

Transparency Report

For the year ended 30 June 2025

Australia's *best kept*
accounting secret


1935-2025

Message from the Chair of the Board and Quality & Risk Committee

Our unwavering commitment to audit quality continues to be a key priority to our clients, our people, me and the SW Accountants & Advisors (SW) brand.

The principles embedded in our System of Quality Management (SOQM) are central to delivering on this commitment and ensuring that we act in the public interest and uphold the reputation of the profession. Our culture and investment in people and technology are key to achieving high quality audits, and we continue to improve and enhance accountability in this area.

Our SOQM is continuously evaluated to ensure it meets the highest standards. This Transparency Report shows positive improvement in many of our audit quality measures and highlights our approach to maintaining the highest standards of quality across our firm.

As we navigate through an increasingly complex political, economic, and social landscape, the accounting and auditing profession faces heightened scrutiny and regulation, further highlighting the critical nature of our work. During these rapidly changing times, it is imperative for us to guide and support our teams with a strong values-based ethical framework.



Stephen O'Flynn

**Chair of the Board
and Quality & Risk Committee**



Message from the Head of the Assurance & Advisory division

Delivering high quality independent audits has remained a top priority of the Assurance and Advisory Division this year. We made enhancements to our SOQM and appointed a Head of Quality and Risk to support teams in ensuring quality is consistent, achievable and front of mind.

Quality audits depend on quality people. We continue to invest comprehensively in our people through training, conferences and mentoring, expanding their skills in areas including AI audits and sustainability assurance.

Our core audit software, Inflo, is critical to how we deliver quality in our Audit and Assurance services. Inflo drives risk-based workflows and automation and combines data analytics, client collaboration, progressive technologies and innovative methodology.

It is my privilege to lead and keep strengthening the SW Assurance and Advisory division particularly as we head into the world of sustainability assurance. We continue to dedicate significant time and resources to enhancing our capabilities in this area, ensuring we are well-prepared to provide our clients, both current and future, with the highest level of quality expertise.



Hayley Underwood

Partner & Head of Assurance and Advisory Division



About SW

SW is an Australian owned advisory and accounting firm with a 90 year history that understands relationships make all the difference in delivering great outcomes.

12,000+

people globally

21 + 120

combined jurisdictions
with Praxity Alliance

103+

offices globally

400+

people nationally

90

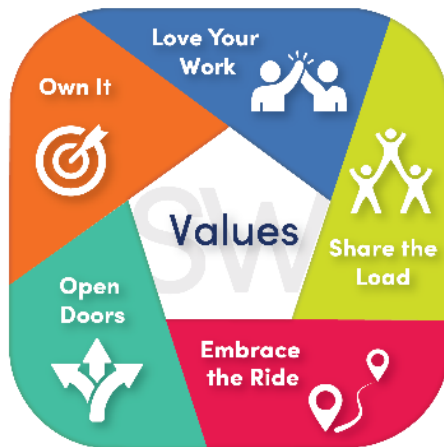
years Australian owned

\$736m

worldwide revenue 2024
(USD)

We have 400+ people across four locations and are ranked 22nd largest firm by revenue in the 2024 AFR Top 100 Accounting Firms. Of all national practices in Australia, we rank 9th.

As a member firm of SW International, one of the world's leading member organisations of independently owned and managed accounting and advisory firms, we also have access to professionals across the globe to support our clients in their global aspirations.



Our purpose |

Build lasting relationships with our clients and people to achieve shared success

Our values |

We are a values led firm with these values embedded into our everyday behaviour and language and our unique to our people. They also reflect the manner in which we work with you: *Own It, Share the Load, Embrace the Ride, Open Doors and Love Your Work.*

Australia's *best kept*
accounting secret

90 YEARS
1935-2025

Services

Advisory Services

Financial

- Acquisition and investments
- Capital raising
- Due diligence
- Financial modelling
- Grants and incentives
- IARs and IERs
- IPOs
- Merger integration
- Private wealth advisory
- Transaction advisory services
- Valuations

Strategic, operational and compliance

- Business and strategic planning
- Business planning tax advice
- Cloud accounting
- Compliance services
- Corporate advisory services
- Corporate governance
- Data analytics
- Information technology risk and security
- Outsourced accounting solutions
- Risk management

Assurance

- Compliance audits and reviews
- Expert accounting and audit opinions
- External audit
- Internal audit
- Review of financial reports
- Systems and controls reviews
- Technical IFRS, accounting advice and training

Tax

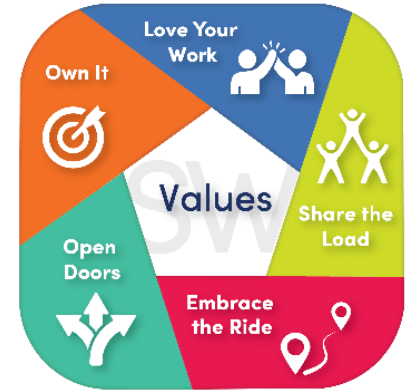
- Corporate tax risk management
- Employment taxes (FBT, superannuation and payroll)
- Expatriate taxes and global mobility
- Fuel tax credits
- GST and indirect taxes
- International tax
- Remuneration and benefits (share schemes)
- Research and development tax incentive
- Tax structuring
- Transfer pricing

Our Purpose & Values

Own it | Open doors | Share the load | Embrace the ride | Love your work

SW has a strong set of values that underpin how we go about transparency.

We have strong values that underpin how we work with our clients and each other. Our commitment to quality is demonstrated through having dedicated teams responsible for policies, systems and processes that support adherence to professional quality and ethical standards.



At our firm, five core values guide everything we do.

These values, chosen by our people, are more than just words - they're central to our work culture. They are flexible, allowing everyone to connect with them in their own way.

To reinforce these values, we run Values Awards throughout the year across each division, with Partner Values Awards recognised annually at the Partner offsite.

Our purpose

Our purpose is to **“Build lasting relationships with our clients and people to achieve shared success.”** This underscores the importance of integrity and honesty in our business dealings, backed by strong governance and independence. Our culture is driven by these values, which, in turn, fuel staff engagement and a high-performance environment.

Engagement Survey results

In our 2025 Engagement Survey, we achieved a 75% engagement score which is 4% higher than the professional services industry benchmark. This high engagement helps us retain top talent and ensure continuity.

Additionally, 86% believe we recognise people who demonstrate our values. An impressive 86% of people would recommend SW as a great place to work.

