PwC Australia

Audit Transparency Report

1 July 2025 – 30 June 2026

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01

Our year in audit



Message from our CEO

Maintaining public confidence in our profession is an ongoing responsibility of every member of our firm. Recent years have been challenging for PwC Australia, and for our industry. We are learning important lessons, undertaking significant reform and recognise that this work is ongoing. We must continue to learn, challenge ourselves and demonstrate through our actions that we meet the high standards expected of us. This requires transparency, accountability and a commitment to continuous improvement.

Trust is not something we can take for granted; it is earned through our actions over time. When confidence in our profession is strong, it supports confidence in the markets more broadly, helping to enable investment, encourage innovation and support the long-term planning needed for a resilient and prosperous economy.

Culture is at the heart of our firm's strategy and central to our ongoing transformation. Our people have embraced our commitment to demonstrating curiosity, collaboration and constructive challenge, as we continue to create an environment where people feel safe to speak up. This is reinforced through our Culture in Action program, which encourages our people to make small and meaningful changes in their everyday behaviours.

As the assurance landscape evolves and demand for different services emerges, we are investing in our people to harness AI and emerging technologies responsibly, strengthen audit quality, improve efficiency and support better outcomes for clients. During the year, we expanded our AI capability-building initiatives, including a firm-wide AI Foundations course, executive AI training for partners and managing directors, and the growth of our AI Champions community to more than 100 Assurance members.

Earlier this year, Treasury released its Options Paper on the regulation of accounting, auditing and consulting firms. We welcome the opportunity to contribute to this important discussion and recognise our profession's responsibility to respond. The paper raises important questions for the profession, including around accountability, independence and governance. We will continue to engage constructively and to strengthen our own governance, accountability and transparency as the regulatory framework evolves.

We remain committed to reporting openly on our audit quality progress, including areas we need to improve. This report provides a thorough review of our system of quality management in 2026, alongside key measures of audit quality, including ASIC and PCAOB inspection outcomes, internal quality review results, client feedback, culture indicators and the investments we continue to make in our people and capabilities.

Importantly, this report also highlights areas where we need to improve. We are committed to addressing those areas, being transparent about our progress and continuing to strengthen the quality and integrity of our work.

I would like to thank our audit partners and teams for their hard work, professionalism and commitment throughout the year. Their focus on quality and integrity, and their willingness to challenge constructively, are central to delivering the high standards expected of our profession.

I also extend my thanks to our clients, regulators and wider stakeholders for their continued engagement. Their perspectives and challenge help us to continually improve as we play our part in strengthening confidence in Australia's financial reporting system.



Kevin Burrowes

CEO, PwC Australia



Message from our Assurance Leader

Our Assurance team remains focused on continuously learning, challenging ourselves and improving audit quality. We have made progress this year, but recognise there is more to do.

Audit quality remains our defining priority. We continue to invest in our system of quality management, governance and accountability, ethics programs and professional development. We are also strengthening our risk management practices and reinforcing a culture where our people feel safe to speak up, challenge constructively and take ownership of delivering high-quality audits.

Our clients tell us they see these behaviours in action. In 2026, 94% agreed that our teams bring a questioning mindset to the audit, while our people continued to recognise strong leadership behaviours across the practice. These outcomes reflect the culture we are building and our shared commitment to quality.

Audit quality is never 'done' – trust must be earned through sustained effort. We continually test whether our governance, systems and controls are operating as intended and where they can be further strengthened.

Quality starts with leadership, tone from the top and clear accountability. This year we have continued to reinforce expectations for confidentiality, quality and ethics, enhanced training, and strengthened the guardrails around how we tender for work. Independence is also fundamental to audit quality and confidence. Our independence framework includes dedicated leadership, firm-wide training and comprehensive compliance systems to support our teams to uphold these standards on every engagement.

We are also continuing to strengthen our governance and accountability. The three-year 10% remuneration deferral remains in place for members of the firm's Management Leadership Team, resulting in a rolling 30% of income withheld for potential clawback in the event of serious misconduct or a significant audit, regulatory or client service delivery failure. In addition to that, from 2027, we will also bring explicit responsibility for audit quality into our Governance Board framework and further enhance our existing 'fit and proper person' test which is applied to every partner in our firm.

Quality results at a glance

In 2026, we achieved a 90% audit quality score from client feedback and maintained strong results across our suite of quality indicators. Our PwC global network and our PCAOB file inspections were all found to be compliant, with opportunities to apply learnings identified. In its annual surveillance activity, ASIC identified audit findings in three file reviews, including one registrable superannuation entity file review. We have carefully considered ASIC's findings, conducted a root cause analysis of each, and incorporated the resulting actions into our quality improvement plan.

These results feed directly into our System of Quality Management. Continuous improvement is at the core, with a focus on identifying emerging risks, addressing findings and strengthening the quality of our work.

Adapting to a profession in transformation

The growing complexity of business and increasing expectations for assurance beyond financial reporting are expanding the skills and perspectives required in modern audit. Today, our teams draw on expertise across sustainability, cyber security, AI, technology, data analytics and risk, reflecting the broader role assurance plays in supporting confidence and trust.

Mandatory sustainability reporting represents a significant change for the assurance profession. This year our teams delivered more than 200 first year sustainability assurance engagements, helping our clients respond to new reporting requirements while building the capabilities needed for this evolving area of assurance.

We are also broadening our graduate recruitment, with 54% of our 2027 intake coming from non-accounting backgrounds. This expands our talent pool,

attracting candidates with strong technical, analytical, communication, and problem-solving skills. Our accelerated accounting upskilling program will support them to develop core accounting capabilities alongside an immersive AI experience that builds practical skills for a human-led, AI enabled environment. Together, these initiatives enable us to build more multidisciplinary teams who are equipped for the future of assurance.

The next generation of audit

All of our auditors now use secure generative AI in their every-day work. From accessing technical guidance to advanced agentic testing, it is changing how we deliver our audits. The next phase is Maestro, PwC's new AI-native core audit platform. This year our Australian teams were among the first in the PwC network to pilot Maestro, helping test how we enhance quality, consistency and insight. As these tools develop, responsible use remains fundamental. Our firm-wide Responsible AI Steerco provides governance over the use of AI in our business, for our clients and in our audits, supported by appropriate processes and controls.

Looking ahead

The pace of change across our profession will only accelerate. New technologies, evolving stakeholder expectations and expanding assurance requirements will continue to reshape how we work. While much will change, our commitment remains constant: delivering high-quality audits, developing exceptional people, embracing innovation responsibly and strengthening trust in the information that underpins Australia's capital markets.

I want to thank our audit partners and teams for the commitment and energy they have brought this year.



Sue Horlin
Assurance Leader,
PwC Australia



Statement on the firm's System of Quality Management

During the year, we completed our evaluation of the firm's System of Quality Management (SoQM) under ASQM 1. On behalf of PwC Australia, Sue Horlin, Assurance Leader, has evaluated whether our firm's SoQM provides us reasonable assurance that:

- The firm and its personnel fulfil their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements.
- Engagement reports issued by the firm or engagement partners are appropriate in the circumstances.

Based on all the relevant information of the firm's SoQM, as at 30 September 2025[1], we believe our SoQM provides us with reasonable assurance that the quality objectives noted above have been achieved.

The Transparency Report has been prepared to comply with Sections 332 to 332G of the *Corporations Act 2001* (the Act) and Regulation 2M.4A and Part 2 of Schedule 7A in the Corporations Regulations 2001 (Regulations) in Australia.

1 PwC Australia continues to perform monitoring activities following the 30 September 2025 evaluation. These activities support ongoing oversight of our quality management processes and have not identified any matters requiring a change to our reasonable assurance conclusion.



2026 Audit Quality

Key metrics

100%

compliance (2025: 100%) in internal quality inspections, with opportunities to apply learnings identified.

78%

of hours on ASX 100 30 June 2026 audits were senior associates and above in at least their second year of the audit – enhancing quality through team continuity (2025: 77%).

90%

overall quality score from 608 pieces of client feedback (2025: 88%).

3,948

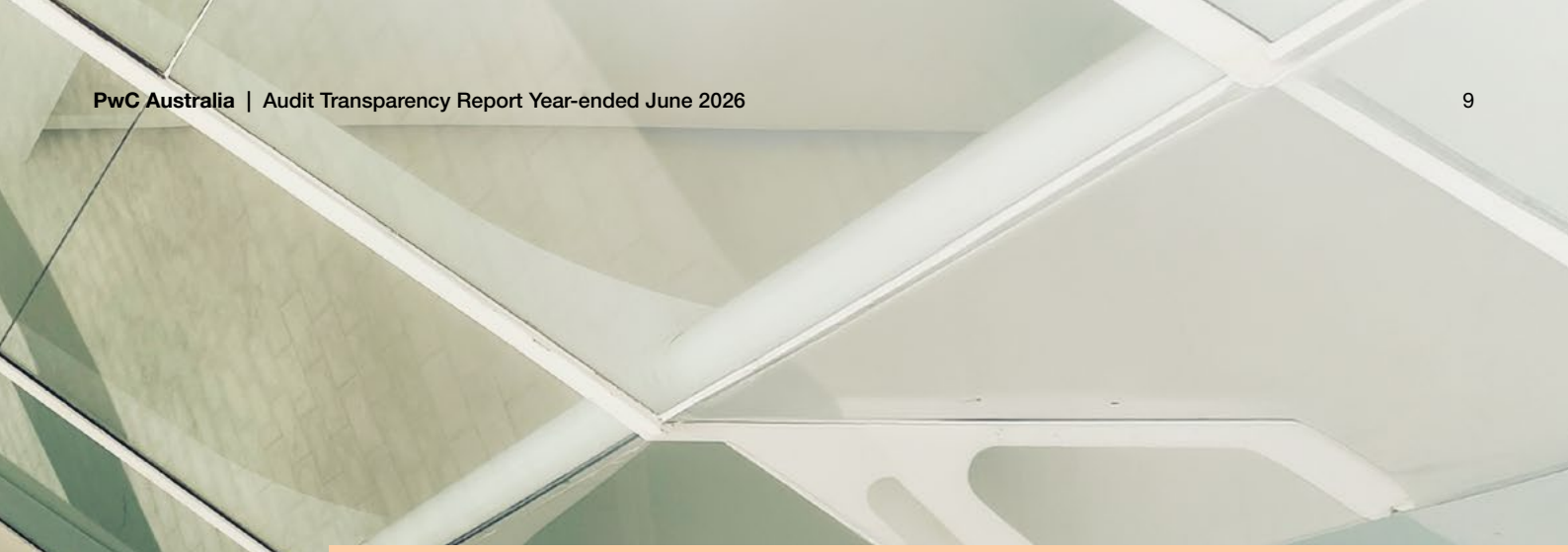
purpose-built prompts and agentic skills have been used within ChatPwC, enhancing audit quality and efficiency.

87%

of audit respondents answered favourably to "The people I work with challenge me and each other to deliver quality work" (2025: 85%).

94%

of clients agree/strongly agree that our teams bring a questioning mindset to the audit (2025: 94%).



Audit quality and culture

Audit quality remains our defining priority. While technology is transforming how audits are performed and the scope of assurance continues to expand, the foundations of a quality audit remain unchanged. Independence, integrity, professional scepticism and human judgement sit at the heart of every engagement.

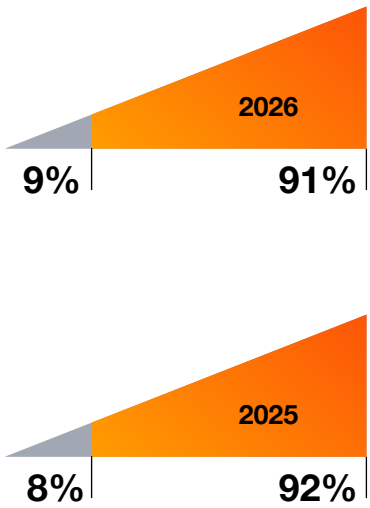
Culture is central to our firm strategy. Through our multi-year Culture in Action program, we are embedding the daily behaviours of curiosity, collaboration and challenge, that support sustainable high performance and a willingness to speak up and do the right thing.

We remain committed to reporting openly on our progress, including where outcomes fall short of our expectations.

01

PwC internal inspection results

PwC Australia is subject to globally coordinated quality inspections as part of the PwC network. In PwC's inspection program in 2026, 32 files were reviewed, all of which were found to be compliant with relevant PwC network or professional standards and policies. Three of these were rated compliant with improvement required. None of the findings required re-issue of the audit report. The learnings and root cause analysis form a key part of our annual Audit Quality Improvement Plan.



02

Regulator inspection results

PwC Australia is also subject to regular inspections by regulatory and professional bodies.

