3,471
Interest paid		(11,973)	(10,101)
Refund of overpaid income tax		29	10,720
Net cash inflow from operating activities	20	625,218	706,737
Cash flows from investing activities			
Payments for property, plant and equipment	9	(4,364)	(9,861)
Proceed from the sales of financial assets		3,957	783
Payments for financial assets		(10,753)	(8,129)
Cashflows from disposal of businesses	24	27,095	27,220
Net cash inflow from investing activities		15,935	10,013
Cash flows from financing activities			
Proceeds from borrowings		166,756	135,661
Repayment of borrowings		(156,598)	(151,462)
Distributions to current and former partners		(577,651)	(654,150)
Payments of lease liabilities (principal)		(38,611)	(40,544)
Net cash outflow from financing activities		(606,104)	(710,495)
Net increase in cash and cash equivalents			
		35,049	6,255
Cash and cash equivalents at beginning of the year		50,467	43,634
Effects of exchange rate changes on cash and cash equivalents		(918)	578
Cash and cash equivalents at end of the year		84,598	50,467

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 22.

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:

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) 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 2025:

- *AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability* [AASB 1, AASB 121 & AASB 1060] (effective for annual periods beginning on or after 1 January 2025)

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

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

(iv) New standards and interpretations not yet adopted

Certain amendments to accounting standards have been published that are not mandatory for 31 December 2025 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.

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.

(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 of monetary assets and liabilities denominated in foreign currencies at year end exchange rates 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.

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

(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 determined using an input method based on time incurred relative to the total time expected to be required to satisfy the performance obligation. Estimates of progress toward completion are revised if circumstances change. In most cases this results in a cumulative adjustment to revenue previously recognised. 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.

(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.

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

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.

(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.

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

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:

- 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;
- Derecognises the subleased right-of-use asset; and
- 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.

(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, 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 subsequently 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.

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

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. The group holds the trade receivables with the objective of collecting the contractual cash flows and it therefore measures them subsequently 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, this will depend on whether the group has made an irrevocable election at the time of initial recognition to present subsequent changes in fair value in 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 following the 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.

(i) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date when a derivative contract is entered into, and they are subsequently 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 recognised assets and liabilities and 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.

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

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.

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.

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

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.

(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.

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

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 arising from changes in the measurement of progress, 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 might 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:

	2025 \$'000	2024 ¹ \$'000
Assurance	791,983	817,298
Advisory	687,722	716,071
Tax and Legal	473,415	478,276
	1,953,120	2,011,645
Other	55,043	58,915
Disbursements on client assignments	75,752	82,721
	2,083,915	2,153,281

For the year ended 31 December 2025, \$75.1m of revenue recognised was included in the contract liability balance at the beginning of the year (2024: \$71.9m).

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.

1 Certain comparative information has been restated where necessary to ensure comparability with current year presentation.

4. Other expenses

	2025 \$'000	2024 \$'000
Subcontractor costs, including other member firms of the PwC network	104,786	119,156
Technology	87,361	92,128
Other operating expenses	175,455	173,197
	367,602	384,481

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 included within the consolidated statement of comprehensive income comprises:

	2025 \$'000	2024 \$'000
Current tax	316	197
Deferred tax movements	9,008	6,634
Income tax expense	9,324	6,831

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

	2025 \$'000	2024 \$'000
Profit of corporate subsidiaries subject to income tax	37,017	13,281
Tax using the Australian tax rate of 30% (2024: 30%)	11,105	3,984
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Deferred tax balances derecognised	-	1,728
Amortisation of intangibles	-	513
Sundry permanent items	158	606
Benefit of previously unrecognised tax losses that can now be recognised and used to reduce deferred tax expense	(1,939)	-
Income tax expense	9,324	6,831

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 2024	(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
Credited/(charged) to profit or loss	(1,360)	10,690	(12,277)	(6,061)	(9,008)
At 31 December 2025	(20,568)	16,778	7,419	1,040	4,669

6. Trade receivables and contract assets

	2025 \$'000	2024 \$'000
Trade receivables	311,314	309,484
Loss allowance	(18,014)	(17,648)
Net trade receivables	293,300	291,836
Contract assets	205,371	186,883
Loss allowance	(383)	(410)
Net contract assets	204,988	186,473