Own It



- Give it a go
- Be authentic
- Believe in yourself
- Say what you think
- Show spirit
- Rally
- Have an opinion
- Be accountable
- Have a view

Share the Load



- Build lasting relationships
- Contribute
- Work together as a team
- Problem solve
- Be humble
- Provide client support
- Collaborate
- A second set of eyes add value
- Celebrate shared success

Open Doors



- Innovate
- Welcoming
- Embrace difference
- Flexible
- Make & take opportunities
- Diverse
- Approachable
- Always growing and developing
- Nurturing
- Have an open door

Embrace the Ride



- Growth mindset
- Be resilient
- On a continuous journey
- Learn & Evolve
- Be prepared to make mistakes
- Accept change
- Exhibit grit
- Strive for knowledge
- Embrace ups and downs

Love your Work



- Have fun
- Love what you do
- Balance
- Give back to community
- Family feel
- Prioritise wellbeing
- Supportive
- Make friendships
- Be social
- Care for clients

Legal Structure & Corporate Governance

We take quality and risk seriously. For this reason, we have a designated Quality and Risk Committee reporting to the Executive Board comprising of the CEO, nominated Quality & Risk Partners, and Quality & Risk specialists.



Legal Structure & Corporate Governance

Legal structure

SW Accountants & Advisors (SW) operates through several practice entities as follows:

- SW Audit
- SW Accountants & Advisors Pty Ltd
- ShineWing Australia Wealth Pty Ltd
- ShineWing Australia Securities Pty Ltd

All entities are privately owned, and all shareholder owners are associated investment entities of the practicing directors of the firm. Audit services are provided by SW Audit, a partnership, comprising all practicing directors of SW Accountants & Advisors Pty Ltd. Audit services are conducted by designated Audit partners, all of whom have the required qualifications and registrations.

Corporate governance structure

We have a Corporate Governance Charter that outlines the roles and responsibilities of the Executive Board and Executive Committee along with the roles, function and areas of responsibility in matters relating to the strategic direction and day to day operations of SW.

Executive Board

The Executive Board comprises:

- the Chair
- the Chief Executive Officer (CEO)
- at least three other Directors, of which 75% or more must be Practicing Directors, and including one Independent Director. Divisional Heads are ineligible to be a member of the Executive Board.

The Executive Board is elected by Practicing Directors.

The Executive Board meets at least six times per year with meetings chaired by the Chair. Others may be invited to attend as guests as required.

Role of Executive Board

The role of the Executive Board of SW is to serve the interests of all its stakeholders, provide strategic direction for the Firm and manage risks associated with the Firm including monitoring quality and risk management as outlined in the Corporate Governance Charter.

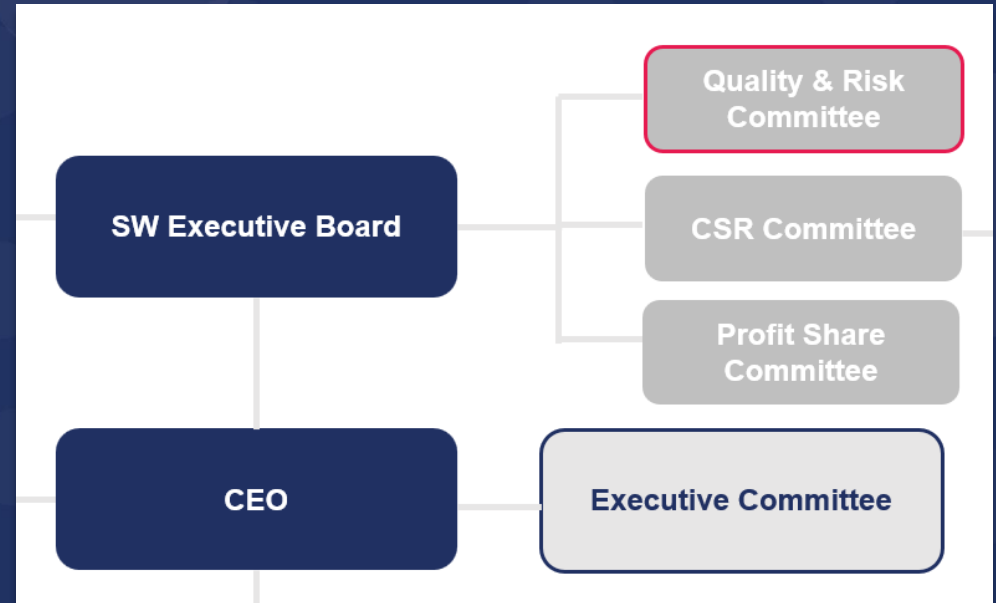


Quality & Risk Committee

The Quality and Risk Committee is an advisory committee reporting to the Executive Board charged with the following responsibilities:

- consulting with key stakeholders, to identify and monitor the implementation of adequate controls to manage Firm risks
- assessing whether adequate policies, procedures and supporting systems are in place to facilitate adherence with relevant regulatory requirements including:
 - client acceptance
 - independence
 - quality management under ASQM 1 and APES 320
- monitoring the performance of internal reviews over assurance engagements, non-assurance engagements and our SOQM
- assessing whether appropriate remediation is conducted in line with the requirements of ASQM 1, APES 320 and Firm Policy
- monitoring that appropriate induction, education and training of policies and processes occurs on an ongoing basis to support the requirements of ASQM 1, APES 320 and Firm Policy
- serving as an escalation point for risk or quality management queries
- monitoring compliance with regulatory body requirements (such as ASIC, ASX, CAANZ and AFRC etc).

The Executive Board and the Executive Committee may refer other matters to the Quality and Risk Committee where required. The Quality and Risk Committee will undertake the necessary processes to deliver the above outcomes on behalf of, and in conjunction with, the Executive Board and the Executive Committee.



International Networks

ShineWing International Limited (SWI) is one of the world's leading organisations of independently owned and managed advisory and accounting firms. SW entered the SWI network on 1 February 2015. SWI is also a member of the Praxity Alliance.

Globally, SWI was ranked 21st in terms of fee income and 18th in terms of total headcount among all top 30 networks globally according to the World Survey 2024 of the International Accounting Bulletin (IAB) in 2024.

Each member firm of SWI is separate and independent from both SWI and other member firms. Member firms of SWI do not share their respective profits or losses, they are not under common ownership or control and each member firm appoints its own management.

SWI is a company incorporated in Hong Kong with limited liability. The company does not provide professional services in any jurisdiction. Its role is to promote the coordination of member firms' professional strategies. SWI monitors the adherence by member firms to the quality obligations set by International Standard on Quality Management (ISQM) 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*. They also assess the suitability of candidate firms for admission and the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards).