PCAOB reviews

The most recent PCAOB inspection was in September 2025 with the final inspection report issued to the firm in April 2026. The report did not identify any deficiencies with respect to the three inspected audit engagements or the firm's system of quality control.

ASIC audit surveillance

Across the financial year, ASIC conducted targeted surveillance reviews of four PwC Australia audit engagements – three companies and one registrable superannuation entity (RSE). They raised four audit findings across three of the files and identified other areas for improvement, all of which are detailed in their public reports. For each finding, we conducted root cause analysis and incorporated the resulting actions into our quality improvement plan.

CA ANZ reviews

In June 2026, CA ANZ commenced a targeted quality review of PwC Australia's current systems and processes for handling confidential audit client information and promoting an ethical culture. As at the date of this report, the review is ongoing.

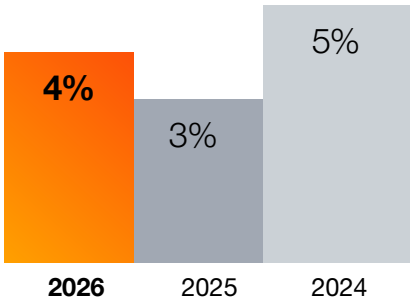
Restatements

There were no restatements resulting from findings identified in the 2026 reviews of PwC audited public companies by regulators or internal inspections.

03

Auditor independence

Independence is a fundamental part of audit quality because it supports objectivity. The Corporations Act 2001 prohibits an external auditor from performing certain services for their client. PwC has comprehensive internal policies to ensure our independence is not impaired. Non-audit services provided to PwC Australia's ASX 200 audit clients in 2026 were approximately 4% of audit fees (2025: 3%).



Non-audit fees as a percentage of audit fees for ASX 200 audit clients

<1%

Non-audit fees from ASX 200 audit clients as % of total firm revenue

(2025: <1%)

04

Leadership in ethics and quality

In 2026, our Assurance partners and staff received more than 6,000 pieces of feedback on their Leadership in Ethics and Quality – an anonymous survey on the quality behaviours demonstrated by partners and senior leaders.

Of the partners who received feedback from our people, they achieved an average score of

4.66/5

(2025: 9.7 out of 10)*

Of the senior staff grades who received feedback, they achieved an average score of

4.58/5

(2025: 9.5 out of 10)*

*2025 survey was scored out of 10

05

People and culture survey

PwC conducts an annual engagement survey, with questions asking how people are feeling about a range of areas including leadership, wellbeing and their perception of our culture and quality behaviours.

91%

of audit respondents answered favourably to "My team engages diverse perspectives and consults with specialists as needed, to perform quality work"

(2025: 90%)

91%

of audit respondents answered favourably to "The people I work with demonstrate conduct consistent with PwC's Code of Conduct"

(2025: 89%)

85%

of audit respondents answered favourably to "Our culture supports high quality outcomes"

(2025: 85%)

87%

of audit respondents answered favourably to "The people I work with challenge me and each other to deliver quality work"

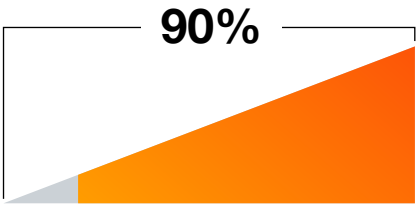
(2025: 85%)

06

Client listening

We ask our audit clients for their view on our levels of challenge and the quality of our audits, which we measure as a combined "Audit Quality Score". Client feedback provides one perspective on how audit quality is experienced. It complements, but does not replace, evidence from internal monitoring, external inspections, regulatory findings, restatements and other quality indicators.

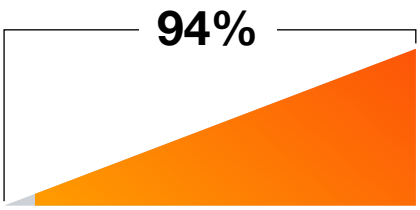
Audit quality score



audit quality score based on 608 external audit surveys

(2025: 88% from 654 external audit surveys)

Questioning mindset



strongly agree / agree that PwC brings a questioning mindset to our audit. Based on 608 external audit surveys

(2025: 94% from 654 external audit surveys)

Our people

The skills modern audit demands are changing. Today, our teams draw on expertise across sustainability, cyber security, AI, data analytics and technology. This is reflected in our graduate recruitment, with 54% of our 2027 intake coming from non-accounting backgrounds. In 2026, we made targeted investments to equip our people for this evolving landscape.

Sustainability assurance in practice:
Our teams delivered more than 200 sustainability assurance engagements in 2026, and we incorporated practical case studies and insights from the first round of mandatory climate reporting into our auditor training.

AI Foundations course:
In 2026 we launched a firm-wide AI Foundations course to build the confidence and capabilities needed to work, lead and deliver in the AI era, and grew our AI champions community to more than 100 Assurance members embedded across engagement teams.

Leadership Development and AI transformation:
We continue to invest in the quality of leadership across our firm. Over the last 18 months, partners, managing directors and directors have completed Leadership Reinvention, an immersive two-month program in which our leaders step away from day-to-day responsibilities to reflect on how they lead, strengthen peer connections and build the skills to foster a culture where quality, curiosity and constructive challenge thrive. In 2026, partners and managing directors also completed an eight-week executive AI coaching program focused on AI strategies for business transformation.

We also support our people's growth through curated learning pathways, grade-specific programs and structured on-the-job coaching.

01

Continuity

We have measured our "continuity rate" for senior associate grade through to partner for our ASX 100, 30 June year ends. Continuity from year to year drives a strong understanding of our clients' business, good sharing of information, and informed coaching of our junior staff – all key contributors to a quality audit.

78%

of hours on ASX 100 30 June 2026 audits were senior associates and above in at least their second year of the audit – enhancing quality through team continuity

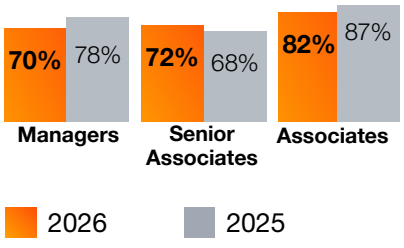
(2025: 77%)

02

Audit retention rate by staff level

Our audit staff retention rates continue to support the high team continuity that drives audit quality. We remain focused on attracting and retaining our talented people through a range of rewards, benefits and wellbeing initiatives, as well as investment in personal and professional development.

As audit evolves, so does the talent we need to deliver it. Our workforce strategy is shifting to attract specialists in AI, data, sustainability and emerging assurance alongside our core audit professionals. Audit-specific retention has decreased in some grades, which is a reflection of the mobility of our experienced people into new areas of our business and our investment in building our multidisciplinary teams that the future of assurance demands.



03

Our training investment in people

In 2026, our auditors undertook an average of 64 hours of formal auditing and accounting training through an engaging combination of face-to-face learning in client teams and virtual learning bursts. In addition to these formal auditing and accounting training hours, the firm continues to prioritise upskilling in digital tools and AI across all levels. Partners and managing directors completed an eight-week executive AI coaching program focused on AI strategies for business transformation, while, starting in 2027, all new graduates will participate in a week-long residential AI immersion program, bringing the entire cohort together for practical exposure to AI applications in everyday work and teaching responsible AI principles through hands-on client simulation exercises.

The reduction in 2026 learning hours for senior associates to partners reflects some one-off training programs delivered in 2025, primarily year 1 sustainability assurance training and targeted training supporting the rollout of PwC's next generation audit methodology.

Audit training: Average number of hours of auditing and accounting training mandated by PwC by grade 2026

	2026	2025
Partners	**31**	45
Managers/Directors	**37**	45
Senior Associates	**39**	45
Associates	**128**	116

Classroom and online training: Average hours achieved (audit, accounting and other training) by partners and staff

	2026	2025
Online	**25**	30
Classroom	**39**	54
Total	**64**	84
Total hours completed	**119,384**	130,581

04

Technical support for our teams

A leading indicator of our investment in our system of quality management is the ratio of partners in quality or technical roles compared to the total number of audit signing partners. Partners with senior risk and quality roles are highly valued and their remuneration is comparable to our experienced client-facing partners.

1:9

Ratio of partners serving in technical/audit quality support roles to the total number of audit signing partners

(2025: 1 : 9)



Enhancing audit quality through advanced technology

Technology enhances audit quality when it is matched by the judgement, scepticism and skill of the people who use it. That principle shapes every investment we make.

Over the past year, Australian teams were among the first in the PwC network to pilot Maestro, our new native audit platform, across client engagements, applying agentic AI to drive greater quality, consistency, efficiency and insight while keeping human decision-making at the centre of the audit. Beyond our platform investments, AI tools such as ChatPwC, our secure generative AI (GenAI) assistant, are increasingly embedded in day-to-day audit work. Through the development of purpose-built prompts and agentic skills, our teams are standardising how audit processes are performed across engagements, driving consistency and reinforcing audit quality.

Realising the full value of these tools requires equal investment in our people. In 2026, 90% of Assurance partners and staff completed PwC's AI Foundations course, building the skills and judgement needed to apply AI effectively while maintaining the professional scepticism and human oversight that remain central to audit quality.

Our use of AI in audit is governed by firm policies, approved-use requirements and human-review controls. Our audit professionals remain responsible for evaluating AI-supported outputs and for every audit judgement. Tools are subject to testing, validation, access controls, documentation requirements and escalation processes before and during use.

01

Market leading technology in our audits

100%

PwC audit clients on our single, globally consistent and AI-enabled audit platform, Aura

100%

PwC ASX 200 audit clients utilising our market-leading collaboration software, Connect, for secure sharing of information with the audit team

02

ChatPwC: PwC's state-of-the art AI assistant

3,948

purpose-built prompts and agentic skills have been used within ChatPwC, enhancing audit quality and efficiency

1.98m

queries posted to ChatPwC by Assurance team members (2025: 1.3m queries)

90%

of Assurance partners and staff completed PwC's AI Foundations course, and all have completed mandatory responsible AI training

95%

of Assurance partners and managing directors undertook an executive program focused on AI strategies for business transformation



Audit Quality Advisory Board

The role of the Audit Quality Advisory Board

PwC Australia's Audit Quality Advisory Board (AQAB) provides external advice, guidance and challenge regarding PwC Australia's approach to audit quality, specifically on matters relating to the quality of statutory (external) audits performed by the firm.[1] The AQAB's role is advisory.

PwC Australia provides the AQAB with information about our audit quality processes and frameworks, which the AQAB examines and discusses with senior assurance leadership. The AQAB summarises its areas of focus and recommendations on each of these topics, and the Chair of the AQAB meets annually with the CEO, the Assurance Leader and PwC's Governance Board. In this section of the report, we share a summary of the AQAB's areas of focus and recommendations for 2026 and how PwC will act on those.

2026 AQAB members:

- **Rosemary Sinclair AM FCPA** has 30 years of board experience in private, government, and international sectors including telecommunications, media, higher education, and energy. She has served on Audit committees such as at University of Wollongong and CPA Australia. Joined AQAB in April 2024 and became Chair in July 2025.
- **Cathie Armour GAICD**, former ASIC Commissioner (2013–2022), with strong expertise in capital markets regulation. She serves on commercial, public sector, and not-for-profit boards, chairing an Audit and Risk Committee. Joined AQAB in February 2023, retired in September 2026.
- **Warren Allen FCA, FCIS**, former PwC NZ Audit Advisory Board Chair and ex-CEO of New Zealand External Reporting Board. He chairs Audit and Risk Committees in public and not-for-profit sectors. Past audit partner at EY and former President of CA ANZ and IFAC. Joined AQAB in July 2025.

1 The AQAB Charter is reviewed annually.

Focus areas for 2026

The AQAB has focused on the following topics during 2026:



Updates to PwC's audit quality agenda: Focus on how PwC's Assurance Quality Indicators measure performance against the audit quality agenda and align to PwC's purpose.



Human-in-the-Loop AI Governance Frameworks: Focus on how the audit business establishes effective governance and oversight to ensure human judgement complements AI outputs, including checkpoints to detect AI bias, errors or limitations that may affect audit quality.



Sustainability assurance learnings from December 2025 Group 1 engagements: Focus on how PwC will learn from and apply the experiences gained from delivering December 2025 Group 1 sustainability assurance engagements for the benefit of future engagements; resource planning; client readiness and PwC's skills and capability assessments.

In considering each of these topics, the AQAB references documents and presentations provided by PwC Australia and supplemented by external materials. In addition, members draw on their experience in discussion on the topics with relevant PwC partners and staff.

Recommendations

The AQAB's recommendations for 2026 are:

01 The PwC Assurance leadership team, in an environment of heightened risk to confidence in audit quality and reputation:

Continue to adopt and further enhance their challenge mindset when evaluating performance against integrity, trust and ethics obligations such as APES 110 Code of Ethics for Professional Accountants, and in its annual assessment of quality agenda matters such as:

- Risk assessment
- Governance and leadership
- Ethical requirements
- Resources
- Monitoring and remediation

02 PwC Australia clearly emphasises Audit Quality as a key focus of the policies, processes, controls, training, risk assessment, engagement acceptance and reviews it puts in place to support the further development and deployment of AI tools in audit engagements.