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 for 2025 and 2024 are based on the payment profiles of billings over a period of 36 months before 31 December 2025 and 31 December 2024 respectively 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:

	2025 \$'000	2024 \$'000
Current	142,663	140,007
Past due 31–60 days	72,880	71,145
Past due 61–120 days	50,624	49,310
Past due +120 days	45,147	49,022
	311,314	309,484

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

	2025 \$'000	2024 \$'000
Balance at beginning of the year	18,058	21,360
Expected credit loss allowance recognised during the year	4,565	7,783
Receivables written off during the year as uncollectible	(4,158)	(10,960)
Unused amounts reversed	(68)	(125)
Balance at end of the year	18,397	18,058

7. Other current assets

	2025 \$'000	2024 \$'000
Other receivables	24,140	16,275
Prepayments	38,199	42,373
Finance lease receivable	699	3,400
Derivative financial instruments	60	960
	63,098	63,008

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

Refer note 10 for further information on leases.

Refer note 25 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

	2025 \$'000	2024 \$'000
Debt instruments at amortised cost	27,478	21,224
Investments at fair value through other comprehensive income (FVOCI)	38,258	37,970
Derivative financial instruments	8,030	8,130
Other	434	745
	74,200	68,069

Debt instruments at amortised cost comprise long term receivables due from 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 2025, the group did not receive any dividends from these investments (2024: \$0.4m).

Refer note 25 for derivative financial instruments.

9. Property, plant and equipment

	Furniture, fittings and equipment \$'000	Computer equipment and software \$'000	Total \$'000
At 1 January 2024			
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
Year ended 31 December 2025			
Opening net book amount	44,061	1,194	45,255
Additions	3,533	831	4,364
Depreciation charge	(11,096)	(3,074)	(14,170)
Disposals	(617)	(9)	(626)
Transfers	(9,584)	9,584	-
Closing net book amount	26,297	8,526	34,823
At 31 December 2025			
Cost	118,572	61,613	180,185
Accumulated depreciation	(92,275)	(53,087)	(145,362)
Net book amount	26,297	8,526	34,823

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:

	2025 \$'000	2024 \$'000
Right-of-use assets		
Buildings	244,424	263,636
Lease Liabilities		
Current	35,545	40,667
Non-Current	230,174	241,615
	265,719	282,282

Additions to the right-of-use assets during the year ended 31 December 2025 were \$27.1m (2024: \$21.7m). The following amounts are recognised in the consolidated statement of comprehensive income:

	2025 \$'000	2024 \$'000
Depreciation charge of right-of-use assets (included in occupancy and utility charges)	36,713	49,278
Lease income from operating subleases (included in other income)	(6,004)	(6,925)
Interest income from finance subleases (included in other income)	(100)	(288)
Interest expense from lease liabilities (included in finance cost)	15,585	16,234

The total net cash outflow for leases in 2025 was \$45.6m (2024: \$46.4m).

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 subleases are classified as either operating or finance leases. The carrying amount of right-of-use assets subject to operating subleases as at 31 December 2025 was \$21.4m (2024: \$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
December 2025		
Operating subleases	2,898	-
Finance subleases	725	-
	3,623	-
December 2024		
Operating subleases	3,518	2,283
Finance subleases	2,528	999
	6,046	3,282

The unearned finance income for finance subleases at 31 December 2025 is \$0.02m (2024: \$0.1m).

11. Intangible assets

	Goodwill \$'000	Client Relationships \$'000	Internally- developed Software \$'000	Intellectual Property \$'000	Total \$'000
At 1 January 2024					
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
At 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
Year ended 31 December 2025					
Opening net book amount	122,298	5,443	-	-	127,741
Depreciation charge	-	(1,210)	-	-	(1,210)
Disposals	(1,894)	-	-	-	(1,894)
Closing net book amount	120,404	4,233	-	-	124,637
At 31 December 2025					
Cost	120,404	11,666	1,905	-	133,975
Accumulated amortisation and impairment	-	(7,433)	(1,905)	-	(9,338)
Net book amount	120,404	4,233	-	-	124,637

Impairment test for goodwill

As at the 31 December 2025 and 2024, 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. The revenue growth rate is based on the CGU's historical performance and management's expectations of long term market growth, the overhead growth rate is based on an expected inflation rate over the forecast period based on a historical average and the contribution margin is based on historical contribution margins achieved by the CGU;
- A pre-tax discount rate of 9.0% (2024: 9.25%); and
- Terminal value is calculated using a perpetual growth rate of 2.0% (2024: 2.0%).