All prospective member firms must obtain approval from SWI prior to acceptance into the SWI network. If the approval process is successful, the prospective member firm must

enter into a Member Firm Agreement with SWI, whereby the new member firm agrees to be bound by the SWI Members' Agreement.

Member firms are expected to comply with applicable regulatory and professional obligations including, where relevant, those established by the International Federation of Accountants (IFAC) and its affiliated bodies.

Membership also requires compliance with various administrative obligations.

Concerning the delivery of assurance services, member firms are subject to periodic monitoring visits. The nature of monitoring procedures gives recognition to the professional environment in which individual firms operate. Equivalent procedures are applied where firms are candidates for admission. Where deficiencies are identified at a member firm, remedial recommendations are made. If deficiencies are not resolved, then SWI may determine that the firm be excluded from membership.

Neither SWI nor any role within it carries any executive authority over the operations of individual member firms. Their membership of SWI should not be construed as constituting or implying any partnership between them.

SWI is a member of IFAC's Forum of Firms which requires members to conduct high-quality international audits.

Praxity International alliance

SWI and its members are part of the Praxity Alliance.

Praxity is an alliance of global independent accountancy, tax and business consulting firms with 817 offices and 71,000 professionals.

Praxity is the world's largest alliance of independent accounting firms and is ranked seventh in the IAB League Table of international accounting networks and associations. Operating in over 120 countries across the world, Praxity has a strong presence throughout the USA, Europe, Asia-Pacific, Africa and The Middle East regions.

Australia | Chile | Mainland China | Egypt | Germany | Hong Kong | India | Indonesia | Japan | Macau | Malaysia
Pakistan | Saudi Arabia | Singapore | Spain | Taiwan | Thailand | Turkey | UAE | United Kingdom | Vietnam

Forum of Firms



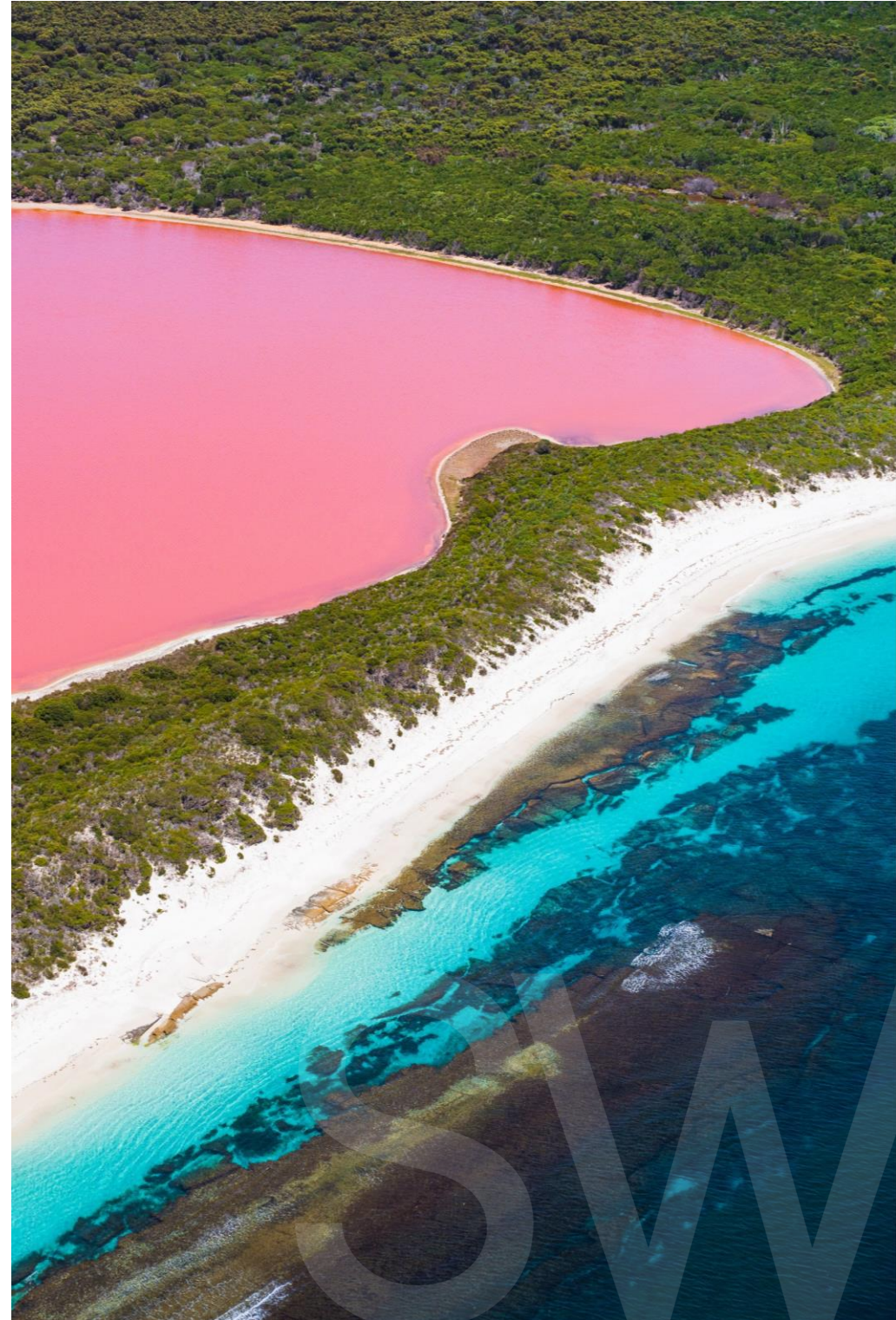
SW International is a proud member of the Forum of Firms of IFAC, an independent association of international network firms that perform transnational audits.

The Forum's objective is to promote consistent and high-quality standards of financial reporting and auditing practices worldwide—bringing together firms that perform transnational audits and involving them more closely with IFAC's activities in audit and other assurance-related areas.

Forum members must demonstrate their commitment to adhere to and promote the consistent application of high-quality audit practices worldwide.

