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Baker Tilly Ireland Audit Limited Transparency Report

31 March 2025

Now, for tomorrow

bakertilly

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Foreword

Baker Tilly Ireland Audit Limited commenced on 1 July 2024. This first Transparency Report outlines our governance, independence and commitment to audit quality.



Following the merger of Roberts Nathan with MHA on 1 July 2024, Baker Tilly Ireland Audit Limited commenced statutory audit operations in July 2024. This Transparency Report covers the period to 31 March 2025.

During this initial period, we undertook a comprehensive programme of planning and implementation to strengthen governance, enhance audit quality, and align our policies and processes with best practices, reflecting our development as a newly established Audit Firm and the wider Group's strategic ambitions.

This work was undertaken alongside preparations for the IPO of our ultimate parent, MHA plc, in the UK, which increased the focus on robust governance, ethical oversight, and clear accountability. While a number of enhancements formally took effect after the period end, their design and foundations were established during the period covered by this report.

We have grown our expertise through specialised recruitment and enhanced our methodologies and training to drive improvements. We successfully integrated a new audit methodology, Global Focus, and enhanced our audit platform moving to a cloud-based solution.

We remain committed to transparency and to serving the public interest in all that we do. This report outlines how we discharged our responsibilities under the Irish Audit Firm Governance Code during the 2024–25 reporting period, and how our focus on audit quality and independence remains central to our long-term strategy.

Background to the Transparency Report

In this Transparency Report, Baker Tilly Ireland Audit Limited is referred to as "Baker Tilly Ireland", "the Firm", "we", "our", or "its", the MHA Group is referred to as "MHA" or "the Group". The Firm operates under the trading name Baker Tilly Ireland.

This report sets out how the Firm has applied its principles and provisions during the period ended 31 March 2025.

This Transparency Report has been prepared solely in respect of the activities of Baker Tilly Ireland Audit Limited. It does not cover any of its subsidiaries or other firms within the Baker Tilly International network, of which Baker Tilly Ireland is an independent member.



We are Baker Tilly Ireland.

Provider of audit, tax, consulting, and advisory services. Part of the Baker Tilly International network, and owned by UK based MHA PLC.