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

	2025 \$'000	2024 \$'000
Trade payables	36,156	25,108
Accruals	94,001	92,515
Other payables	16,897	19,236
Derivative financial instruments	543	609
	147,597	137,468

13. Employee benefit obligations

	2025			2024		
	Current \$'000	Non-current \$'000	Total \$'000	Current \$'000	Non-current \$'000	Total \$'000
Employee benefit obligations	97,096	15,885	112,981	104,907	26,200	131,107

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 (2025: \$79.2m, 2024: \$85.2m) 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.

	2025 \$'000	2024 \$'000
Current leave obligations expected to be settled after 12 months	37,275	39,600

14. Provisions

	2025			2024		
	Current \$'000	Non-current \$'000	Total \$'000	Current \$'000	Non-current \$'000	Total \$'000
Make good provision	-	12,538	12,538	1,424	17,039	18,463
Other provisions	15,282	-	15,282	9,218	-	9,218
	15,282	12,538	27,820	10,642	17,039	27,681

Movements in provisions during the year are set out below:

	Make good provision \$'000	Other provisions \$'000
At 1 January 2025	18,463	9,218
Charged/(credited) to profit or loss:		
Unused amounts reversed	(5,763)	(2,760)
Unwinding of discount	616	-
Additional provisions recognised	-	16,758
Amounts used during the year	(778)	(7,934)
At 31 December 2025	12,538	15,282

15. Borrowings

	2025			2024		
	Current \$'000	Non-current \$'000	Total \$'000	Current \$'000	Non-current \$'000	Total \$'000
Bank loans	-	225,000	225,000	-	200,000	200,000
Partner Loans	147,703	-	147,703	154,936	-	154,936
	147,703	225,000	372,703	154,936	200,000	354,936

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 25 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 (2024: \$2).

16. Other reserves

	2025 \$'000	2024 \$'000
Financial assets at FVOCI — revaluation reserve	21,416	20,608
Hedging reserve cash flow hedges	4,250	5,530
Foreign currency translation reserve	(756)	239
	24,910	26,377

Movements in other reserves are set out below:

	2025 \$'000	2024 \$'000
Financial assets at FVOCI - revaluation reserve		
At 1 January	20,608	16,432
Revaluation	808	4,176
At 31 December	21,416	20,608
Hedging reserve cash flow hedges		
At 1 January	5,530	3,398
Revaluation	(1,280)	2,132
At 31 December	4,250	5,530
Foreign currency translation reserve		
At 1 January	239	(1,193)
Currency translation	(995)	1,432
At 31 December	(756)	239
Other		
At 1 January	-	(20,086)
Changes in ownership interest reclassified to retained earnings	-	20,086
At 31 December	-	-

17. Remuneration of auditors

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:

	2025 \$'000	2024 \$'000
Audit and review of financial statements:		
PwC Australia	495	600
Controlled entities	118	158
Other assurance services	75	3
Total services provided by Crowe Audit Australia	688	761

18. 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.

19. Commitments

As at 31 December 2025 the group has an outstanding commitment for purchases of property, plant and equipment that will be completed in the next 12 months of \$0.4m (2024: \$0.5m).

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

	2025 \$'000	2024 \$'000
Profit for the year	607,982	619,174
Adjustments for:		
Depreciation and amortisation	52,094	63,778
Impairment/disposal of intangible and other assets	2,521	6,955
Other	1,431	(6,415)
Change in operating assets and liabilities, net of effects from disposal of subsidiaries:		
(Increase)/decrease in trade receivables, contract assets and other current assets	(43,157)	95,380
Increase/(decrease) in trade and other payables	9,261	(69,212)
Decrease in provisions and employee benefit obligations	(13,486)	(9,557)
Decrease in deferred tax assets	8,572	6,634
Net cash inflow from operating activities	625,218	706,737

21. Liabilities arising from financing activities

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

	2025 \$'000	2024 \$'000
Bank loans	225,000	200,000
Partner loans	147,703	154,936
Lease liabilities	265,719	282,282
	638,422	637,218