As a forum member, we have committed to:

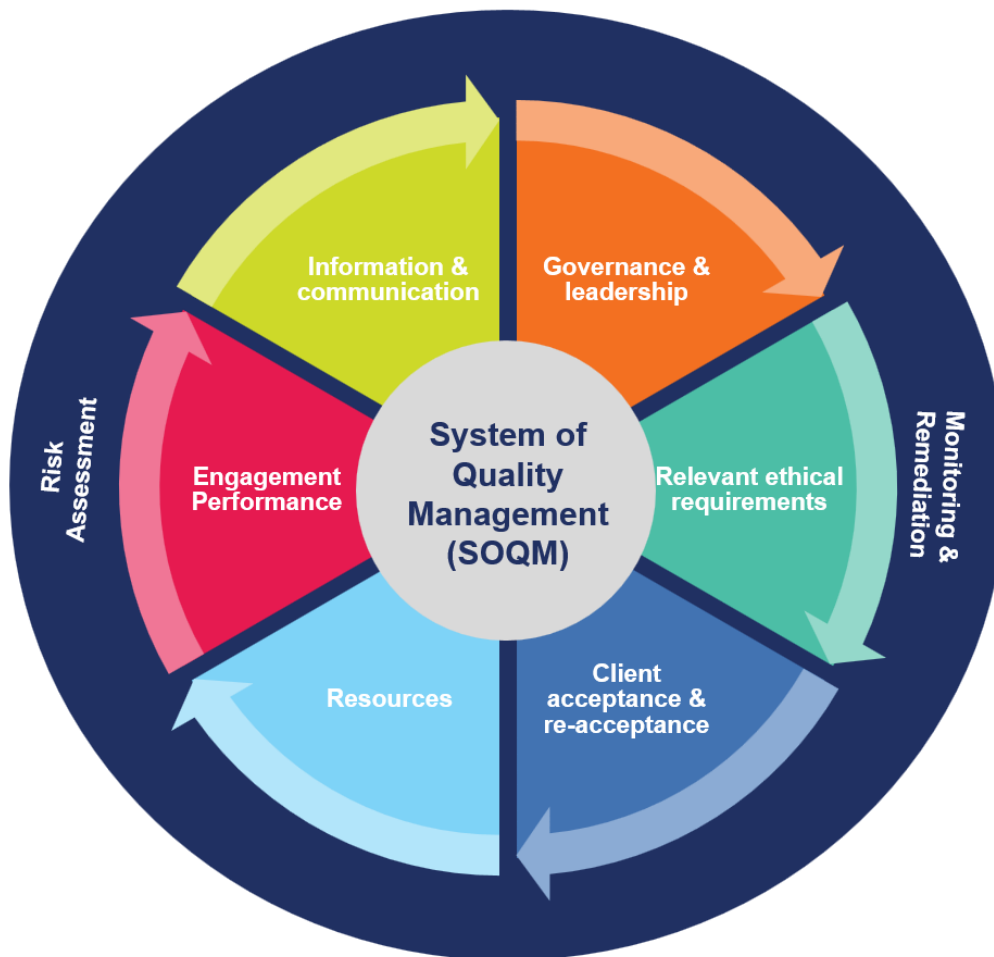
- Maintaining quality management standards in accordance with the International Standard on Quality Management issued by the IAASB in addition to relevant national quality management standards
- Conducting, to the extent not prohibited by national regulation, regular globally coordinated internal quality assurance reviews
- Having policies and methodologies for the conduct of transnational audits that are based, to the extent practicable, on the International Standards on Auditing issued by the IAASB
- Having policies and methodologies that conform to the IESBA International Code of Ethics for Professional Accountants and national codes of ethics, and
- Agreeing to submit to the Secretary of the Forum an annual report, in an approved format, indicating that it meets the membership obligations set forth above.



System of Quality Management at SW

Our System of Quality Management (SOQM) drives the delivery of quality audit and assurance engagements. The diagram below demonstrates what constitutes our SOQM.

The diagram below demonstrates what constitutes SW's SOQM.



Quality Management Standards applicable:

- ASQM 1 *Quality Management for firms that perform audits or reviews of financial reports and other financial information, or other assurance or related services engagements.*
- ASQM 2 *Engagement quality reviews*
- ASA 220 *Quality Management for an audit of a financial report or other historical financial information*



Risk assessment

Proactive approach

We have a proactive approach to achieving quality outcomes. This entails:

- setting clear quality objectives
- proactively identifying risks and analysing factors that could adversely impact our ability to achieve our quality objectives
- assessing each risk for its likely occurrence and potential impact
- implementing appropriate controls, policies and procedures to mitigate those risks from occurring
- continuously identifying areas for improvement by promptly performing root cause analyses and implementing remedial actions
- establishing a clear capability framework that embeds quality related expectations across all roles within SW and links to performance outcomes

At a minimum, the risk assessment process is conducted annually with the results reviewed by the Quality and Risk Committee.

Governance & leadership

Responsibility

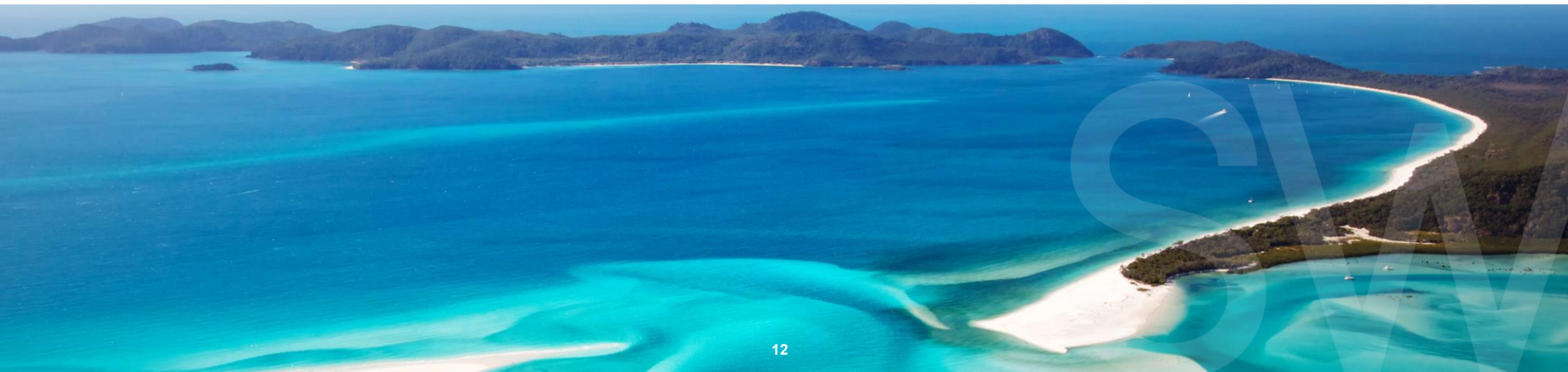
The CEO has ultimate responsibility for the SOQM with the Head of Quality and Risk holding operational responsibility. Both understand the quality management standards and are tasked with evaluating and monitoring the system's effectiveness in achieving its quality objectives.