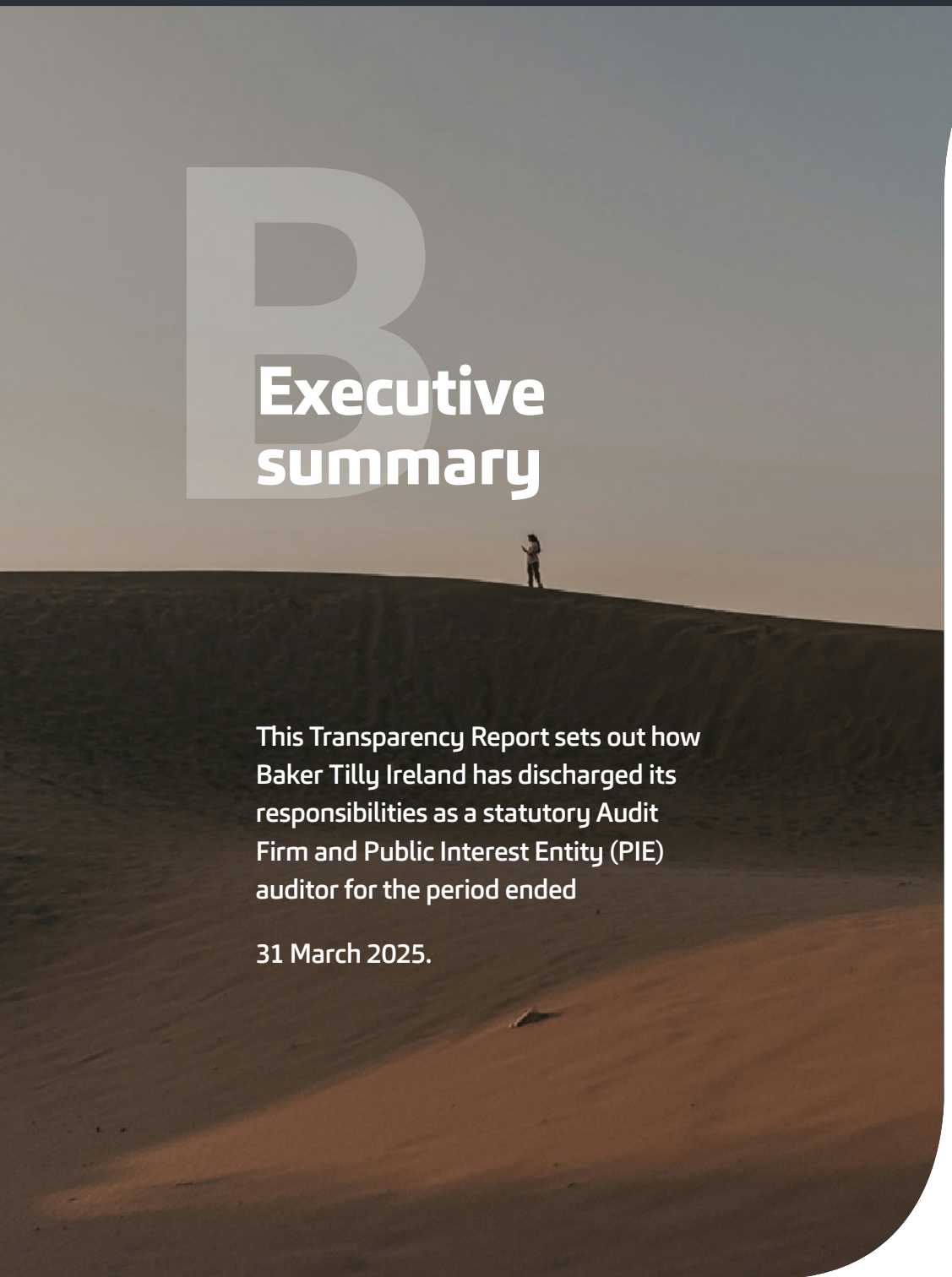
1,823
Staff

151
Partners

23
Offices

£224
Million turnover

All figures above are as at 31 March 2025



B Executive summary

This Transparency Report sets out how Baker Tilly Ireland has discharged its responsibilities as a statutory Audit Firm and Public Interest Entity (PIE) auditor for the period ended

31 March 2025.

This report provides insight into Baker Tilly Ireland's governance, risk management, audit quality systems and public interest responsibilities, and reflects the development of our audit practice during our first trading period. Baker Tilly Ireland Audit Limited commenced trading on 1 July 2024, following the merger of Roberts Nathan with MHA and the establishment of the Baker Tilly Ireland entity.

Firm's Transformation and Governance

On commencement of the new Audit Firm, Baker Tilly Ireland's audit clients were transitioned from the legacy Firm Roberts Nathan. We focused during the period to 31 March 2025 on building strong foundations—strengthening governance arrangements, enhancing oversight and challenge, and progressing the design and implementation of scalable audit quality and risk management systems. While a number of enhancements continued to evolve beyond the reporting date, the planning, governance design and cultural groundwork were initiated during the period covered by this report and are described throughout.

This is also our first Transparency Report, and it demonstrates our commitment to transparency and to serving the public interest as we continue to embed consistent, high-quality audit delivery within the Baker Tilly network.

Audit Quality and Professional Standards

Audit quality remains the Firm's top strategic priority. During the period, Baker Tilly Ireland implemented its Strategic Audit Quality Plan, strengthening its technical and quality leadership team by collaborating with MHA, investing in audit training, methodology, and people development. Whilst internal monitoring and regulatory inspections have identified deficiencies, Baker Tilly Ireland believes that the implementation of the Strategic Audit Quality Plan will create significant improvements over time which will address any deficiencies and lead to improved outcomes. The Firm acknowledges that quality improvement is an iterative process and remains committed to transparency, accountability, and measurable progress.

The rollout of Global Focus Cloud, Baker Tilly International's new audit platform, has commenced, offering a significant opportunity to enhance consistency, quality, and audit execution across offices.

Ethics and Independence

The Firm's ethical culture is supported by the Firm's Ethics Partner, and the Group's newly established Ethics Council and the existing Ethics function together with a comprehensive set of policies aligned with the ACCA's Code of Ethics and IAASA's Ethical Standard for Auditors. Ethics training, independence monitoring, and breach tracking have all been enhanced, and the Firm has revised policies and procedures for alignment with the Ethical Standard for Auditors (Ireland).