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

	2025 \$'000	2024 \$'000
Liabilities arising from financing activities at beginning of the year	637,218	675,382
Cash flows from financing activities:		
Proceeds from borrowings	166,756	135,661
Repayment of borrowings	(156,598)	(151,462)
Payments of lease liabilities	(54,195)	(56,778)
Non-cash flows from financing activities:		
Finance charges on lease liabilities	15,585	16,234
Recognition of new lease liabilities in the year	27,132	18,181
Lease disposal	(5,084)	-
Other	7,608	-
Liabilities arising from financing activities at end of the year	638,422	637,218

22. Controlled entities

The group's principal controlled entities at 31 December 2025 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 (%)	
			2025	2024
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) ²	Operating	Australia	100	100
PricewaterhouseCoopers ASEANZ Consulting Pty Limited	Holding	Australia	100	100
PricewaterhouseCoopers, Papua New Guinea	Operating	Papua New Guinea	-	-
Master Retirement Trust	Managed Fund	Australia	-	-

23. Related party transactions

(a) Key management personnel disclosures

	2025 \$'000	2024 \$'000
Short term benefits	16,817	19,803
Leave and superannuation	255	234
Rights to deferred income	1,114	665
Key management personnel income and remuneration	18,186	20,702

Key management personnel (KMP) disclosures include the income and remuneration of KMP for their time as a KMP during the years ended 31 December 2025 and 2024.

23. Related party transactions (cont'd)

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 (\$)

Name	Year	Income and Fixed Remuneration				Variable Components		Total
		Net Income ³	Annual & Long Service Leave ⁴	Superannuation	Other Benefits ⁵	Performance Awards/ Incentives ⁶	Rights to deferred income ⁷	
CEO & Executive Governance Board Member								
K. Burrowes ⁸	2025	3,073,169	-	-	16,186	-	341,463	3,430,818
	2024	3,185,020	-	-	20,075	-	167,112	3,372,207
Executive KMP								
S. Horlin	2025	2,126,874	-	-	21,891	-	236,319	2,385,084
	2024	2,035,817	-	-	15,146	-	115,643	2,166,606
R. Antao	2025	1,685,797	-	-	15,105	-	187,311	1,888,213
	2024	1,402,840	-	-	14,889	-	88,320	1,506,049
C. Morris	2025	1,819,969	-	-	13,186	-	202,219	2,035,374
	2024	890,610	-	-	9,753	-	98,957	999,320
D. Callaghan	2025	1,115,683	196,697	29,966	16,840	74,873	146,200	1,580,259
	2024	792,079	196,754	22,147	8,320	112,272	53,990	1,185,562
Former KMP								
R. Silverwood	2025	-	-	-	-	-	-	-
	2024	2,416,837	-	-	11,841	-	140,643	2,569,321
D. McKeering	2025	-	-	-	-	-	-	-
	2024	213,698	-	-	3,502	-	-	217,200
L. Maimone	2025	-	-	-	-	-	-	-
	2024	449,377	-	-	2,446	-	-	451,823
Total	2025	9,821,492	196,697	29,966	83,208	74,873	1,113,512	11,319,748
	2024	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 fixed remuneration in the period while 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 include those for his role as CFO and, in the case of 2024, the remuneration expense associated with a legacy long term incentive arrangement related to prior roles held in the firm. This arrangement was finalised in the year ended 31 December 2024 with no further ongoing entitlements.

7 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 3 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 \$1,200,000 (2024: \$1,200,000) plus superannuation of \$29,966 (2024: \$28,666), other benefits of \$159,791 (2024: nil) and no Performance Awards/Incentives in the year ended 31 December 2025 (2024: nil).

23. Related party transactions (cont'd)

The following table details the movements in the rights to deferred income balances.

Rights to deferred income – Executive KMP (\$)

Name	Accumulative rights to deferred income at 31 December 2024	Additional rights to deferred income in 2025	Rights to deferred income forfeited/ paid in 2025	Adjustments due to movements in KMP in 2025	Accumulative rights to deferred income at 31 December 2025
K. Burrowes	167,112	341,463	-	-	508,575
S. Horlin	115,643	236,319	-	-	351,962
R. Antao	88,320	187,311	-	-	275,631
C. Morris	98,957	202,219	-	-	301,176
D. Callaghan	53,990	146,200	-	-	200,190
Former KMP					
R. Silverwood	140,643	-	-	(140,643)	-
Total	664,665	1,113,512	-	(140,643)	1,637,534

Governance Board

The Governance Board at 31 December 2025 comprised four independent non-executive Governance Board members and five elected partner members. The CEO is also a member of the Governance Board.