Quality Driven Culture

The SW Board and the Quality and Risk Committee play vital roles in promoting a culture of quality across the entire Firm. Their actions and attitudes set a consistent and clear message about the importance of quality on all engagements. There is a clear mandate that quality is everybody's responsibility.

We conduct 360 Degree Feedback Surveys annually to assess partner performance. These anonymous surveys include an assessment by staff and partners of the quality behaviours and integrity demonstrated by all partners. In the FY25 survey, 92.8% of respondents either agreed or strongly agreed that SW Assurance & Advisory partners have a focus on quality.

We also obtain formal client feedback to assess the Firm's reputation for audit quality through the lens of our audit and assurance clients.



Relevant ethical requirements

Behaving ethically and maintaining our independence is critical for us to act in the public interest

Independence is fundamental to audit quality - it ensures our integrity and objectivity.

We have prescriptive policies and procedures governing independence in all assurance and non-assurance divisions. They are designed to identify and manage potential conflicts of interest in line with the requirements of the APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) and the *Corporations Act 2001*. We have a culture that supports adherence to independence requirements by addressing instances of non-compliance and encouraging open consultation. Partners and staff regularly consult within their divisions and with the Firm's Quality and Risk team where potential threats to independence are identified.

We conduct mandatory ethics and independence training for all partners and staff on the key requirements of the Code and our independence policy. This training is run by the Quality and Risk team.

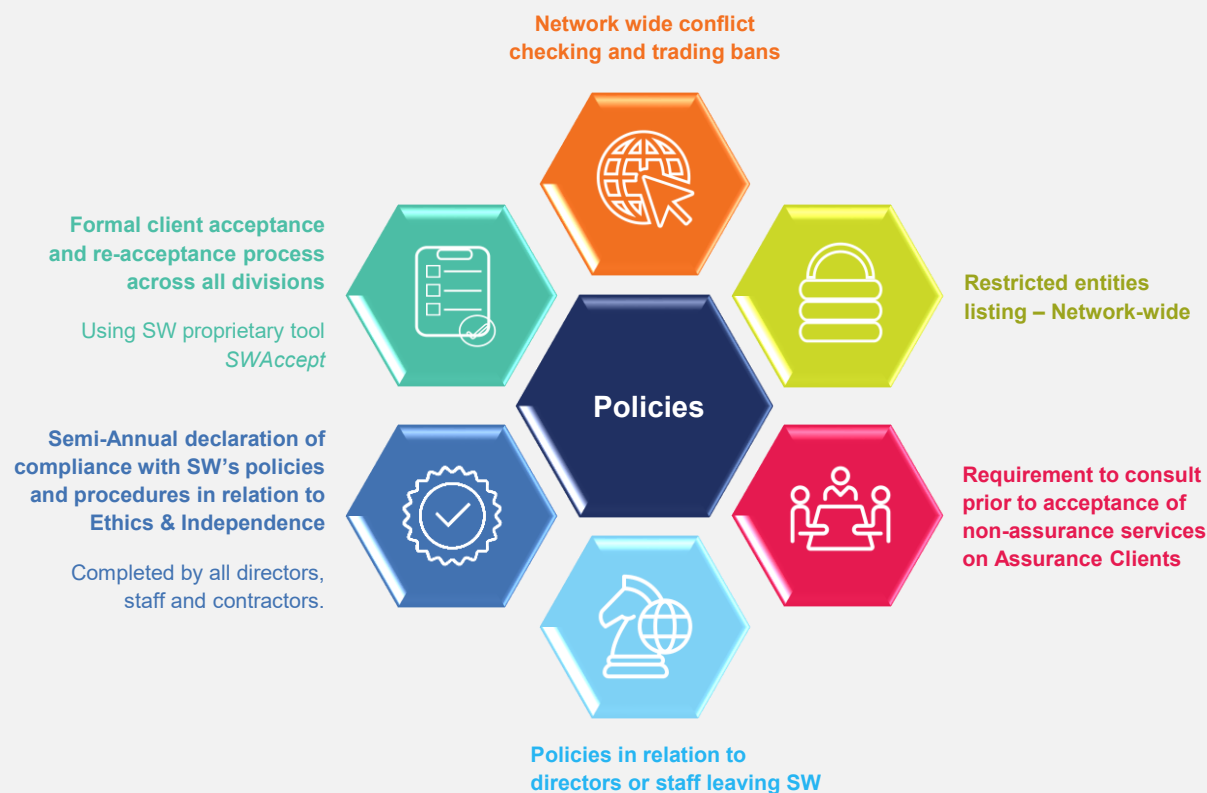
Independence compliance is monitored actively and timely. Our independence monitoring policies and procedures are designed to promptly and efficiently detect and remediate any potential conflicts.

Result

Ethics Training attendance	100%
Ethics Testing achieving 80% or more to pass	100%



The following areas are a key focus to ensure compliance with our Quality Assurance Procedures Manual and Independence Policy:



Relevant to external audit only:

- Independence sign-off at the planning and completion phases of the audit for all audit engagements
- s307C Independence declarations for *Corporations Act 2001* engagements
- Audit Partner rotation policy

Client acceptance & re-acceptance

A robust client acceptance and re-acceptance policy and process is a fundamental element of our SOQM. SWAccept, SW's proprietary application, facilitates compliance with this policy and processes by partners and staff.

SWAccept has a comprehensive risk assessment process which incorporates a risk scoring model.

This risk scoring model underpins the approval framework which is designed to escalate client acceptance and re-acceptance decisions to appropriate designated partners depending on the level of risk identified.

This strong control ensures that only suitable clients are onboarded to SW.

Evaluating new or potential clients and engagements prior to acceptance and regularly reviewing our continued involvement with clients is a fundamental risk management processes.

This includes considering whether we:

- are competent to perform the engagement
- have the necessary resources and time, and can comply with relevant ethical requirements, including independence
- have appropriately considered the integrity of the client

Our integrity and reputation are more important than any single client or engagement. Selectivity in the acceptance and retention of clients and engagements is consistent with our vision and values.

A conflict checking application forms part of the client acceptance process, and a conflict check email is sent to all partners and staff daily incorporating all clients that have commenced the client acceptance process in SWAccept.

SWAccept



Client detail

Independence
consideration

Proposed client
risk assessment

Engagement
risk assessment

Final approval



Resources | Our people

Our people are a core part of our strategy to build lasting relationships and achieve success.

Diversity & Inclusion

Diversity and inclusion is very important to our people and our firm and is a key strategic focus of SW. Our Diversity, Equity and Inclusion (DEI) strategy and action plan is based on three pillars; leadership & governance, education, and policies, programs and partnerships. The strategy and action plan is supported by a DEI Committee made up of a passionate and diverse cross section of our people who will support and guide us to achieve our DEI aims.

We recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), regardless of age, race, gender, religion, marital status and family responsibilities, or disability. Currently 41% of our people speak more than one language and over 40 languages are spoken.

Our 2024/2025 workplace gender equality agency (WGEA) results reflect our continued dedication to creating an equitable workplace. We have a median total remuneration gender pay gap of -3.3% in contrast to the accounting services industry average of 3.2%. Our total workforce composition is 54% female and 46% male.

Inclusion is paramount for the success of our firm and our culture. Our values support this and are embedded into our everyday language, to assist in breaking down barriers and ensure that every voice can be heard and respected.

Training & cultural awareness

The Aboriginal and Torres Strait Islander Course, produced by SBS as part of their inclusion programs, is designed to assist people in understanding the importance and advantages of Australian Indigenous cultural diversity. This training was launched to SW in December 2022. This has a 100% completion rate.



- 3.3%



SW's total remuneration gender pay gap for 2024 against the accounting services industry's 3.2%
Workplace Gender Equality Agency (WGEA)



50/50

Female and male
Board composition



100%

Completion rate for The Aboriginal and Torres Strait Islander Course



41%

Of our people speak more than one language



40+

Languages spoken

Resources | Our people

Our people are a core part of our strategy to build lasting relationships and achieve success.

Audit technical competencies

The technical competency of all audit and assurance partners and staff is critical to the delivery of a quality work product. To this end we have a comprehensive, competency framework that articulates the required technical competence and technical skills required for each career level.

All staff members are assessed on a job-by-job basis and more formally assessed twice a year. The competency framework is also used to inform the comprehensive learning and development program at SW.

Partner remuneration model

SW Accountants & Advisors Pty Ltd profit share is allocated as follows:

- All directors and their associated investment entities receive a fixed draw component based on a defined banding level
- All directors and their associated investment entities participate in a profit share allocation based on performance compared against their individual responsibilities and divisional performance criteria
- All shareholder directors and their associated investment entities receive a distribution based on their relevant equity holding
- The Executive Board oversees the assessment of performance to ensure recognition of performance and a fair and equitable distribution of profit.

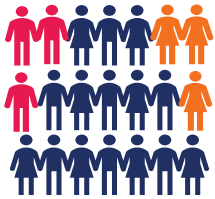
The Executive Committee recommends movements to banding levels and equity holding based on sustained performance, this is approved by the Executive Board. Audit and assurance partners are not incentivised or remunerated for cross selling non-assurance services to their audit and assurance clients.



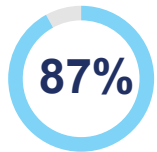
Resources | Audit and Assurance quality culture

We take our quality culture seriously;
it's at the heart of how we perform assurance engagements.

Investment in our people



88 audit & accounting
training sessions
in FY25



of our people believe they have
access to technical learning &
development opportunities to do
their jobs well*



respondents affirmed that SW
audit and assurance partners
are committed to audit quality.**



Client satisfaction score

As rated by 2024 Independent
research conducted by Beaton
Research + Consulting



of our people would recommend SW
as a great place to work*

* Engagement Survey in 2024

** 360 Degree Feedback Surveys in 2025

Our AAD Quality Award criteria

- Demonstrating a superior knowledge of the audit approach, the auditing standards, or the accounting standards
- Saving significant time on an engagement by using new appropriate testing techniques
- Challenging procedures performed in the prior year when no risks are identified for those procedures in the current year
- Developing complex, insightful substantive analytics
- Maximising the use of our audit tools
- Writing technical memoranda at an impressive level
- Identifying inconsistencies in audit evidence and audit approach by exercising professional scepticism



Investment in professional development

Providing ongoing Learning & Development is critical to meeting the needs of the individual and the Assurance & Advisory Division.

This is achieved by providing a diverse program offering, focusing on audit and accounting technical and personal growth. Our Assurance & Advisory Division receive regular training regarding the SW audit methodology, application of audit tools, updates on auditing, assurance and accounting standards and their implications, audit risk, engagement quality and relevant ethical requirements.

All new partners and professional staff are required to undertake independence and ethics training as part of their induction program. All partners and staff are also provided with regular refresher training and updates on their mandatory independence and ethical responsibilities.

In addition to technical learning, we recognise that soft skills are an important element in the delivery of quality engagements. We offer a comprehensive learning program that is mapped to SW's Capability & Development Framework. This framework sets out the behaviours and capabilities that successful employees exhibit at each level. In our recent staff engagement survey 84% of our employees responded favourably to *"I have access to interpersonal (soft skills) learning and development opportunities"*.

An important part of our SOQM is setting and monitoring integrity expectations for training. We monitor, test and follow up on instances of non-compliance with training policies.



Professional requirements

Our auditors are required to complete the CA Program as part of their employment.

Members of CA ANZ are required to undertake a minimum of 120 hours of training and development over a three-year period. At least 20 hours must be completed annually of verifiable training. CA ANZ has amended their requirements to allow on the job training to be captured as part of the training and development program with mandatory ethics training requirements also brought into the program. SW is a Registered Training Organisation, meaning that our career framework aligns with CA assessment framework and therefore candidates are exempt from completing their practical experience logbook.

We support our staff members through their CA program by:

- Paying upfront for all CA modules to complete the program (9 modules)
- Providing 2.5 days of study leave per subject
- Paying for CA Study Support Classes (CA Masterclass)
- Increasing remuneration in recognition of completing the program
- Paying annual CA membership fees (both provisional and full)

Investment in professional development

We are committed to and invest heavily in continuing professional development covering accounting, financial reporting and auditing.

During the FY25 period the following technical and non-technical training was provided. Training is designed to keep participants updated on the latest regulatory changes, technical standards, and best practices, ensuring they are equipped to navigate complex financial environments.

	Consultant	Senior Consultant Level	Assistant Manager / Manager Level	Senior Manager / Director / Partner Level
Technical Training	86	80	60	116
Sustainability & other key changes	6	6	8	16
Total	92	86	68	132

SW Senior Leaders Program

Our SW Senior Leader Program has received recognition for excellence and innovation in leadership development programs and initiatives.

Shortlisted for Best Leadership Development Program as an Excellence Awardee in the [HRD Australia](#) Australian HR Awards 2024.

With the guiding principle 'Leaders helping leaders lead', we collaborated closely with our senior leaders and Executive Committee to design a program that equips our team with the skills, mindset and tools necessary to excel in their roles and inspire others to do the same.