All new audit clients are subject to risk assessment and centralised onboarding, and threats to independence arising from long association and provision of non-audit services are managed with strong internal oversight.

The Firm recorded no fines or ethical breaches which required reporting outside the standard process during the reporting period.

People, Inclusion, and Growth

Growth has been accompanied by continued investment in recruitment, training, inclusion, and career progression. Ultimately, Baker Tilly Ireland aims to cultivate a unified culture that supports engagement, retention, and reinforces our one Firm approach. The Firm continues to support both graduate and school-leaver pathways and remains committed to improving diversity, wellbeing, and access to the profession.

Sustainability and ESG

Environmental, Social, and Governance (ESG) matters have gained prominence as the Firm prepares for new reporting frameworks and client auditing and assurance needs.

Internal systems for emissions (including carbon) reporting, social impact, and governance oversight have been developed.

Risk Management and Mitigation

Risk management is integral to Baker Tilly Ireland's governance framework and underpins our strategic direction, operational effectiveness, audit quality, and public interest responsibilities. As the discipline evolves from a compliance -oriented function to a strategic enabler, BTI is proactively embedding a strong risk-aware culture across the Firm. This approach not only strengthens our resilience but also supports sustainable growth and innovation, ensuring we remain well-positioned to navigate an increasingly complex risk landscape.

Conclusion

This Transparency Report demonstrates Baker Tilly Ireland's ongoing commitment to the public interest, to professional excellence, and to building a Firm that is resilient, inclusive, and forward-looking.

Baker Tilly Ireland is proud of the progress made and fully recognises the work still to be done. We remain committed to delivering high-quality, independent audits that serve stakeholders, the capital markets, and society with integrity and purpose.

Leadership messages

Vivian Nathan
Chief Operating Officer, Baker Tilly Ireland





I am very pleased to provide a forward and brief for Baker Tilly Ireland in respect of 2025 as part of our Transparency Report.

Management of risk and maintaining the quality of our audit and assurance engagements is of critical importance to us here at Baker Tilly Ireland. We continue to be committed across our organisation to serving our clients and stakeholders with the highest professional integrity and we recognise the critical role we play in maintaining public trust in financial reporting.

We appreciate the changing world we live in today and the significant uncertainties and volatility faced by our clients as they chart a course through what is and continues to be an increasingly complex environment in which to operate. We are committed to ensuring that we support them and protect them as this evolves.

We remain committed to fostering a culture of continuous improvement and professional development through our people who we recognise are the cornerstone to our long-term success. We are always attracting and growing the talent within our Firm, and this will continue into 2026. It is of great importance to us that all our team receive the latest training and guidance to ensure they have the core competencies and capabilities to fulfil their role here at Baker Tilly Ireland. It would not be an understatement to say that the way in which people work continues to evolve with a current focus on a blended working environment for most. This seems to work well for us and we will continue to monitor and refine this process to ensure that we continue to deliver high quality audit and advisory services to our clients.

We have also as a Firm taken the decision to go public in conjunction with our colleagues in the UK and list on the London Stock Exchange during 2025. This milestone represents a significant step in our Firm's evolution. It reflects our confidence in the strength of our business, the dedication of our team and the long-term sustainability of our strategy.

I am also pleased to announce that during the second quarter of 2026 we will be relocating our Dublin office to a brand-new development at Scotch House in the city centre. This location will offer us a better opportunity to create an environment that supports collaboration, innovation, and overall employee well-being. It will, I think, enable us to better service our growing client requirements as well.

We are also seeing Generative AI moving from a concept to something that we as an organisation are utilising more and more as time goes on. We can see the benefits and as a Firm in Ireland and indeed the wider group we and will continue to invest considerably in this area. In addition to AI we are also continuing to invest in all forms of technology to ensure that we remain at the cutting edge here in our industry.

The audit framework and business in our Firm is one of our core competencies. We continue to ensure that we align with all the necessary regulatory requirements at all times and operate a robust system of quality management that we believe results in stronger accountability, greater transparency and continued progress.