03 PwC continues its focus on client readiness for mandatory sustainability reporting and the related assurance requirements by continuing its thought leadership work across industry and reinforcing its efforts across the PwC network and any international accounting forums, including working with multinational clients in relation to their Australian subsidiaries meeting these new obligations.

PwC agrees with the AQAB's recommendations and has adopted them to continuously improve our system of quality management

02



Delivering on our commitment to quality



A focus on audit quality across the network

The PwC network's Assurance QMSE framework

Delivering high-quality work is at the heart of what we do at PwC, and it is what our stakeholders expect of us.

To deliver services in an effective and efficient manner that meets the expectations of our clients and other stakeholders, the PwC network has established the Quality Management for Service Excellence (QMSE) framework which integrates quality management into how each firm runs its business and manages risk.

The QMSE framework is designed to align with the objectives and requirements of ISQM 1 and provides a model for quality management in PwC firms that integrates quality management into business processes and the firm-wide risk management process. While the Australian QMSE process is consistent with ISQM 1 as adopted by the PwC network, we also consider the requirements of ASQM 1 with differences embedded and addressed by our Australian SoQM.

Under QMSE, our overall quality objective is supported by underlying quality management objectives. Each firm's SoQM is designed and operated to provide reasonable assurance that the overall quality objective, including the objectives and requirements of ISQM 1 and ASQM 1, are achieved.

In 2025, PwC Australia changed the year-end date for its SoQM from 31 March to 30 September to align with the Public Company Accounting Oversight Board (PCAOB) evaluation cycle.

As a result of this change in year-end, the 2026 Transparency Report uses the 2025 SoQM evaluation (covering the year ended 30 September 2025) as the basis for reporting on PwC Australia's SoQM. PwC Australia remains committed to maintaining a robust system of quality management through ongoing monitoring, governance, and transparent reporting.

In addition, PwC Australia continues to perform quarterly monitoring activities following the SoQM year-end evaluation. These activities support ongoing oversight of our quality management processes and have not identified any matters requiring a change to our reasonable assurance conclusion regarding the effectiveness of our SoQM.



Integrated and aligned in the right way

Our SoQM includes quality objectives as identified from the following components of ISQM 1 as well as any additional objectives PwC Australia has identified in the QMSE framework:

- Risk assessment process
- Governance and leadership
- Relevant ethical requirements
- Acceptance and continuance of client relationships and specific engagements
- Engagement performance
- Resources
- Information and communication
- Monitoring and remediation process

To help us achieve these objectives, the PwC network invests significant resources in the continuous enhancement of quality across our network. This includes having a strong quality infrastructure supported by the right people, underlying tools and technology at both the network level and within our firm, and a program of continuous innovation and investment in our technology. The PwC network's Global Assurance Quality (GAQ) organisation aims to support PwC firms in promoting, enabling, and continuously improving Assurance quality through effective policies, tools, guidance and systems used to further promote and monitor quality and to build an appropriate level of consistency in what we do.

These elements have been integrated and aligned by the PwC network to create a comprehensive, holistic and interconnected quality management framework. Each firm tailors this framework to reflect its individual circumstances and, is responsible for using the resources provided by the network as part of its efforts to deliver quality and meet the expectations of our stakeholders.

The quality management process (QMP)

One of the key elements of the SoQM is a dynamic and iterative QMP. This process involves appropriate management of the quality risks through the identification and assessment of those quality risks to design, implement and operate appropriate responses as well as effectively monitoring the SoQM to be able to take appropriate actions where quality findings and deficiencies have been identified through the monitoring performed. This process includes:

- Identifying risks to quality including through the use of performance measures.
- Implementing responses to identified quality risks including firm and/or Assurance leadership approved policies and procedures to provide reasonable assurance the quality objectives are achieved.
- Monitoring the design and operating effectiveness of the SoQM through process integrated monitoring activities including real-time-assurance (RTA) techniques and an objective inspection and monitoring program including engagement reviews, people and client feedback.
- Assessing quality findings arising from monitoring activities and performing root cause analyses and implementing remedial actions and metrics to measure the effectiveness of the remedial actions.
- Performing an overall assessment of the quality management process and reporting to leadership, engagement leaders and other appropriate individuals.
- Establishing a quality-related recognition and accountability framework that reinforces the appropriate quality culture, behaviours and tone at the top to be used in appraisals, remuneration and career progression decisions.

This involves the integrated use of Assurance Quality Indicators (AQIs) to aim to predict quality issues, Real-Time Assurance to aim to prevent quality issues, Root Cause Analysis to learn from quality issues and a Recognition and Accountability Framework to establish, communicate and reinforce quality behaviours, culture and actions.

Overall quality objective under the QMSE framework

To have the necessary capabilities in our organisation and to deploy our people to consistently use our methodologies, processes and technology to deliver services in an effective and efficient manner to fulfil the expectations of our clients and other stakeholders.



Operation of the Quality Management Process

Our SoQM must be designed, implemented and operating on an ongoing basis to achieve the quality objectives. This ongoing process includes monitoring, assessing, evaluating, reporting, and responding to changes in quality risks, driven by the firm's internal and external environment. This is our QMP. Our focus on quality management is therefore not to apply prescribed rules, but rather to design and implement risk responses which are fit for purpose. These responses are intended to manage the risks we identify through our own risk assessment and support the achievement of the quality objectives, taking into consideration the conditions, events, circumstances, actions and/or inactions that may impact our SoQM.

Our risk assessment process

Our SoQM includes the performance of a risk assessment over the quality objectives identified in the QMSE framework. We consider how and the degree to which a condition, event, circumstance, action or inaction may adversely affect the achievement of the quality objectives which may result in:

- New or changing quality risks to achieving one or more of the quality objectives.
- Changes to the assessment of existing quality risks.
- Changes to the design of the firm's SoQM, including the risk responses.

A quality risk is one that has a reasonable possibility of occurring and individually, or in combination with other quality risks, could adversely affect the achievement of one or more quality objectives.



Aim to predict: Assurance Quality Indicators

We have identified a set of AQIs to enable leadership to assess the achievement of its quality objectives and to drive actions to address potential issues through appropriate analysis and integration with the rest of the quality management process.

These AQIs incorporate both leading and lagging indicators and include metrics related to independence of firm and staff, ethical requirements, availability of partners and staff, skills of partners and staff, motivation of partners and staff, SoQM effectiveness, project management, documentation, direction and supervision, engagement performance, and technological resources.

This quality risk analysis process is an essential part of our SoQM, and the AQIs, in addition to other performance measures, serve as a crucial tool for ongoing monitoring and continuous improvement of our SoQM.



Aim to prevent: Real Time Assurance

Our RTA program provides preventative monitoring that coaches and supports engagement teams to ensure the right work is completed in real-time, during the audit. The RTA program follows a risk-based approach, which considers new auditing standards, inspection review results and emerging market issues. RTA reviews, which are performed by experienced practice or Risk and Quality professionals, assist in the identification of shareable practices and the provision of targeted coaching for engagement teams.

Our monitoring and remediation process

In the monitoring section of this report we have described the types of ongoing and periodic monitoring our firm has designed, implemented and are operating to provide relevant and reliable information about our firm's SoQM and to help us take appropriate actions over any identified deficiencies so we can remediate those deficiencies effectively and on a timely basis. To support the timely and effective remediation of identified deficiencies, our firm has designed, implemented and are operating a root cause analysis program described below.

The information gathered from our monitoring and remediation process along with other sources of information, such as external reviews, is used to help us evaluate our SoQM.



Learn: Root cause analysis

We perform analyses to identify potential factors contributing to our firm's audit quality so that we can take actions to continuously improve. Our primary objectives when conducting such analyses are to understand what our findings tell us about our SoQM and to identify how our firm can provide an effective environment for our engagement teams to deliver a quality audit. We analyse quality findings from various sources including our own ongoing monitoring of our SoQM as well as network inspections of our SoQM, audits both with and without deficiencies – whether identified through our own internal inspections process or through external inspections and other inputs such as restatements included in clients' financial statements – to help identify possible distinctions and learning opportunities.

When performing root cause analysis, we consider potential factors contributing to the overall quality of the audit such as technical knowledge, supervision and review, professional scepticism, engagement resources, and training, amongst others. Potential causal factors are identified by evaluating engagement information, performing interviews, and reviewing selected audit working papers to understand the factors that may have contributed to audit quality.

In addition, the data compiled for audits both with and without engagement-level findings is compared and contrasted to identify whether certain factors appear to correlate to audit quality.

Our goal is to understand how quality audits may differ from those with engagement-level findings, and to evaluate how these learnings may be used to continuously improve all of our audits. We evaluate the results of these analyses to identify enhancements that may be useful to implement across the practice. We believe these analyses contribute significantly to the continuing effectiveness of our quality management.

Reinforce: Recognition and Accountability Framework

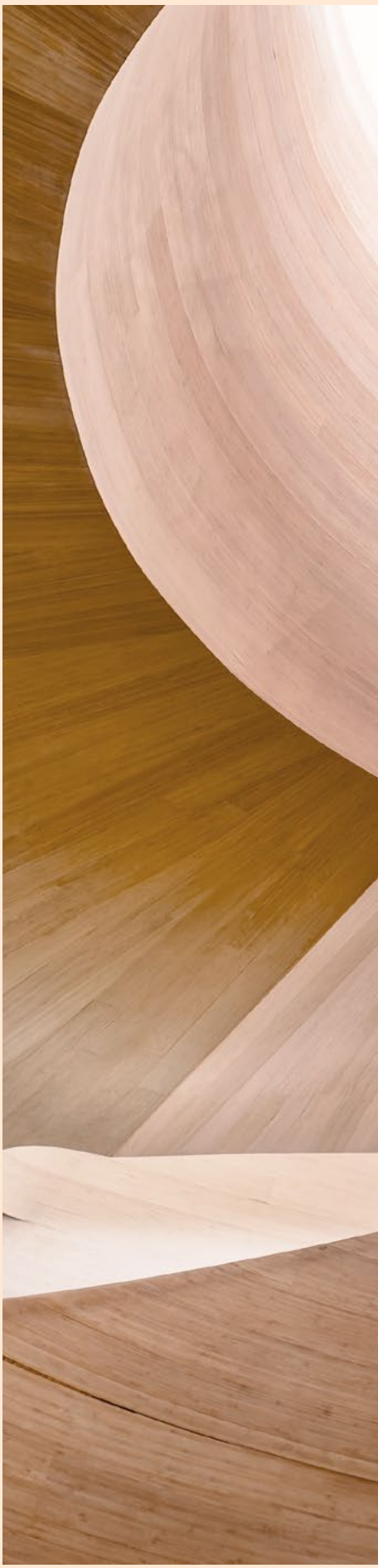
Our Recognition and Accountability Framework (RAF) reinforces quality in everything our people do in delivering on our strategy, with a focus on the provision of services to our clients, how we work with our people and driving a high quality culture. It holds partners accountable for quality behaviours and quality outcomes and directly links audit quality with remuneration. The impact of audit quality matters on the remuneration of audit partners is assessed independently by our Assurance Risk and Quality team to ensure separation from other elements of performance evaluation. Each partner's remuneration reflects how well they have performed against an individually tailored balanced scorecard of objectives, based on their role and responsibilities. Our RAF considers and addresses the following key elements:

- **Quality outcomes:** We provide transparent quality outcomes to measure the achievement of the quality objectives. Our quality outcomes take into account meeting professional standards and the standards and policies of the PwC network and the firm.
- **Behaviours:** We have set expectations of the right behaviours that support the right attitude to quality, the right tone from the top and a strong engagement with the quality objective.
- **Interventions/recognition:** We have put in place interventions and recognition that promote and reinforce positive behaviours and drive a culture of quality.
- **Consequences/reward:** We have implemented financial and non-financial consequences and rewards that are commensurate to outcome and behaviour and sufficient to incentivise the right behaviours to achieve the quality objectives.

Throughout this Audit Transparency Report, we have provided insight into the policies and procedures we have designed, implemented and are operating to reduce the quality risks we have identified to an acceptable level and help us achieve reasonable assurance over the firm's SoQM.