Impacts

16

Program participants

100%

Of participants recommend the program to others

100%

Employee retention of SW Senior Leader Program participants

Engagement performance

The entire SOQM underpins the ability of personnel being able to deliver quality at the engagement level.

The SW Audit Approach

The SW audit methodology is based on the requirements of the Australian Auditing and Assurance Standards, professional and ethical standards and relevant laws and regulations. It is dynamic, easy to apply and uses SharePoint to connect seamlessly to external standard setter and regulator websites.

Audit documentation system – Inflo

We have transitioned to Inflo which is the first end-to-end digital audit platform that combines data analytics, client collaboration, progressive technologies and innovative methodology. By integrating data analytics into the audit process, Inflo can provide deeper insights into financial data and reduce manual errors. This enables us to focus on higher-risk areas, improving the accuracy and efficiency of audits. Inflo also allows for seamless client collaboration which increases the efficiency and safety of data flows.

Digitisation of audit procedures plays an important role in driving consistency and enhancing audit quality.



Engagement performance



Professional Scepticism and Professional Judgement

The mindset of professional scepticism, coupled with sound professional judgement, is a fundamental behavioural requirement for all Audit and Assurance professionals. Like the standards setters and regulators, we recognise the critical importance of building this mindset.

This is promoted and reinforced through our overall approach to Audit and Assurance engagements through policies, procedures, training, our competency framework and ongoing evaluation of how our Audit and Assurance personnel exhibit these fundamental behaviours.

Professional scepticism involves a questioning mind that sways away from bias. Evidence of professional scepticism is often found when critically analysing and looking for contradictory evidence and not just corroborating what is already known.

Professional judgement is the informed decision-making process that demonstrates adherence to the following fundamental principles of APES 110:

- Integrity
- Objectivity
- Professional competence and due care

Roles and responsibilities

We require all Audit and Assurance engagements to be supervised by personnel with appropriate knowledge, skills, experience and time. To ensure partners and staff have adequate time to undertake their roles; individual budgets are prepared for each engagement, and staff are scheduled to jobs based on the time expected to complete a quality engagement.

Ensuring our partners and staff are aware of their responsibilities is fundamental to ensuring consistent, quality outcomes are achieved.

Engagement Partner

Engagement partners comply with the relevant SW policies and procedures that have been mapped to the requirements of ASA 220 *Quality Management for an Audit of a Financial Report and Other Historical Financial Information*.

Partners recognise the importance of their role regarding significant matters and judgements and acknowledge their responsibility to reinforce the importance of quality to all members of their engagement teams.

Engagement Quality Reviewer

The role of the Engagement Quality Reviewer (EQR) forms a critical component of our SOQM.

EQR partners are appointed according to their experience and technical knowledge. They are involved in the most critical aspects of the audit, including reviewing the engagement team's judgements and responses to significant risks and specific auditing and financial reporting issues and disclosures.

Consultations and technical support

We have developed a strong culture of consultation which is fundamental to achieving quality Audit and Assurance outcomes. We invest in audit technical support through an associate director and manager who support audit and assurance teams on a full-time basis. We also have IFRS specialist resources and a dedicated Quality and Risk function.



Information & communication

We take pride in the way information is communicated throughout the Firm.

We use a range of communication channels to convey or reinforce key quality messaging.

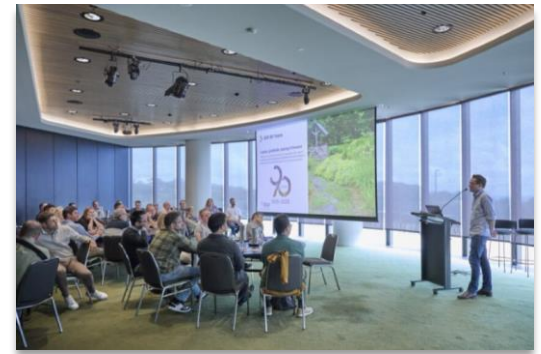
Internal communication

From the Chair of the Board to the CEO and others, the importance of quality is communicated on a continuous basis through meetings, partner conferences, divisional conferences, email, and Teams channels. Communication at the engagement team level is equally critical to the effective operation of the SOQM. Partners with staff, engagement teams with the EQR, consultations on difficult or contentious matters with relevant experts in the Firm or external to the Firm.

External communication

Maintaining open and honest communication with clients throughout Audit and Assurance engagements is vital in gaining and maintaining trust. There are many touch points with clients, namely:

- Developing a deep understanding of what the client does and the risks they face
- Reporting on audit planning to those charged with governance
- Constant communication during the engagement
- Close reports to those charged with governance
- Details of the Firm's SOQM
- Alerts
- Webinars on audit, accounting and sustainability standards



Monitoring & remediation

Monitoring and remediation play a crucial role in the SOQM and are key elements to our Audit and Assurance strategy.

Monitoring enables us to assess whether the controls we have implemented are effective in mitigating risks to achieve the quality objectives. Where findings or deficiencies have been noted, relevant controls are modified to drive improvement towards meeting our quality objectives.

Internal monitoring

Monitoring activities are conducted on an ongoing basis at a firm-wide and engagement level:

- Internal quality file reviews are conducted annually to assess the quality of audit files and compliance with our quality and risk management framework.
 - Engagement partners are selected on a three-year rotational basis, with files selected by an Independent External Reviewer who manages the entire process from engagement selection to reporting
 - The final report is tabled with the Quality and Risk Committee who, together with the Head of the Assurance and Advisory division, implement remedial actions as necessary. Where adverse quality matters are identified, the responsible partner may be subject to additional mentoring, training or other actions under our Firm's remuneration and accountability framework.
 - Should an engagement partner receive an unsatisfactory review rating, they will be reviewed again in the next reporting period in addition to other engagement partners already selected for that review cycle.
- Monitoring of the other aspects of the SOQM is undertaken by the Quality & Risk team.

	FY25
No. of Audit and Assurance reviews performed	6
Partners reviewed as a percentage of 'total partners'	50%
Engagement that met our internal inspection program requirements	100%



External monitoring

In addition to internal monitoring, SW is subject to a number of external reviews including:

- Australian Securities & Investment Commission (ASIC) – Last inspection 2021
- Chartered Accountants Australia and New Zealand (CAANZ) – Last inspection 2024
- Hong Kong Accounting and Financial Reporting Council (AFRC) – No inspections to date

The readers of this transparency report should not make any assumptions about the scope of, or findings from any of the reviews undertaken by the aforementioned external reviews.