Audit quality is and will continue to be of the utmost importance to us all here at Baker Tilly. In conjunction with this I would refer the reader to the next section of this report which includes detail and a greater understanding of this whole area from Brendan Kean who is our Head of Audit here in Ireland.

Looking forward we are committed to a strategy of growth in and around Ireland while at the same time expanding the depth of service offering to existing and new clients.

I hope that the information provided in this Transparency Report is of use and that it demonstrates our continuing focus on quality and all that is important to our clients, colleagues and the public at large.





Brendan Kean

Head of Audit, Baker Tilly Ireland

In a landscape shaped by rapid regulatory change, geopolitical uncertainty and accelerating technological transformation, the responsibility of auditors has never been more important. As Head of Audit for the Irish region, I am acutely aware that audit quality must not only be achieved - it must be repeatable, measurable and sustainable.

Sustained Growth and Strategic Expansion

Baker Tilly Ireland Audit Limited commenced trading on 1 July 2024, and the period to 31 March 2025 represents our first period operating as a member Firm of the Baker Tilly Network.During the period the Firm took the strategic decision, supported by the group strategy to enter the PIE market, which brings heightened responsibility and a clear obligation to demonstrate robust governance, independence and consistent execution.

While the period involved significant change—following the merger of Roberts Nathan with MHA and the establishment of our Irish audit practice—much was achieved. We strengthened our team through targeted recruitment, invested in training and methodology, and progressed important upgrades to our delivery model.

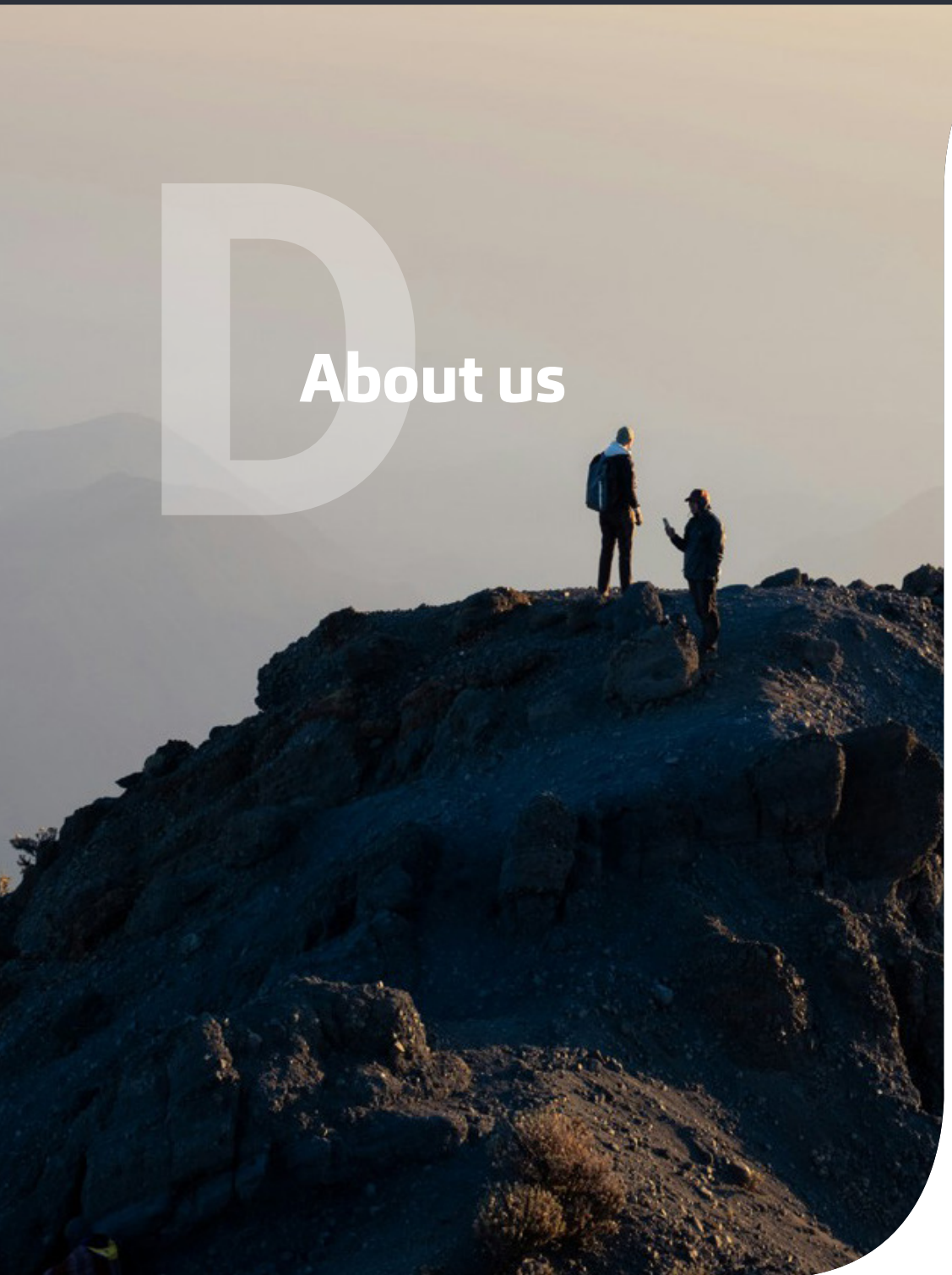
Central to our audit quality strategy is the implementation of enhanced governance and oversight, alongside the development of a Firm-wide system of quality management designed to be scalable and proportionate to our growth. As part of our integration with MHA, we are aligning with and leveraging the firm's established systems and methodologies, enabling us to benefit from the scale, consistency and best practices of a larger network. We have also begun implementing new systems and tools to support consistent audit execution, including the transition toward a cloud-enabled audit platform to improve real-time collaboration, file management and quality control.