As mentioned above, some of our policies and procedures are provided by the PwC network which we have assessed to determine that they are appropriate for use as part of our SoQM and in the performance of engagements. The following sections of the report cover the following ISQM 1 quality objectives:

- **Cultures and values:** Governance and leadership, relevant ethical requirements, and acceptance and continuance of client relationships and specific engagements
- **Our people:** Human resources
- **Our approach:** Intellectual and technological resources, engagement performance, information and communication



Enhancing audit quality through client listening

2026 client listening

Audit quality score

90%

audit quality score based on 608 external audit surveys

(2025: 88% from 654 external audit surveys)

Questioning mindset

94%

strongly agree / agree that PwC brings a questioning mindset to our audit. Based on 608 external audit surveys

(2025: 94% from 654 external audit surveys)

Our commitment to audit quality through thoughtful and consistent client listening

Audit quality extends beyond technical accuracy – it is reflected in how we plan, communicate, and engage with our clients to deliver objective insights. A key part of our role as auditors is applying professional scepticism and respectfully challenging where appropriate, helping to support confidence in financial reporting.

We regularly collect formal feedback from our audit clients to understand how our audits are experienced in practice. This feedback provides valuable insights into the factors that drive audit quality and helps us keep client expectations and experiences central to how we work.

Our External Audit survey is structured around defined key audit quality variables, including our understanding of the client's business and industry, the clarity and strength of our technical insights, the effectiveness of our tools and planning, and our approach to respectful challenge.

In addition to surveys, PwC senior partners hold in-depth feedback conversations with key client stakeholders. These discussions explore what clients value in a high-quality audit, how effectively we delivered, and where we can improve.

By continuing to listen and acting on this feedback, we take targeted steps to enhance audit quality and improve client experiences. This is part of our ongoing commitment to transparency, accountability, and continuous improvement in everything we do.

Leadership and tone at the top

Delivering quality services across the network

Definition and culture

At PwC, quality service means consistently meeting stakeholder expectations while complying with all applicable standards and policies.

Delivering on this definition depends on a strong culture of quality across our network of more than 369,000 people. Quality is everyone's responsibility, and strengthening that culture remains a priority for our global and local leadership teams. It is also an important part of how leadership performance is measured.

Across our businesses, each PwC firm is required under its network membership agreement to maintain a comprehensive SoQM, complete an annual SoQM performance assessment and communicate the assessment results to global leadership.

These results are then discussed in detail with the leadership of each local firm and if they are not at the level expected, a remediation plan is agreed with local leadership taking personal responsibility for its successful implementation.

As our services evolve and stakeholder expectations change, the PwC network continues to review and update the scale, scope and operation of PwC firms' SoQMs. We also continue to invest in programs that enhance the quality of services delivered across the network.

Companies today are judged on far more than financial outcomes. Performance in areas such as ESG and cyber security can affect reputation, staff retention, access to capital and, ultimately, enterprise value.

That is why we are evolving our assurance offering to provide confidence not only in companies' financial statements, but also in their broader impact. We call this 'trust in what matters.'

We apply rigorous standards to analyse companies' performance on issues such as climate and diversity. This helps companies demonstrate progress, build trust, enhance corporate reputation and support enterprise value.

We encourage clients to understand what matters to their stakeholders and provide assurance over performance on those measures. High-quality assurance strengthens accountability and trust, while giving companies a robust basis to track and improve performance.

When working with our clients and our colleagues to build trust in society and solve important problems, we:

Act with integrity



- Speak up for what is right, especially when it feels difficult
- Expect and deliver the highest quality outcomes
- Make decisions and act as if our personal reputations were at stake

Make a difference



- Stay informed and ask questions about the future of the world we live in
- Create impact with our colleagues, our clients and society through our actions
- Respond with agility to the ever changing environment in which we operate

Work together



- Collaborate and share relationships, ideas and knowledge beyond boundaries
- Seek and integrate a diverse range of perspectives, people and ideas
- Give and ask for feedback to improve ourselves and others

Care



- Make the effort to understand every individual and what matters to them
- Recognise the value that each person contributes
- Support others to grow and work in the way that brings out their best

Reimagine the possible



- Dare to challenge the status quo and try new things
- Innovate, test and learn from failure
- Have an open mind to the possibilities in every idea



Our culture and values

Building a culture of quality is central to achieving our Assurance quality objectives. Quality is everyone's responsibility, and our purpose and values guide how we build trust in society and solve important problems.

Our purpose explains why we do what we do, and our strategy defines what we do. How we deliver both is shaped by our culture, values and behaviours. Together, these form the foundation of our SoQM and guide how we operate, including our leadership actions and how we deliver trust in what matters through our business, with each other and in our communities.

Tone at the top supports this culture through regular leadership communication to partners and staff about the firm's commitment to quality. These messages are delivered by our Country Senior Partner (CEO) and leadership team, and reinforced by engagement partners.

These communications highlight what we do well and where we can continue to enhance our approach. We track whether our people believe leadership messaging reinforces the importance of quality to the success of our firm. Based on this tracking, we are confident our people understand our quality objectives. Delivering the highest quality service remains core to our purpose and our Assurance plan, strengthening trust and transparency for our clients, capital markets and wider society.

Leadership responsibility for quality

PwC's leadership is committed to audit quality and to fostering a culture grounded in independence, professional ethics and high standards. We support this culture through detailed policies covering ethical behaviour, human resources and engagement performance, as well as regular leadership communication about the firm's purpose and values. Enhancing our culture of quality remains a significant focus for global and local leadership teams and forms part of how their performance is measured. PwC's leadership structure reinforces this commitment at multiple levels across the firm, supported by the resources needed to deliver quality.

We measure quality through adherence to our systems and processes, and through how our people view our commitment to quality. Our annual Leadership in Ethics and Quality survey allows our people to provide feedback to senior staff and partners on the quality behaviours they demonstrate with clients, engagement teams and in engagement files. In the 2026 survey, we received more than 6,000 responses.

Leadership in ethics and quality survey

Of the partners who received feedback from our people, they achieved an average score of

4.66/5

(2025: 9.7 out of 10)*

Of the senior staff grades who received feedback they achieved an average score of

4.58/5

(2025: 9.5 out of 10)*

*2025 survey was scored out of 10



Leadership responsibilities

within PwC Australia

Firm level



CEO

Kevin Burrowes



Management Leadership team member – Assurance Leader

Sue Horlin



Management Leadership team member – Chief Risk and Ethics Officer

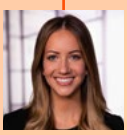
Debbie Smith

Assurance



Assurance Risk and Quality Leader

Ashley Wood



Human Capital Director

Kelly Mooney



Audit Leader

Liz O'Brien

Assurance Risk and Quality partners

Responsible for accounting, methodology, inspections, risk and learning



Assurance Practitioners Network

Assurance Risk Management Partners Network

Experienced partners who identify and manage the risk within our business units

Chief Auditor Network

The first-line support from experienced practitioners when teams are making judgements real-time during the audit. Also responsible for targeting emerging audit quality challenges and root causes proactively at each operating unit level, as well as providing leadership to set the tone for a quality culture.



Ethics, independence and objectivity

Ethics

PwC Australia's vision is to be the pre-eminent professional services firm of the AI era, built on the highest ethical and professional standards with integrity at the core of everything we do. Combining technology, deep expertise, trusted relationships and the full strength of our firm to deliver purposeful and sustained outcomes for our clients, our people and our communities.

Ethical conduct is central to who we are, what we do and why we do it. It supports informed decision-making, reinforces accountability and helps ensure our actions are guided by integrity in our dealings with clients, our people and other stakeholders.

Our Network Standards, Network Risk Management Policies, Code of Conduct and local policies set the expectations that guide how we work. These are supported by our compliance framework, central Risk and Ethics function and subject matter experts across the firm, helping our people understand their obligations, exercise judgement and act consistently with our professional and ethical standards.

In 2026, we continued to reinforce ethical conduct, professional standards and accountability through a coordinated program of policies, training, communication and governance. This included:

- Maintaining and enhancing firm-wide policies and practices that support consistent expectations for risk, ethics and compliance across the firm, including policies relating to artificial intelligence, data protection and confidentiality, expenses, external appointments, gifts and entertainment, technology, privacy, sexual harassment, social media, travel and flexible work.
- Applying our Consequence Management Framework and Compliance Gateway for partners and staff to support consistent, fair and proportionate responses where conduct or compliance concerns arise.
- Fostering a culture of constructive challenge, where our people feel safe to speak up, raise concerns and seek guidance without fear of retaliation.
- Delivering annual mandatory training, together with Assurance-specific ethics sessions, to reinforce ethical decision-making, Speak Up expectations and key legal, professional and regulatory obligations.
- Maintaining the Ethics and Business Conduct site as a central source of tools, policies and resources, including guidance on how to raise a concern, access the PwC Ethics Helpline and identify the appropriate course of action for ethical or business conduct matters.
- During 2026 we continued to strengthen the systems that support audit integrity, including confidentiality and data-protection controls, safeguards governing audit tenders, Speak Up and whistleblower processes, as well as consequence management, partner accountability and policies governing former partners on audit boards. We have invested in training and continuous development, so our people understand these evolving expectations.

Professional standards

PwC Australia applies the fundamental principles of ethics set out in the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants and APES 110 Code of Ethics for Professional Accountants in Australia (APES 110). These principles require integrity, objectivity, professional competence and due care, confidentiality and professional behaviour in professional and business relationships.

PwC network standards and Global Code of Conduct

PwC network standards apply to all PwC network firms and address matters including ethics and business conduct, independence, anti-money laundering, fair competition, anti-corruption, information protection, firm and partner taxes, sanctions, internal audit and insider trading. PwC Australia assesses compliance with these requirements annually and seeks to apply both the letter and the spirit of those obligations.

The PwC Global Code of Conduct, PwC Global Tax Code of Conduct and related global and local policies describe the behaviours expected of our partners and staff. Together with the PwC values and purpose, they provide practical guidance to support our people in doing the right thing across a broad range of professional circumstances.

On hiring or admission, all staff and partners complete induction training that includes an introduction to the PwC Global Code of Conduct. Our people are expected to live the values expressed in the Code of Conduct throughout their careers with the firm, and to raise questions or concerns fairly, honestly and professionally where conduct appears inconsistent with those expectations.

All partners and staff complete two courses of annual mandatory refresher training, known as Essential IQ. Significant resources are invested to ensure we achieve 100% completion. The Essential IQ program:

- Provides our people with regular reminders on the key elements of our Code of Conduct outlining our core principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, with emphasis on the importance of our Speak Up culture.
- Addresses core legal and professional obligations and key regulatory and policy changes, including AML.

Our people also complete an extensive, detailed annual compliance confirmation covering relevant independence and policy obligations. This process requires our people to confirm their understanding and compliance and is a key mechanism to support awareness and understanding of the rules and expectations under which we operate.

The PwC Ethics Helpline is available to partners, staff and external stakeholders, including clients and third parties, to seek advice or report concerns about conduct inconsistent with the Code of Conduct or related policies. Concerns can be raised openly or anonymously and are managed confidentially.

PwC Australia has adopted a Consequence Management Framework to support appropriate remediation and accountability where behaviours are inconsistent with the Code of Conduct.

The Organisation for Economic Co-operation and Development (OECD) provides guidance, including the OECD Guidelines for Multinational Enterprises (the OECD Guidelines), by way of non-binding principles and standards for responsible business conduct when operating globally. The OECD Guidelines provide a valuable framework for setting applicable compliance requirements and standards. Although the PwC network consists of firms that are separate legal entities which do not form a multinational corporation or enterprise, PwC's network standards and policies are informed by and meet the goals and objectives of the OECD Guidelines.



Training compliance

An important part of enforcing our Code of Conduct is setting and monitoring our expectations of compliance with our training policy. We set clear integrity expectations for online training including a declaration signed as part of every online training module.

Audit training matters

99%

of partners and staff completed mandatory training in 2026 (2025: 99%). The remainder represents overdue submissions rather than non-completion of training. We monitor, test and follow up with consequences for noncompliance with training policies. There were zero dismissals during 2026 for breaches of training policy (2025: 0).

Objectivity and independence

As auditors of financial statements and providers of other types of professional services, PwC firms and their partners and staff are expected to comply with the fundamental principles of objectivity, integrity and professional behaviour.

In relation to assurance clients, independence underpins these requirements. Compliance with these principles is fundamental to serving the capital markets and our clients.

The PwC Global Independence Policy (Independence Policy), which is based on the IESBA International Code of Ethics for Professional Accountants (including International Independence Standards), contains minimum standards with which PwC firms have agreed to comply, including processes that are to be followed to maintain independence from clients, when necessary.

The independence requirements of the United States Securities and Exchange Commission (SEC) are, in certain instances, more restrictive than the Independence Policy. Given the reach of these requirements and their impact on PwC firms in the network, the policy identifies key areas where an SEC requirement is more restrictive. Provisions that are specifically identified as applicable to SEC restricted entities must be followed in addition to, or instead of, the policy in the associated paragraph.