The following table outlines the remuneration of the independent non-executive board members. 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	Year	Board & Committee Fees	Superannuation	Total
John M. Green ⁹	2025	500,000	-	500,000
	2024	199,506	7,483	206,989
Lisa Chung AM ⁹	2025	265,000	-	265,000
	2024	70,833	-	70,833
Carmel Mulhern	2025	237,136	27,864	265,000
	2024	63,528	7,305	70,833
Wendy Stops ^{9,10}	2025	117,916	-	117,916
	2024	-	-	-
Total	2025	1,120,052	27,864	1,147,916
	2024	333,867	14,788	348,655

The base fees reflect the pro-rated board fees from the date of appointment to the Governance Board where applicable. For detail on current Governance Board and Committee fee structure and the framework for establishing fees, refer to section 3.3 of the remuneration report.

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.

9 Approval was obtained from the Australian Taxation Office to be exempt from making superannuation contributions due to superannuation obligations being met by other employers. In the case of John M. Green, this exemption was in respect of 2025 only.

10 Wendy Stops was appointed to the Governance Board, the Finance, Audit and Sustainability Committee and the Nominations Committee on 1 July 2025 and appointed to the Risk Committee on 1 November 2025. Remuneration reflects fees from the relevant date.

23. Related party transactions (cont'd)

The total net income and benefits across six individuals as elected partner members of the Governance Board in the year was \$5,717,912 (2024: Fourteen individuals and \$7,885,151). The range of total annualised target partner incomes for the five elected partner members as at 31 December 2025 for the current performance year is \$652,000 to \$1,565,000 (2024: \$633,000 to \$1,519,000). Those members are Ewan Barron, Emma Hardy, Ian Hockings, Marcus Laithwaite, and Rosalie Wilkie. Michael Fung stepped down in January 2025.

(b) Loans to/from related parties

	2025 \$'000	2024 \$'000
Loans from key management personnel		
Beginning of the year	5,973	6,715
Proceeds from new loans	288	3,734
Movement following KMP ceasing to be KMP	(1,051)	(4,476)
End of year	5,210	5,973

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.

24. Divestments

(a) Disposal of the Business Restructuring Services (BRS) business

On 17 July 2025, PwC Australia entered into a Business Sale Agreement to sell its Business Restructuring Services (BRS) business to Teneo Financial Advisory Australia Pty Ltd. The transaction was completed on 29 August 2025, resulting in the disposal of the BRS business, along with the assets and liabilities of that business. During the year, PwC Australia received the completion payment of \$27.1 million.

(b) Disposal of the Australian Government Consulting, SEA and New Zealand Consulting businesses

The group disposed of its Australian Government Consulting business on 8 November 2023 to Scyne Advisory Australia Pty Limited, and entered into transaction documents resulting in the sale of its investments relating to the SEA and New Zealand Consulting businesses on 29 December 2023. The group received certain proceeds from these disposals during 2024.

25. 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	2025 \$'000	2024 \$'000
Cash and cash equivalents		84,598	50,467
Trade receivables, contract assets and other current assets	6,7	561,327	540,358
Financial assets	8	66,170	59,939
		712,095	650,764
Trade payables	12	36,156	25,108
Borrowings	15	372,703	354,936
Lease liabilities	10	265,719	282,282
		674,578	662,326

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 recognised the following derivative financial instruments:

	2025 \$'000	2024 \$'000
Current assets		
Forward exchange contracts — cash flow hedges	60	960
Total current derivative financial assets	60	960
Non-current assets		
Interest rate option — cash flow hedges	8,030	8,130
Total non-current derivative financial assets	8,030	8,130
Total derivative financial assets	8,090	9,090
Current liabilities		
Forward exchange contracts — cash flow hedges	543	609
Total current derivative financial liabilities	543	609
Non-current liabilities		
Interest rate option — cash flow hedges	7	-
Total non-current derivative financial liabilities	7	-
Total derivative financial liabilities	550	609

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

25. 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 2025	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets			
Equity investments at fair value through other comprehensive income	37,796	462	38,258
Derivative financial instruments	8,090	-	8,090
Total financial assets	45,886	462	46,348
Financial liabilities			
Derivative financial instruments	550	-	550
Total financial liabilities	550	-	550
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

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.