Root cause analysis

If deficiencies are identified as a result of the internal or external monitoring, a Root Cause Analysis (RCA) is completed in line with our RCA policy and the 5 Why's methodology is applied.

This methodology allows for a thorough analysis based on a clearly defined problem statement. Depending on the type of deficiency identified, the RCA may involve an entire engagement team, the partner only or specific staff grades. RCAs are conducted so that the remediations identified can be implemented for the next major Audit and Assurance review cycle.

SW International (SWI) Global Quality Monitoring Program

SWI has a centralised global network quality monitoring program which:

- Facilitates compliance with relevant professional standards
- Assesses and monitors the quality of member firms' audit and assurance practices
- Identifies areas for improvement

Statement on the effectiveness of SW's System of Quality Management

We confirm that our SOQM has been designed and implemented appropriately in line with the requirements of ASQM 1.

We have undertaken a self-assessment evaluation of our SOQM within the scope of ASQM 1 as of 30 September 2025.

In our opinion, our self-assessment provides us with reasonable assurance that:

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

Based on all the relevant information of our SOQM, we believe our SOQM provides us with reasonable assurance that the quality objectives of the SOQM are being achieved.



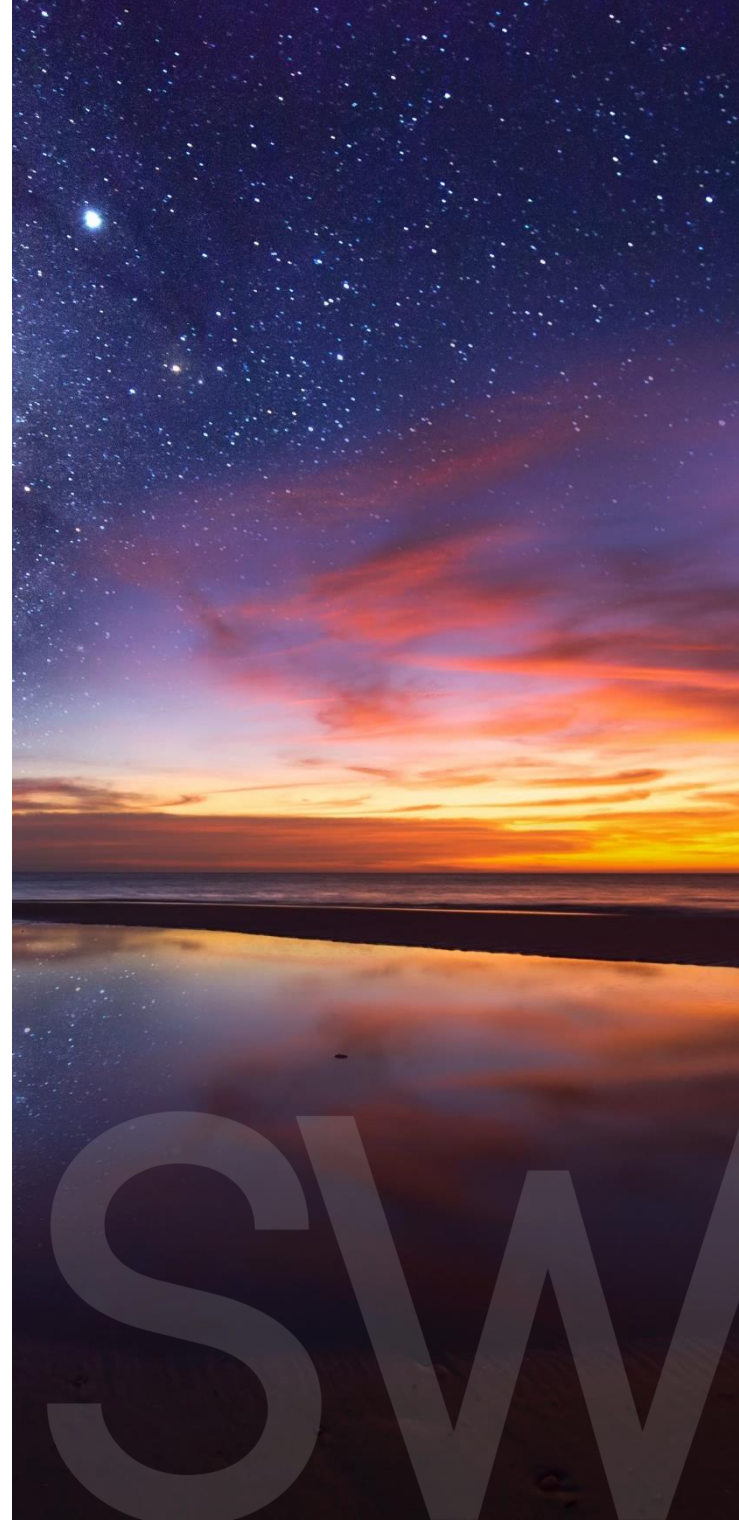
Stephen O'Flynn

Chair of the Board, and
Quality & Risk Committee



Duane Rogers

CEO & Partner



Clients of SW Audit

Audits conducted at any time in the financial year ended 30 June 2025 of listed companies, listed registered schemes.

Entity Name	Exchange(s)	Ticker(s)/Code(s)
Allup Silica Limited	ASX	APS
Associate Global Partners	ASX	APL
CPT Global Limited	ASX	CGO
European Lithium	ASX	EUR
Group 6 Metals Ltd	ASX	G6M
Harris Technology Group Limited	ASX	HT8
N1 Holdings Limited	ASX	N1H
Newmark Property REIT	ASX	NPR
Phoslock Environmental Technologies Limited	ASX	PET
Rey Resources Limited	ASX	REY
Sagalio Energy Limited	ASX	SAN
SHAPE Australia Corp Limited	ASX	SHA
Switzer Dividend Growth Fund	ASX	SWTZ
Terragen Holdings Limited	ASX	TGH
WCM Global Growth Fund	ASX	WCMQ
Yancoal Australia Limited	ASX, HKEx	ASX:YAL, HKEx:3668



Financial information for SW

Revenue from services			
Services Provided	2025 (\$'000)	2024 (\$'000) Amended*	2024 (\$'000) Reported
Audits and reviews of financial statements	20,907	20,507	21,022
Non-audit services to audit clients	6,368	5,916	7,463
Non-audit services to non-audit clients	62,791	57,126	55,063
Total revenue	90,067	83,548	83,548

*2024 amounts adjusted to align with 2025 classification of services provided.



 Take the lead



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sw-au.com

SW acknowledges and pays respect to the past, present and future Traditional Custodians and Elders of this nation and the continuation of cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.