Leadership

PwC Australia has a designated Partner Responsible for Independence (PRI), with appropriate experience and standing, who is responsible for implementation of the Independence Policy including managing the related independence processes and providing support to the business. The PRI reports directly to PwC Australia's Central Business Risk Leader, who in turn reports to the Chief Risk and Ethics Officer. With the support of a specialist team, the PRI oversees the firm's independence policy, systems, processes, advice and guidance.

Policies

We have policies in place to ensure we comply with professional and regulatory standards of independence for firms that provide assurance services. These policies are reviewed and revised regularly and in response to new rules, regulations or operational matters.

The Independence Policy covers (among other areas):

- Personal and firm independence, including policies and guidance on the holding of financial interests and other financial arrangements, e.g. bank accounts and loans held by partners, staff and the firm.
- Non-audit services and fee arrangements. The policy is supported by Statements of Permitted Services (SOPS), which provide practical guidance on the application of the policy in respect of non-audit services to audit clients and related entities. The policy also covers the requirement to obtain concurrence from those charged with governance prior to the provision of non-assurance services to PIE audit clients.
- Business relationships, including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on the purchasing of goods and services acquired in the normal course of business.
- Acceptance of new audit and assurance clients, and the subsequent acceptance of non-assurance services for those clients.

In addition, there is a Network Risk Management Policy governing the independence requirements related to the rotation of key audit partners.

These policies and processes are designed to help PwC firms comply with relevant professional and regulatory standards of independence that apply to the provision of assurance services. Policies and supporting guidance are reviewed and revised when changes arise such as updates to laws and regulations or in response to operational matters.

When necessary, we supplement the Independence Policy and partner rotation guidance with more restrictive local professional and regulatory rules of the Corporations Act 2001, APES 110 Code of Ethics for Professional Accountants (including Independence Standards), Australian Prudential Regulation Authority (APRA) Prudential Standards and National Greenhouse Energy Reporting (NGER) Regulations, as well as additional local policy rules.



Independence-related systems and tools

As a member of the PwC network, PwC Australia has access to global systems to help partners and staff comply with independence policies and procedures. These systems include:

Central Entity Service (CES) which contains information about corporate entities including all PwC audit clients and their related entities (including all public interest audit clients and SEC restricted entities), as well as their related securities. CES assists in determining the restriction status of clients of the member firm and those of other PwC member firms before entering into a new non-audit service or business relationship. This system also feeds Independence Checkpoint and Authorisation for Services.

Independence Checkpoint which facilitates the pre-clearance of publicly traded securities before acquisition by all partners and practice managers, and is used to record their subsequent purchases and disposals. Where a PwC member firm wins a new client, this system automatically informs those holding securities in that client of the requirement to sell the security where required.

Authorisation for Services (AFS) which facilitates communication between a non-audit services engagement leader and the audit engagement leader, regarding a proposed non-audit service, documenting the analysis of any potential independence threats created by the service and proposed safeguards, where deemed necessary, and acts as a record of the audit partner's conclusion on the permissibility of the service.

Joint Business Relationships (JBR) which is a global system used to clear joint (close) business relationships from an independence perspective. JBR is used to facilitate PwC firms' compliance with JBR requirements for new and existing joint business relationships. It assists independence specialists in gathering information to assess, from an independence perspective, the permissibility of proposed joint business relationships and in monitoring the continued permissibility of previously approved existing joint business relationships.

Annual Compliance Confirmations (ACC) which facilitates the completion of annual compliance confirmations by partners and staff covering their compliance with our network and firm's policies, including independence policy requirements.

Global Breaches Reporting System (GBRS) which is designed to be used to report any breaches of external auditor independence regulations (e.g. those set by regulation or professional requirements) where the breach has cross-border implications (e.g. where a breach occurs in one territory which affects an audit relationship in another territory). All breaches reported are evaluated and addressed in line with the IESBA International Code of Ethics for Professional Accountants, and/or the SEC regulation, as applicable.

Engagement Independence Confirmation (EIC) which facilitates the completion of engagement level personal independence confirmations by audit team members to enable the audit engagement partner to demonstrate the independence of the team.

Independence Assessment (IA) which is a global platform that facilitates the identification and assessment of firm services and relationships with a prospective audit client or related entity.

PwC Australia also has territory-specific independence systems, including:

- **Partner Portfolio Risk and Rotation** which helps monitor compliance with applicable partner rotation requirements for PwC Australia's audit and assurance clients.
- **External Appointments** which facilitates the assessment and tracking of partner and staff external directorships and similar appointments.



Training

PwC trains partners and practice staff in independence matters every year. Training typically focuses on subject matter and responsibilities that come with a change in position or role, changes in policy or external regulation, and other relevant topics. Training about the firm's independence policy and related matters is delivered via e-learns, presentations, virtual and in-person classroom sessions, online guidance, and communications.



Independence monitoring and disciplinary policy

All partners and practice staff are required to complete an ACC, whereby they confirm their compliance with relevant aspects of the PwC firm's independence policy. This includes matters relating to their own personal independence, and that all non-audit services and business relationships for which they are responsible comply with policy and that the required processes have been followed in accepting these engagements and relationships. The annual confirmations are supplemented by engagement level independence confirmations for all audit clients.

PwC Australia is responsible for monitoring the effectiveness of its quality control system in managing compliance with independence requirements. In addition to the ACC, as part of this monitoring we perform:

- Compliance testing of independence controls and processes, both at the firm level and the individual engagement level.
- Compliance testing of personal independence across a random selection of partners and managers, including those being considered for partnership and leadership team or board member admission.
- An annual assessment of the firm's adherence to the PwC network's Standard requirement relating to Independence.

The results of PwC Australia's independence monitoring and testing are reported to our leadership team. PwC Australia has an Accountability Framework and supporting disciplinary policies and mechanisms in place that promote compliance with independence policies and processes, and that require any breaches of independence requirements to be reported and addressed.

We also follow breach reporting requirements under the Corporations Act 2001, the SEC Rules, and APES 110. This would include discussion with the client's audit committee regarding the nature of the breach, an evaluation of the impact on our independence, and the need for actions or safeguards to maintain objectivity. Although breaches are typically minor and attributable to an oversight, all breaches are taken seriously and investigated as appropriate. These investigations also serve to identify any need for improvements in the firm's systems and processes, guidance and training.

Acceptance and continuance of client relationships and specific engagements

Our principles for determining whether to accept a new client or continue serving an existing client are fundamental to delivering quality, which we believe goes hand-in-hand with our purpose to build trust in society. We have established policies and procedures for the acceptance of client relationships and audit engagements. We reassess these considerations in determining whether we should continue with the client engagement and have in place policies and procedures related to withdrawing from an engagement or a client relationship when necessary.

The policies and processes we have in place emphasise risk and quality considerations such that financial and operational priorities do not lead to inappropriate judgements about whether to accept or continue a client relationship. Deciding to accept a new client or to continue serving an existing client is an essential part of maintaining independence and quality. Before we make such a decision, we consider whether we:

- Are competent to perform the engagement and have the necessary capabilities including time and resources.
- Can comply with relevant ethical requirements, including independence.
- Have appropriately considered the integrity of the client.

To help us identify acceptable audit clients, PwC Australia uses the PwC network's decision support system called Acceptance. Acceptance helps the engagement team, business, risk management and independence specialists decide whether the risks related to an existing client or a potential client are manageable, and whether or not PwC Australia should be engaged.

For engagement teams, Acceptance enables them to:

- Document their consideration of matters required by relevant professional standards.
- Identify and document issues or risk factors and their resolution (through consultation, for example) by adjusting the resource plan or audit approach, putting in place other safeguards to mitigate identifiable risks, or by declining to perform the engagement.
- Evaluate the risks associated with accepting or continuing with a client and engagement.

For PwC's leadership and risk management specialists, Acceptance enables them to:

- Evaluate the risks associated with accepting or continuing with clients and engagements.
- Have an overview of the risks associated with accepting or continuing with clients and engagements across the client portfolio.
- Understand the methodology, basis and minimum considerations all other member firms in the PwC network have applied in assessing audit acceptance and continuance.

PwC has policies and procedures for withdrawing from an engagement or a client relationship, if and when necessary.

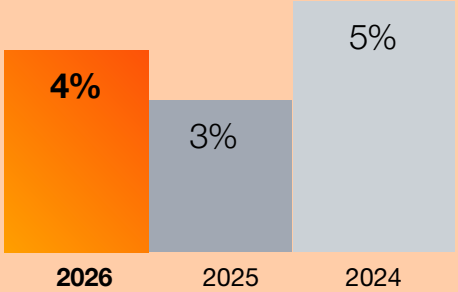
Financial information

	2026	2025	2024
Total revenue	$2,135m	$2,085m	$2,475m
Revenue for audits of financial statements	$560m	$571m	$575m
Revenue for other assurance services provided to audit clients	$68m	$52m	$63m
Revenue for non-audit services provided to audit clients	$96m	$124m	$106m
Revenue for other services provided to non-audit clients	$1,411m	$1,338m	$1,731m

Consistent with prior years, PwC continues to provide disclosure additional to the requirements of the Corporations Act 2001 by splitting revenues from other services between audit clients and non-audit clients.

Non-audit fees as a percentage of audit fees for ASX 200 audit clients

Independence is a fundamental part of audit quality because it supports objectivity. The Corporations Act 2001 prohibits an external auditor from performing certain services for their client. These include engagements where the audit firm might act in a management capacity or find itself auditing its own work. PwC has comprehensive internal policies to ensure our independence is not impaired. Non-audit services provided to PwC Australia's ASX 200 audit clients in 2026 were approximately 4% of audit fees (2025: 3%).



Non-audit fees as a percentage of audit fees for ASX 200 audit clients

Partner remuneration

Once the performance of individual partners has been assessed, the CEO and Management Leadership Team make recommendations on the firm allocation and distribution of profits in accordance with our Partner Evaluation and Income System. The profitability of the audit business is broadly equal with that of the firm as a whole, which means that remuneration of audit partners is not subsidised by other businesses in the firm. The Governance Board oversees the proper application of the firm's partner income scheme.

Partners have transparency over the total income allocated to each individual as well as quality related matters that have a direct financial impact on remuneration. Audit partners are not permitted to be incentivised, evaluated or remunerated for the selling of non-audit services to their audit clients.

Our people

Our people strategy is focused on being the world's leading developer of talent and enabling our people with greater agility and confidence in a complex world.

Specific focus areas include creating a resilient foundation through supporting the wellbeing of our people and enabling effective delivery, developing inclusive leaders and enabling our workforce for today's realities and tomorrow's possibilities.

We hire candidates who have diverse backgrounds and appropriate skills, have a questioning mindset and intellectual curiosity and demonstrate courage and integrity. Our hiring standards include a structured interview process with behavioural based questions built from the Evolved PwC Professional framework, tactical technical questions designed to review individuals' competence relating to audit quality, a verification of academic records and background checks.

Our strategy relies upon investing to create the PwC Australia of the future – responding to the expectations of the market to deliver a different, more digital experience to our clients.

Three key elements of this strategy are:

01

Digital and AI upskilling

We provide our people with individualised learning tools to expand the use of digital and AI solutions on their audits and empower them with a mindset of continual improvement, responsible use and innovation. Our Digital Academies develop our people in core skills and market leading technologies, such as data transformation and automation, GenAI agentification and data visualisation. These tools enhance the firm's collective digital fluency while providing each individual with a personalised curriculum to build their digital IQ. Our Digital and AI Accelerators are embedded within our engagement teams and are dedicated to applying digital capabilities to each audit, as well as developing new digital solutions and responsible AI use cases for our audits.

02

Social impact

Our strategy is to deliver social impact on key issues for example investing in sustainability and the community to pursue growth in an inclusive way and to amplify the impact of others by supporting organisations responding to complex social problems.

03

Sustainable high performance

The firm has increased the dialogue on our people's mental health and wellbeing. We actively encourage a culture of openness around mental health and wellbeing as demonstrated by our Green Light to Talk movement, where we have now over 200 of our people trained as Green Light to Talk advocates and 12 Mental Health Partner advocates in Assurance. This supplements a comprehensive suite of online tools and information around health and wellbeing as well as a dedicated wellbeing team.

2026

136

Number of audit partners

(2025: 143)

1,420

Number of audit staff

(2025: 1,512)



Diversity and inclusion

At PwC, we are an organisation that fosters a culture of belonging and equity where our diverse workforce can thrive and feel like they belong. We do this by delivering on our Inclusion First strategy, which is centred on action, accountability and advocacy, in each of our member firms, across the PwC network.

We embrace and encourage differences and help our people actively develop the skills to work and lead inclusively with our focus on gender equity, disability inclusion, LGBTQI+ inclusion and social inclusion. Underpinning this is ensuring our systems and behaviours are inclusive.