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 \$84.6m (2024: \$50.5m) 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.

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

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.

2025	Less than 6 months \$'000	6–12 months \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Total carrying value \$'000
Non-derivatives							
Trade payables	36,156	-	-	-	-	36,156	36,156
Borrowings	147,703	-	146,165	102,923	-	396,791	372,703
Lease liabilities	25,785	24,109	48,481	149,899	72,521	320,795	265,719
Total non-derivatives	209,644	24,109	194,646	252,822	72,521	753,742	674,578
Derivatives							
Forward exchange contracts	471	72	-	-	-	543	550
Total derivatives	471	72	-	-	-	543	550
2024	Less than 6 months \$'000	6–12 months \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Total carrying value \$'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

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.

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

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 rate options to achieve this when necessary. At the year end 22% (2024: 25%) of long-term 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 uses a combination of forward exchange contracts and foreign exchange options to hedge its exposure to foreign currency risk.

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:

	2025		2024	
	USD \$'000	Others \$'000	USD \$'000	Others \$'000
Trade receivables	18,508	4,031	18,192	3,083
Trade payables	(9,779)	(9,587)	(16,197)	(7,808)
Other non-current assets	22,570	4,898	16,568	4,656
Forward exchange contracts				
• Buy foreign currency	28,670	-	9,862	4,560
• Sell foreign currency	-	-	(15,033)	-
Foreign exchange options	13,387	-	-	-

26. Events occurring after the reporting period

No events have occurred since 31 December 2025 that significantly affect the reported results and financial position of the group.


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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 2025, 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 2025, 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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Independent Auditor's Report

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 Information

The Governance Board Members are responsible for the other information. The other information comprises the information included in the Group's Annual Report for the year ended 31 December 2025 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, 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.

Independent Auditor's Report

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



John Haydon
Senior Partner

14 April 2026
Sydney

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Other information



Greenhouse gas emissions core metrics and disclosures

Disclosure included in our report	Basis of preparation description	Report section
Total greenhouse gas emissions	<p>Reporting year</p> <p>Greenhouse gas (GHG) emissions for PwC Australia and PwC PNG have been prepared based on the reporting period 1 January 2025 to 31 December 2025. Consistent with disclosures under the PwC Network Sustainability 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 year ended 31 December 2025 to align with entities captured in the financial report.</p> <p>Standard</p> <p>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, relevance, and transparency.</p> <p>Greenhouse gases</p> <p>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).</p> <p>Organisational boundaries</p> <p>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.</p> <p>Base year</p> <p>PwC Australia and PwC PNG have established the reporting period 1 July 2018 to 30 June 2019 as its base year aligned to the PwC network.</p> <p>Materiality and restatements</p> <p>PwC Australia and PwC PNG have set a materiality level of 3%. This means that PwC Australia and PwC PNG will recalculate and restate emissions where our reported emissions in the prior years (including the base year) would increase or decrease by 3% or more. Events which may trigger the need for a recalculation include:</p> <ul style="list-style-type: none"> • 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 	Environment

Disclosure included in our report	Basis of preparation description	Report section
Total greenhouse gas emissions	<p>Calculation methodology and estimates</p> <p>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.</p> <p>Where primary data is not available estimates are used based on extrapolation of available data, proxy data and local statistical data benchmarks.</p> <p>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). Purchased goods and services 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.</p> <p>Scope 1 emissions</p> <p>Includes:</p> <ul style="list-style-type: none"> 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). <p>Scope 2 emissions (market-based)</p> <p>Includes:</p> <ul style="list-style-type: none"> 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 and PwC PNG maintain an RE100 commitment of 100% renewable electricity in our offices 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, using the market-based method. The timing of this purchase is for the 12-month period ending 30 June 2026 to align with our reporting to the PwC network. 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. 	Environment

Disclosure included in our report	Basis of preparation description	Report section
Total greenhouse gas emissions	<p>Scope 3 emissions</p> <p>Includes:</p> <p>Business travel:</p> <ul style="list-style-type: none"> • 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) <p>Purchased goods and services:</p> <ul style="list-style-type: none"> • Business services & human capital • Property & facilities management • Technology 	Environment
GHG emissions targets	<p>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.</p>	Environment

Directory

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found on our [website](#).