We know that when people from different backgrounds and with different points of view work together, we create the most value – for our clients, our people, and society. Our core values of Care and Work Together guide us to recognise the contributions of each individual and develop a workplace with a range of people, perspectives and ideas. We measure our progress through targets and transparency.

Our pursuit of diversity

Of our audit staff as at 30 June 2026:

49%

were women

(2025: 49%)

68%

were from diverse cultural backgrounds

(2025: 67%)

Recruitment

PwC recruits high-quality people who can operate to a high technical, professional and ethical standard, and who share in the firm's purpose and sense of responsibility for quality auditing. We assess candidates according to multiple criteria, which include PwC's professional attributes, as well as academic achievements. When recruiting experienced hires into the firm, we give considerable attention to candidates' competency in and understanding of audit quality and professional scepticism. We also aim to hire a diverse and inclusive workforce.

Team selection, experience and supervision

Our audit engagements are staffed based on expertise, capabilities and years of experience. Engagement leaders determine the extent of direction, supervision and review of junior staff.

Feedback and continuous development

Our team members obtain feedback on their overall performance, including factors related to audit quality such as technical knowledge, auditing skills and professional scepticism. Audit quality is an important factor in performance evaluation and career progression decisions for both our partners and staff. Feedback on performance and progression is collected via FeedbackExchange as our primary tool, enabling a simple central repository, with all feedback structured around our global Evolved PwC Professional Framework. Ongoing feedback conversations help our people grow and learn faster, adapt to new and complex environments and bring the best to our clients and firm.

PwC Australia uses The Evolved PwC Professional, our global career progression framework, which sets out clear expectations at all staff levels across six key dimensions. The framework underpins all elements of career development and helps our people develop into well-rounded professionals and leaders with the capabilities and confidence to understand the context within which they work, consistently produce high-quality work, deliver an efficient and effective experience for our clients, execute our strategy and support our brand. Our annual performance cycle is supported by continuous feedback conversations and regular check-ins with the individual's team leader and/or partner to discuss their development, progression and performance.

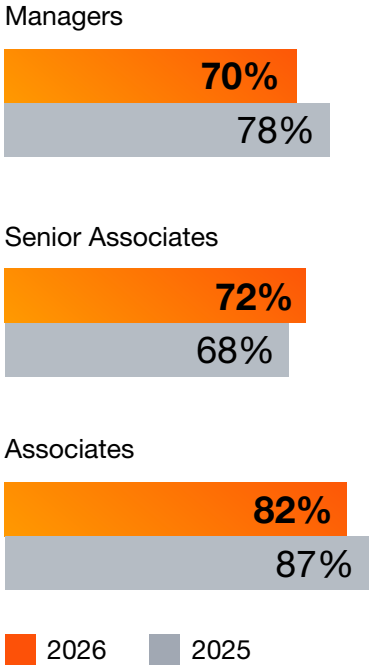
Retention

Our audit staff retention rates continue to support the high team continuity that drives audit quality. New assurance opportunities, new skills, and new ways of learning are engaging and energising our people with significant personal and professional development and training. We have also capitalised on being part of a global network and focused on smarter resourcing, including use of our offshore acceleration teams, virtual resources from within PwC network firms, and creating a market leading experience for our graduate cohorts.

As audit evolves, so does the talent we need to deliver it. Our workforce strategy is shifting to attract specialists in AI, data, sustainability and emerging assurance alongside our core audit professionals. While audit-specific retention has decreased in some grades, part of this is a reflection of the mobility of our experienced people into new areas of our business and our investment in building the multidisciplinary teams the future of assurance demands.

We also measure our "continuity rate" for senior associate grade through to partner for our ASX 100 30 June year ends and continue to deliver positive results. Continuity drives a strong understanding of our client's business, good sharing of information from year to year, and informed coaching of our junior staff – all key contributors to a quality audit.

2026 average audit retention rate by staff level



22 years

Audit partner average years of experience at PwC

(2025: 19 years)

78%

of hours on ASX 100 30 June 2026 audits were senior associates and above in at least their second year of the audit – enhancing quality through team continuity

(2025: 77%)

People and culture survey

PwC conducts an annual engagement survey, with questions asking how our people are feeling about a range of areas including leadership, wellbeing, and their perception of our culture and quality behaviours.

Each PwC member firm participates in an annual Global People Survey, administered across the network to all of our partners and staff. PwC Australia is responsible for analysing and communicating results locally, along with clearly defined actions to address feedback.

People survey results

91%

of audit respondents answered favourably to "My team engages diverse perspectives and consults with specialists as needed, to perform quality work"

(2025: 90%)

85%

of audit respondents answered favourably to "Our culture supports high quality outcomes"

(2025: 85%)

91%

of audit respondents answered favourably to "The people I work with demonstrate conduct consistent with PwC's Code of Conduct"

(2025: 89%)

87%

of audit respondents answered favourably to "The people I work with challenge me and each other to deliver quality work"

(2025: 85%)





Professional development

We are committed to putting the right people in the right place at the right time. Throughout our people's careers, they are presented with career development opportunities, classroom and on-demand learning, and on-the-job real time coaching/development. Our flexible training portfolio facilitates personalised learning with access to a variety of educational materials.

Achieving a professional credential supports our firm's commitment to quality through consistent examination and certification standards. Our goal is to provide our staff with a more individualised path to promotion and support them in prioritising and managing their time more effectively when preparing for professional exams. Providing our people with the ability to meet their professional and personal commitments is a critical component of our people experience and retention strategy.



Assurance quality cycles of experience

The Assurance quality cycles of experience provides opportunities for audit staff to develop deeper audit quality technical skills and knowledge working with subject matter experts, alongside their current client engagements. Achieving a certain level of quality hours and experience is a consideration for assessing readiness for promotion to senior manager, director and for admission to partnership.

Continuing professional education

PwC is committed to and invests heavily in continuing professional education, which is essential to ensuring ongoing improvements in audit quality. Our audit professionals have ongoing professional development obligations they are required to meet, although the specific requirements may vary depending on their respective professional bodies.

The firm follows a formal curriculum developed at the network level. It covers PwC audit approach and tools, including updates on auditing standards and their implications, as well as areas of audit risk and areas of focus for quality improvement. This formal learning is delivered using a blend of delivery approaches, which include self-paced digital learning, classroom learning, virtual classroom, and on-the-job support. The curriculum supports our primary training objective of embedding audit quality, while providing our practitioners with opportunities to strengthen their technical and professional judgement while applying a sceptical mindset.

In Australia, we supplement the global learning curriculum with local learning needs specific to the Australian context and regulatory environment. In 2026, this included introductory learning for experienced auditors on the new AASB 18 standard and continued capability building in sustainability reporting (AASB S1 and S2 standards) by incorporating practical case studies and insights from the first round of sustainability reporting to enhance real-world application. We continue to emphasise the importance of professional scepticism, critical thinking and sound judgement through 'Making Quality Easier' themed learning integrated into our experienced auditor programs, supporting the senior associate to partner cohort in making robust decisions that drive quality outcomes. A dedicated learning team delivers a combination of self-paced, practitioner-led and formal classroom learning. This blended approach ensures our auditors are equipped with both the technical knowledge and critical thinking skills necessary to navigate the evolving regulatory landscape effectively.

We continue to innovate and explore new ways of learning. The firm is committed to fostering a culture of continuous growth by focusing on capability building for both today and the future. We offer a wide range of opportunities and resources – such as curated learning pathways and AI-enabled skills platforms. For example, in 2026 the firm launched the AI Foundations course, providing a practical, shared foundation to build the confidence and capabilities required to work, lead, and deliver in the AI era. Within Assurance, we complement these network and firm-wide initiatives with targeted, grade-specific learning. This included a course designed to help managers develop the mindset and leadership skills necessary to thrive in a digital world, as well as targeted training for senior managers through to partners focused on leadership behaviours and quality enhancing processes.

We also continue to develop our structured on-the-job learning through programs such as Connected Coaching. This program complements formal training by improving the coaching experience for our newest team members and developing important coaching skills in our senior associates.

All staff and partners must complete mandatory ethics and business conduct training, which covers the Code of Conduct as well as ethical, accounting, auditing and other regulatory matters. In 2026 we also incorporated additional independence training for our Experienced Audit learners.

PwC Australia monitors compliance with continuing professional development requirements, including the completion of mandatory training programs. Our monitoring program ensures that the firm's services are delivered by individuals who have the right experience and, where required, are qualified under relevant legislative and other applicable requirements such as International Education Standard (IES) 7 for professional accountants.

The reduction in 2026 mandated learning hours for senior associates to partners reflects some one-off training programs required in 2025 including year 1 sustainability assurance training and targeted training supporting the rollout of PwC's next generation audit methodology.

Our training investment in people

Audit training: Average number of hours of auditing and accounting training mandated by PwC by grade 2026

	2026	2025
Partners	**31**	45
Managers/Directors	**37**	45
Senior Associates	**39**	45
Associates	**128**	116

Classroom and online training: Average hours achieved by partners and staff

	2026	2025
Online	**25**	30
Classroom	**39**	54
Total	**64**	84
Total hours completed	**119,384**	130,581

Our audit approach

The PwC Audit

The quality and effectiveness of audits is critical to all of our stakeholders. We therefore invest heavily in the effectiveness of our audits, in the skills of our people, in our underlying methodology, the technology we use and in making the right amount of time and resources available. We pay close attention to the internal indicators and processes that routinely monitor the effectiveness of our risk and quality processes and provide timely information about the quality of our audit work and any areas for improvement. Additionally, we consider what our various stakeholders require from us, what they tell us we need to improve and the findings of regulatory inspections on the quality of our work. Details of these indicators and processes, as well as the most recent regulatory findings can be found in the monitoring section of this report.

Evolving our audit approach

We are evolving our approach to audit delivery to maximise the experience for our people and ensure high quality work for our clients in an efficient and sustainable way. Our Smart Delivery approach is changing the way we plan, resource and deliver our engagements. We are combining world-class teams with market-leading technology, enabled by smart, yet simple, business processes. Together, these measures represent a significant transformation of our audit business and support our focus on continuing to enhance audit quality.

We have expanded our concept of ‘team’ beyond our conventional view of working in onshore teams. We bring together team members across a broad range of specialities, skill sets and geographic locations.

We use both on and offshore resources to streamline, standardise, automate and centralise portions of the audit. We have invested time in refining and improving the business processes that support the way we work and collaborate with our offshore Acceleration Centres.

PwC continues to invest in a world-class suite of digital and AI tools and technologies to enhance the quality of the audit, in alignment with our global strategy. We encourage our teams to challenge traditional ways of working and to embrace the benefits that digitisation brings to us and our clients. Technology enables our teams to be connected and to collaborate, whatever their location and enhances our engagement and relationship building with our clients. Digitisation and automation of some audit procedures plays an important role in enhancing audit quality and providing assurance to our clients. Encouraging innovation and collaboration on new tools not only empowers our people and enhances their digital skills development, but drives consistency and quality in the delivery of our work to clients.

AI playing an important role in the audit

Professional judgement, scepticism, independence and accountability remain at the core of every audit. AI and other technologies support our people by improving consistency, extending testing and helping identify matters requiring auditor attention. Australia is proud to have a PwC Global AI Centre of Excellence which continues our firm's contribution to building some of the smartest tools in the PwC Global network. Audit tools built in Australia and used globally through our integrated technology suite perform AI-powered high-volume testing of unstructured data. Full-population testing now extends to AI reading and interpreting large populations of documents, and automatically testing them on defined criteria. The PwC network continues significant investment into GenAI, including ChatAssurance, a Microsoft Teams-based chatbot that brings together a powerful suite of resources for our audit and assurance professionals to enhance their research capabilities.

All of this technology contributes to improving the quality of the PwC audit and readying our people and our clients for what's next.

Other examples of smart integrated tools developed in Australia and used around the PwC world include:

Smart Audit Platform

Smart Audit Platform is a secure web-based portal with a growing suite of integrated intelligent automation tools and solutions based on cutting-edge AI machine learning and automation technology developed by PwC Australia. These advanced solutions reduce the risk of manual error, and enhance the delivery of a consistent and high quality audit. Tools include:

- **Document.AI:** Our local AI Centre of Excellence has developed one of the PwC network's most advanced AI-based audit platforms, Document.AI. Document. AI extends 100% testing to significant volumes of unstructured data such as mortgages or lease documents. It intelligently reads the documents and compares them against a definable set of testing criteria, identifying exceptions or unusual items for further consideration. Its human-in-the-loop auditor interface enables strong quality review and approval at appropriate testing points by our auditors. This platform has significant application right across our audit processes, providing quality, confidence and insight.
- **Financial Statement Quality:** We perform automated testing on the quality of financial statements using advanced Optical Character Recognition (OCR), machine learning and AI to test pdf uploaded financial statements. Mathematical accuracy, prior year comparative testing, internal consistency, and even disclosure checklists are automatically performed, with much higher accuracy and insight than human-only testing.
- **Automated sample testing:** OCR and machine learning is also deployed to improve the quality, efficiency and accuracy of a variety of sample tests in our audits. Documents are read, relevant information is extracted and compared to testing criteria in a wide variety of areas such as invoice, revenue and expense testing. Variances are identified for the auditor to investigate and respond to.

Digital Lab

Digital Lab is a virtual space for our people to collaborate, create and share digital and GenAI solutions. These include workflows, macros, visualisations, bots, prompts and agentic skills, enabling our teams to enhance the quality and efficiency of our engagements by innovating our ways of working.



Specific tools and technologies to support our audit

As a member of the PwC network, PwC Australia has access to and uses PwC Audit, a common audit methodology and process. This methodology is based on the International Standards on Auditing (ISAs), with additional PwC policy and guidance provided where appropriate. PwC Audit policies and procedures are designed to facilitate audits conducted in compliance with all ISA requirements that are relevant to each individual audit engagement. Our common audit methodology provides the framework to enable PwC firms to consistently comply in all respects with applicable professional standards, regulations and legal requirements.

- **Aura,** our global audit documentation platform, is used across the PwC network. Aura helps drive how we build and execute our audit plans by supporting teams in applying our methodology effectively, by creating transparent linkage between risks, required procedures, controls and the work performed to address those risks, as well as providing comprehensive guidance and project management capabilities. Targeted audit plans specify risk levels, controls reliance and substantive testing. Real time dashboards show teams audit progress and the impact of scoping decisions more quickly.
- **Connect** is our collaborative platform that allows clients to quickly and securely share audit documents and deliverables. Connect also eases the burden of tracking the status of deliverables and resolving issues by automatically flagging and tracking outstanding items and issues identified through the audit for more immediate attention and resolution. Clients are also able to see audit adjustments, control deficiencies and statutory audit progress for all locations in real time.
- **Connect Audit Manager** streamlines, standardises and automates group and component teams coordination for group audits. It provides a single digital platform to see all outbound and inbound work and digitises the entire coordination process which facilitates greater transparency, compliance and quality for complex multi-location audits.
- **Halo,** our data auditing tools, address large volumes of data, analysing whole populations to improve risk assessment, analysis and testing. For example, Halo for Journals enables the identification of relevant journals based on defined criteria making it easier for engagement teams to explore and visualise the data to identify client journal entries to analyse and start the testing process.
- **Halo Platform** enables our engagement teams to manage all data extractions, executions and storage for all applications through one central location, allowing our engagement teams to monitor the status of data uploads and use the acquired client data for multiple applications during the audit.
- **Count,** which facilitates the end-to-end process for observing inventory counts, allows our engagement teams to create and manage count procedures, to record count results directly onto a mobile device or tablet and to export final results into Aura.
- **PwC Confirmations,** our global, secure, web-based confirmation platform providing a guided experience to preparing, sending, monitoring and receiving electronic and paper responses for our auditors and third-party confirmers as well as a dashboard view to assist in status updates. The confirmer portal allows confirmers to easily navigate and provide responses.



Maestro

As part of our commitment to building trust and delivering sustained outcomes, the PwC network is investing in a multi-year effort to deliver a new global audit platform to power our next generation audit. By exploring and investing in new technologies and redefining underlying audit processes, PwC will further standardise, simplify, centralise, and automate our audit work. Built in partnership with Microsoft and using sophisticated AI, PwC's investment will accelerate ongoing innovation and provide a transformed audit experience focusing on continuous quality enhancement. PwC's vision for Maestro is to provide efficient, robust and independent assurance and audit insights across financial and non-financial information, helping to build trust in what matters to our stakeholders. As PwC gains momentum around the next generation audit program, we will continue to release new capabilities on an ongoing basis to enhance quality and the overall audit experience.

Reliability and auditability of audit technologies

Our firm has designed and implemented processes and controls to underpin the reliability of these audit technologies. This includes clarification of the roles and responsibilities of audit technology owners and users. In addition, we have guidance focused on the sufficiency of audit documentation included in the workpapers related to the use of these audit technologies, including consideration of the reliability of the solution and the documentation needed to assist the reviewer in meeting their direction, supervision and review responsibilities as part of the normal course of the audit.

Information security

Information Security is a high priority for the PwC network. Our firm is accountable to our people, clients, suppliers, and other stakeholders to protect information that is entrusted to it. Failure to protect information could potentially harm the individuals whose information our firm holds, lead our firm to suffer regulatory sanctions or other financial losses and impact the PwC reputation and brand. As such our firm complies with the Information Security Policy which outlines the minimum security requirements for all PwC firms.

PwC Australia operates an Information Security Management System (ISMS) which has been certified as compliant with the requirements of ISO/IEC 27001:2022, covering the provision of IT and Cyber operations services and management of core production of PwC Australia's hosted infrastructure supporting applications and systems.

The PwC network has implemented a SOC2 program, which is designed to meet the needs of clients who require assurance on the controls at a service organisation. PwC Australia, throughout the PwC network, maintains various SOC2 reports which are prepared using the AICPA Trust Services Principles and Criteria (TSC's) for Security and Availability, covering security operations to protect PwC IT infrastructure, supporting a number of applications holding client and confidential information.



Supporting engagement performance

01

Quality Review Partners

Specific audit engagements are assigned a Quality Review Partner as part of the firm's SoQM and as required by professional standards. These partners, who have the necessary experience and technical knowledge, are involved in the most critical aspects of the audit. For example, they may review judgements on significant risks and a team's responses to those risks and specific accounting, auditing and financial reporting and disclosure issues.

02

Assurance Risk and Quality Team

Our central Assurance Risk and Quality team comprises technical accounting, auditing, risk management and financial reporting groups. These specialists play a vital role in keeping our policies and guidance in these areas current by tracking new developments in accounting and auditing respectively and providing updates to professional staff.

03

Chief Auditor Network

The Chief Auditor Network provides first-line support from experienced practitioners when teams are making judgements real-time during the audit. This network is also responsible for targeting emerging audit quality challenges and root causes proactively at each operating unit level, as well as providing leadership to set the tone for a quality culture.

04

Risk Management Partner network

PwC Australia has a network of experienced audit partners based in regional or local roles who support engagement teams in assessing risks and applying the firm's risk management policies. They are embedded in business unit teams where they have a good understanding of risk in that business and direct access for partners to consult day to day.



05

Consultation culture and use of experts and specialists

Consultation is key to maintaining high audit quality. We have formal protocols for mandatory consultation, in the pursuit of quality.

PwC has in place a consultation mechanism that enables teams on engagements with higher risk attributes to access specialist advice. These may be audits that involve sensitive market or event-driven issues, acceptance of new clients, significant judgements or differences of opinion.

As an issue is identified, we draw together specialists particular to the issue at hand and independent of the engagement team, and are able to escalate that support to bring in additional expertise if and when required. This consultation mechanism calls upon engagement leaders, Quality Review Partners, Risk Management Partners, the Assurance Risk and Quality team and other specialists, as appropriate for the audit engagement.

Engagement teams also use the expertise of appropriate groups in areas such as taxation, valuation, actuarial, real estate and other specialities as well as individuals within our central Assurance Risk and Quality team.

Technical support

1:9

Ratio of partners in technical/audit quality support roles to total number of audit signing partners

(2025: 1 : 9)

06

Direction, coaching and supervision

Engagement leaders and senior engagement team members are responsible and accountable for providing coaching throughout the audit, supervising the work completed by junior members of the team and maintaining audit quality. Teams currently use Aura which has capabilities to effectively monitor the progress of the engagement to make sure that all work has been completed and reviewed by appropriate individuals, including the engagement leader.

Monitoring

We recognise that quality in the Assurance services we deliver to clients is critical to maintaining the confidence of investors and other stakeholders in the integrity of our work. It is a key element of our Assurance strategy.

Responsibility for appropriate quality management lies with the leadership of PwC Australia. This includes the design and operation of an effective SoQM that is responsive to our specific risks to delivering quality audit engagements, using the PwC network's QMSE framework.

The overall quality objective under the QMSE framework is to have the necessary capabilities in our firm and to deploy our people to consistently use our methodologies, processes and technology in the delivery of Assurance services in an effective and efficient manner to fulfil the valid expectations of our clients and other stakeholders.

Our firm's monitoring procedures include an ongoing assessment aimed at evaluating whether the policies and procedures which constitute our SoQM are designed appropriately and operating effectively to provide reasonable assurance that our audit and non-audit assurance engagements are performed in compliance with laws, regulations and professional standards. This includes the use of RTA which is discussed in more detail within the "Our risk assessment process" section.

In addition to the ongoing monitoring noted above, our monitoring also encompasses periodic assessment of our SoQM which includes the review of completed engagements (Engagement Compliance Reviews – ECR), as well as periodic monitoring of our SoQM by an objective team within our firm.

The results of these procedures, together with our ongoing monitoring, form the basis for the continuous improvement of our SoQM. ECRs are performed under a network-wide inspection program based on professional standards and PwC audit methodology.

Engagement Compliance Reviews

ECRs are risk-focused reviews of completed engagements covering, on a periodic basis, individuals in our firm who are authorised to sign audit, non-audit assurance or related services reports. The review assesses whether an engagement was performed in compliance with PwC Audit guidance, applicable professional standards and other applicable engagement-related policies and procedures. All Assurance partners must have at least one of their engagements reviewed every five years. More frequent reviews may be required depending on the profile of that Assurance partner's client engagements or local regulatory requirements. Higher profile engagements are reviewed at least twice every six years.

Reviews are led by experienced Assurance partners, supported by objective teams of partners, directors, senior managers and other specialists. ECR reviewers may be sourced from other PwC firms if needed to provide appropriate expertise or objectivity. Review teams receive training to support them in fulfilling their responsibilities, and utilise a range of checklists and tools developed at the network level when conducting their inspection procedures. The network inspection team supports review teams by monitoring the consistent application of guidance on classification of engagement findings and engagement assessments across the network.

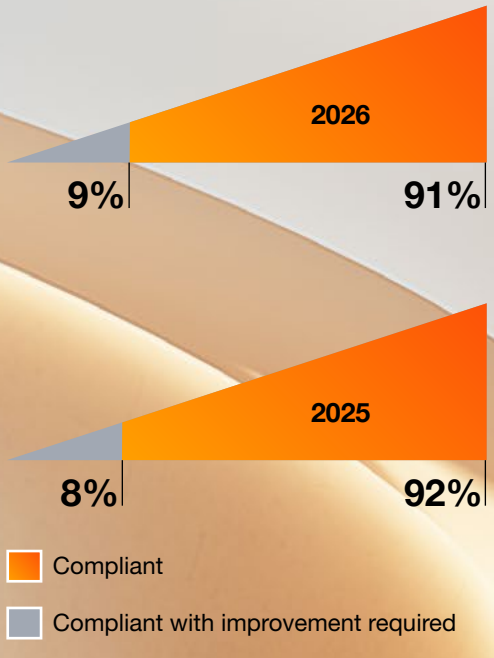
In addition to the PwC network inspections, PwC Australia conducts its own real time reviews.

Quality management reviews

Additionally, the PwC network undertakes periodic reviews to evaluate certain elements of PwC firms' systems of quality management. The network also looks at the PwC firm leadership's own assessment of the effectiveness of their SoQM and their determination of whether the overall quality objective has been achieved.

PwC internal inspection results

PwC Australia is subject to globally coordinated quality inspections as part of the PwC network. In PwC's inspection program in 2026, 32 files were reviewed, all of which were found to be compliant with relevant PwC network or professional standards and policies. Three of these were rated compliant with improvement required. None of the findings required re-issue of the audit report. The learnings and root cause analysis form a key part of our annual Audit Quality Improvement Plan.



External inspections

In addition to PwC network and internal quality reviews, PwC Australia is also subject to regular inspections by regulatory and professional bodies. Given that many of our clients are global, these inspections include those performed by overseas regulators. We take the findings from all external reviews seriously, and we incorporate root causes and remedial actions into our annual Audit Quality Improvement Plan.

ASIC audit surveillance

Across the financial year, ASIC conducted targeted surveillance reviews of four PwC Australia audit engagements – three companies and one registrable superannuation entity (RSE). They raised four audit findings across three of the files and identified other areas for improvement, all of which are detailed in their public reports. For each finding, we conducted root cause analysis and incorporated the resulting actions into our quality improvement plan.

CA ANZ reviews

Member firms are subject to periodic review by Chartered Accountants Australia and New Zealand (CA ANZ). In June 2026, CA ANZ commenced a targeted quality review of PwC Australia's current systems and processes for handling confidential audit client information and promoting an ethical culture. As at the date of this report, the review is ongoing. Additionally, in October 2025, CA ANZ completed a review of the firm's system of quality management and concluded that it had been designed and implemented in accordance with the relevant quality management standards. CA ANZ also identified opportunities for continuous improvement, including a recommendation relating to the recording and monitoring of internal consultations across Lines of Service, which the Member firm has considered as part of its ongoing continuous improvement activities.