Website

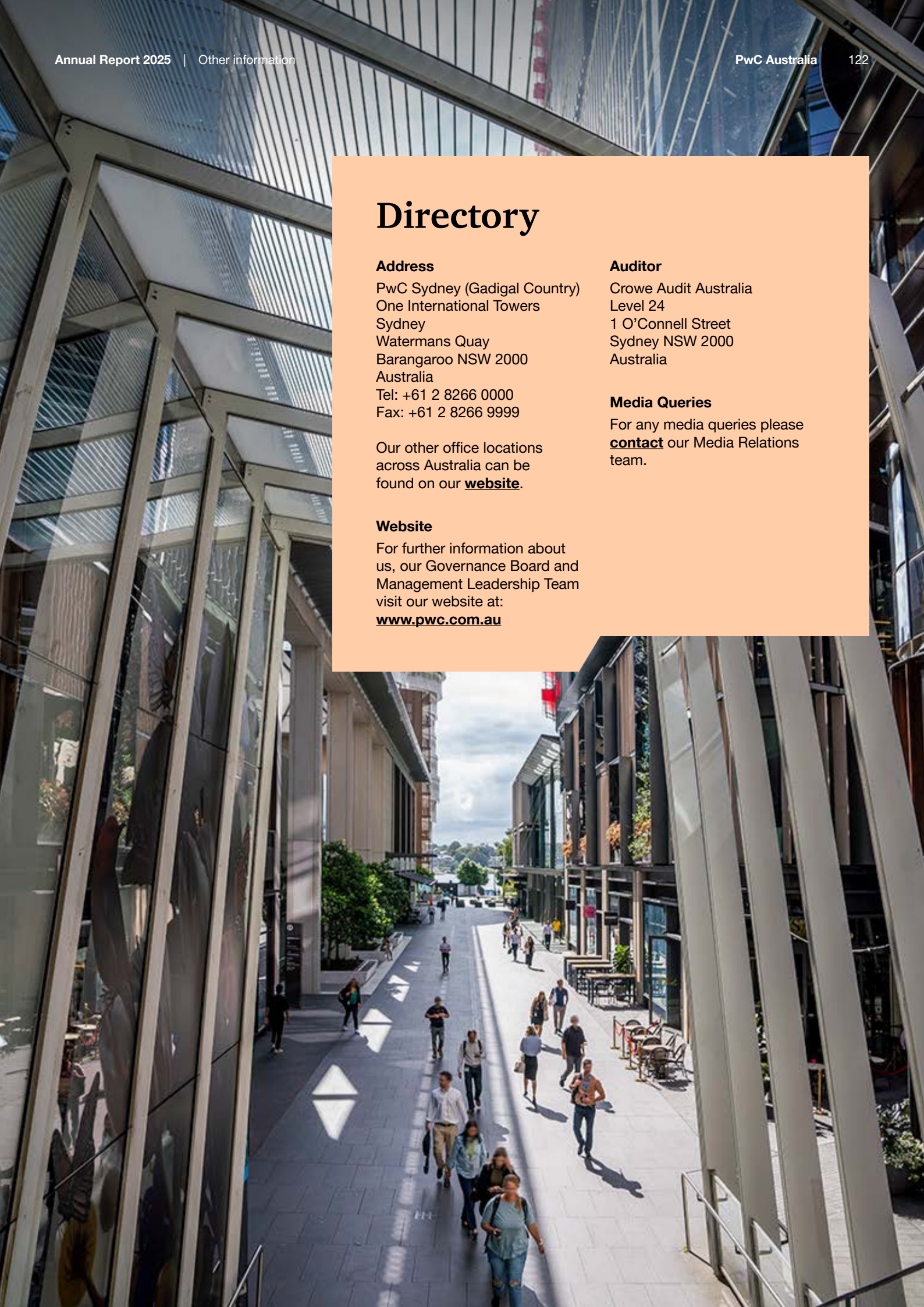
For further information about
us, our Governance Board and
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visit our website at:
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Auditor

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Media Queries

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