PCAOB reviews

The US PCAOB inspects PwC Australia every three years. The most recent inspection was in September 2025 and the PCAOB issued to the firm its final inspection report in April 2026. The report did not identify any deficiencies with respect to the three inspected audit engagements or the firm's system of quality control. PCAOB reports are publicly available on its website.





Reporting

The results of all inspections are reported to our firm's leadership, who analyse the findings and implement remedial actions as necessary. In situations where adverse quality matters are identified on engagements, based on the nature and circumstances of the matters, the responsible partner or other leadership personnel may be subject to additional mentoring, training or sanctions under our firm's Recognition and Accountability Framework.

Assurance partners of our firm receive information on the results of the network inspection program, designed for their use in assessing the scope of audit work they determine needs to be performed and their reliance on work performed by PwC firms in connection with their audit of a client's consolidated financial statements.

Review activity remained focused on engagements and individuals presenting higher quality risks. In addition, greater emphasis was placed on analysing results and trends across the broader engagement portfolio to identify systemic themes and provide more targeted feedback and quality improvement actions across the practice.

Number of engagements reviewed as part of RTA and ECR*

82	50%
Number of audit engagements reviewed	Coverage of the firm's responsible individuals
(2025: 98)	(2025: 66%)

*Real Time Assurance and Engagement Compliance Review



Legal and governance structure

PricewaterhouseCoopers is a partnership that is governed by the laws of the Australian Capital Territory and operates throughout Australia (PwC Australia). PwC Australia is owned by its partners who are admitted to the partnership in accordance with the firm's partnership agreement. PwC Australia has offices in Adelaide, Brisbane, Melbourne, Perth, Sydney, Greater Western Sydney and Newcastle. PwC Australia is also a member of the PwC network.

CEO and Management Leadership Team

PwC Australia's CEO provides leadership for the partners and employees of the firm and is responsible for the effective management and performance of the firm. Kevin Burrowes was the CEO for the whole of 2026.

The Management Leadership Team are leaders of the firm appointed by our CEO. Under the leadership of the CEO, they are responsible for the management and administration of the firm. The current members of the Management Leadership Team can be found on PwC Australia's website.

Governance Board

The Governance Board is the ultimate governing body in PwC Australia. It oversees strategy, risk, finance and culture, plays a key role in the selection of the CEO, approves partner admissions, retirements and major transactions and conducts partner votes where necessary.

The Board consists of the CEO plus a minimum of six and maximum of 10 additional members. Members can be a combination of equity partners who are elected by partner vote, and independent non-executive members.

The reforms endorsed by the partners in March 2024, which strengthened the independence, oversight powers and duties of the Governance Board, including the ability to appoint an independent non-executive Chair, are now well embedded. Building on those landmark changes, our focus in 2026 has shifted from establishing the new governance model to demonstrating its effectiveness in practice. That effectiveness was independently tested through a Board Effectiveness Review completed by an external reviewer in August 2025, which concluded that the Board is operating effectively and has become well established in the short time since its formation.

The Board is led by independent non-executive Chair John Green, alongside independent non-executive members Lisa Chung AM, Carmel Mulhern and Wendy Stops, the latter having joined the Board with effect from 1 July 2025.

To support continuity and orderly renewal, members are elected or appointed on a staggered cycle. Following the conclusion of three elected equity partner members' terms on 30 June 2026, the Board held elections in June 2026 to fill those positions. As at 30 June 2026, over half of the Board's members were women.

The current members of the Governance Board can be found on our **website**.

In April 2026, we issued our second annual report, including our second set of audited financial statements.

Partners

Certain matters are reserved for partner vote. These matters include approval of the Board-endorsed CEO candidate, the election of equity partner members of the Governance Board, amendments to the firm's partnership agreement, termination of the partnership, and approval of major transactions referred to partner vote by the Governance Board.

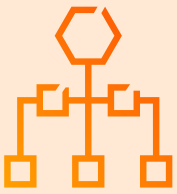
PwC Australia is governed and led by our



Governance Board



Country Senior Partner
(also known as the CEO)



CEO's leadership team
(also known as the Management Leadership Team)



Firm's Partners

PwC network

PricewaterhouseCoopers International Limited

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms form the PwC network. 'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

In many parts of the world, accounting firms are required by law to be locally owned and independent. Although regulatory attitudes on this issue are changing, PwC member firms do not and cannot currently operate as a corporate multinational. The PwC network is not a global partnership, a single firm, or a multinational corporation.

For these reasons, the PwC network consists of firms which are separate legal entities. The firms that make up the network are committed to working together to provide quality service offerings for clients throughout the world. Firms in the PwC network are members in, or have other connections to, PwCIL, an English private company limited by guarantee. PwCIL does not practise accountancy or provide services to clients. Rather its purpose is to facilitate coordination between member firms in the PwC network. Focusing on key areas such as strategy, brand, and risk and quality, the Network Leadership Team and Board of PwCIL develop and implement policies and initiatives to achieve a common and coordinated approach among individual firms where appropriate. Member firms of PwCIL can use the PwC name and the resources and methodologies of the PwC network are made available to them. In addition, member firms may request the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms agree to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

The PwC network is not one international partnership and PwC member firms are not otherwise legal partners with each other. Many of the member firms have legally registered names which contain "PricewaterhouseCoopers", however there is no ownership by PwCIL. A member firm cannot act as agent of PwCIL or any other member firm, cannot obligate PwCIL or any other member firm, and is liable only for its own acts or omissions and not those of PwCIL or any other member firm. Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions.

The governance bodies of PwCIL

Global Board: which is responsible for the governance of PwCIL, the oversight of the Network Leadership Team and the approval of network standards. The Board does not have an external role. The Board comprises elected partners from PwC firms around the world and one or more external independent directors. Please refer to the **PwC Global Website** for a list of the current members of the Global Board.

Network Leadership Team: which is responsible for setting the overall strategy for the PwC network and the standards to which the PwC firms agree to adhere.

Strategy Council: which is made up of the leaders of the largest PwC firms and regions of the network, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy.

Global Leadership Team: which is appointed by and reports to the Network Leadership Team and the Chairman of the PwC network. Its members are responsible for leading teams drawn from PwC firms to coordinate activities across all areas of our business.

PwC Australia's Country Senior Partner is a member of the Strategy Council and maintains our relationships with the Network Leadership Team.





03

Appendices

Appendix A

Audit clients

Listed companies and listed registered schemes that meet the definition of listed per Section 9 of the Corporations Act 2001

1. Accent Group Limited
2. Aeris Resources Limited
3. AGL Energy Limited
4. Alkane Resources Limited
5. Alliance Aviation Services Limited
6. Alterity Therapeutics Limited
7. AMCIL Limited
8. Arena REIT
9. Argo Investments Limited
10. Aristocrat Leisure Limited
11. ASX Limited
12. Australian Foundation Investment Company Limited
13. Australian Strategic Materials Limited
14. Australian Vintage Ltd
15. Bank of Queensland Limited
16. Bapcor Limited
17. Beacon Lighting Group Limited
18. Bega Cheese Limited
19. Brambles Limited
20. Breville Group Limited
21. Car Group Limited
22. Catalyst Metals Limited
23. Central Petroleum Limited
24. Charter Hall Group
25. Charter Hall Long WALE REIT
26. Charter Hall Retail REIT
27. Charter Hall Social Infrastructure REIT
28. Collins Foods Limited
29. Commonwealth Bank of Australia
30. Computershare Limited
31. Credit Clear Limited
32. CurveBeam AI Limited
33. Data#3 Limited
34. Deterra Royalties Limited
35. Djerriwarrh Investments Limited
36. Downer EDI Limited
37. LDR Capital Property Fund I (Formerly known as Elanor Commercial Property Fund)
38. Elanor Investors Group
39. Element 25 Limited
40. Elders Limited
41. Evolution Mining Limited
42. Fortescue Ltd
43. Globe International Limited
44. GPT Group
45. GrainCorp Limited
46. Grange Resources Limited
47. Greatland Resources Limited
48. Gryphon Capital Income Trust
49. Hastings Technology Metals Ltd
50. Highfield Resources Limited
51. Hillgrove Resources Limited
52. Hipages Group Holdings Ltd
53. Horizon Oil Limited
54. Immutep Limited
55. Integral Diagnostics Limited
56. IperionX Limited
57. Iron Road Limited
58. Judo Capital Holdings Limited
59. Karoon Energy Ltd
60. Kingsgate Consolidated Limited
61. Lifestyle Communities Limited

62. Macquarie Bank Limited
63. Macquarie Group Limited
64. Macquarie Technology Group Limited
65. McPherson's Limited
66. Medibank Private Limited
67. Mesoblast Limited
68. Mirrabooka Investments Limited
69. Mirvac Limited
70. Myer Holdings Limited
71. NEXTDC Limited
72. NIB Holdings Limited
73. Nova Eye Medical Limited
74. Novonix Limited
75. Paladin Energy Ltd
76. Perenti Limited
77. Perseus Mining Limited
78. Pinnacle Investment Management Group Limited
79. Platinum Asia Investments Limited
80. Platinum Capital Limited
81. Pointsbet Holdings Limited
82. PYC Therapeutics Limited
83. QBE Insurance Group Limited
84. Qube Holdings Limited
85. Ricegrowers Limited
86. Rural Funds Group
87. Seek Limited
88. Select Harvests Limited
89. Service Stream Limited
90. Shine Justice Ltd
91. Sigma Healthcare Limited
92. Silex Systems Limited
93. Sonic Healthcare Limited
94. Southern Cross Media Group Limited
95. St Barbara Limited
96. Starpharma Holdings Limited
97. Stockland Corporation Limited
98. Syrah Resources Limited
99. Telix Pharmaceuticals Limited
100. TPG Telecom Limited
101. Transurban Group
102. Universal Store Holdings Limited
103. Viva Energy Group Limited
104. Waypoint REIT
105. Woodside Energy Group Ltd
106. Worley Limited

Authorised Deposit Taking Institutions (ADI) within the meaning of the Banking Act 1959

1. Alex Bank Pty Ltd
2. Bank of America, National Association
3. Bank of Queensland Limited
4. Commonwealth Bank of Australia
5. Cooperatieve Rabobank U.A. (trading as Rabobank)
6. DBS Bank Ltd
7. HEARTLAND BANK AUSTRALIA LIMITED
8. HSBC Bank Australia Limited
9. JPMorgan Chase Bank, National Association
10. Judo Bank Pty Ltd
11. Macquarie Bank Limited
12. Oversea-Chinese Banking Corporation Limited
13. PayPal Australia Pty Limited
14. Queensland Country Bank Limited
15. Rabobank Australia Limited
16. Royal Bank of Canada
17. The HongKong and Shanghai Banking Corporation Limited
18. Wise Australia Pty Ltd

Life and General Insurers Regulated by APRA as defined in paragraph (c) or (e) of the definition in subsection 3(2) of the Australian Prudential Regulation Authority Act 1998

1. AIA Australia Limited
2. AIG Australia Limited
3. Allianz Australia Insurance Limited
4. Allianz Australia Life Insurance Limited
5. ALLIANZ SOUTH AUSTRALIA INSURANCE LIMITED
6. Allied World Assurance Company Limited
7. Ansvar Insurance Limited
8. Arch Lenders Mortgage Indemnity Limited
9. Atradius Credito Y Caucion S.A. De Seguros Y Reaseguros
10. Chubb Insurance Australia Ltd
11. CIC Allianz Insurance Limited
12. Combined Life Insurance Company of Australia Ltd
13. Hannover Life Re of Australasia Ltd
14. Hannover Rück SE
15. HDI Global Specialty SE
16. LawCover Insurance Pty Limited
17. Lloyd's security trust fund instrument No.1 and No.2 of 2017
18. QBE Insurance (Australia) Limited
19. QBE Insurance (International) Pty Limited
20. QBE Lenders' Mortgage Insurance Limited
21. RenaissanceRe Europe AG
22. Tokio Marine & Nichido Fire Insurance Co., Ltd

Registrable superannuation entities as defined in Section 10 of the Superannuation Industry (Supervision) Act 1993

1. ASGARD Independence Plan Division Two
2. AustralianSuper
3. HESTA
4. Kaplan Pooled Superannuation Trust
5. Lifefocus Superannuation Fund
6. Meat Industry Employees Superannuation Fund
7. NGS Super
8. Personal Choice Private Fund
9. Russell Investments Master Trust
10. Russell Investments Pooled Superannuation Trust
11. Team Superannuation Fund (formerly Mine Superannuation Fund)
12. Unisuper
13. Vanguard Super



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