We are also clear about the work still to be done. Our internal monitoring, file reviews and ongoing assessment of our quality management arrangements highlight areas requiring further improvement to ensure quality is consistently delivered across all engagements. Audit quality is a journey, and the changes we have initiated—particularly in strengthening oversight, refining methodologies and embedding new systems—take time to mature and will be evidenced across audit cycles.

Nonetheless, we have set a clear direction of travel: a stronger control environment, enhanced challenge and coaching for engagement teams, and a culture where issues are surfaced early, analysed at root cause, and addressed through targeted remediation.

This is our first Transparency Report, and it reflects our commitment to openness and to serving the public interest. It sets out how we have approached governance, independence and audit quality during this formative period, and how we are building a platform that will support high-quality, risk-focused audits in Ireland over the long term.

With the continued dedication of our people, and with the investment we are making in systems, training and experienced leadership, I am confident that we are laying the right foundations to meet the expectations of regulators, audit committees and wider stakeholders—and, most importantly, to earn and retain trust.



About us

Purpose

Baker Tilly Ireland exists to serve the public interest by delivering high-quality, independent audit and assurance services that foster trust in financial reporting. The Firm's purpose is grounded in its role as a responsible, professional services provider—committed to upholding integrity, transparency, and ethical standards in everything it does.

This purpose is not only relevant to regulatory compliance or technical accuracy —it also informs the Firm's broader contribution to its stakeholders, colleagues, and society.

It is reflected in the way the Firm governs itself, the expectations it places on its people, and the accountability it accepts as an auditor of public interest entities and other significant organisations.

In a period of significant transition—marked by corporate growth, organisational restructuring, and becoming part of a publicly listed group—the clarity of purpose has served as an anchor. It has guided decision-making, reinforced the importance of audit quality, and ensured a consistent focus on long-term value creation.

As the Firm grows, our commitment to this purpose strengthens. Delivering consistently high standards, maintaining independence, and supporting a culture that values integrity and challenge will remain central to our future direction.

Culture and Values

The culture at Baker Tilly Ireland is founded on a clear set of values that guide behaviours, shape leadership, and support the delivery of high-quality services. Our STAR values— Service, Teamwork, Attitude, and Relationships—foster integrity and are embedded in the Firm's governance, performance management, and day-to-day decision-making.

The Firm's culture is not static; it is continuously reinforced through leadership tone, communication, and the systems that reward and support expected behaviours.

Accountability and challenge are also core to the Firm's internal culture. Senior leadership is expected to model appropriate behaviours, and employees are encouraged to speak up and raise concerns without fear of reprisal.

Baker Tilly Ireland recognises that a strong, inclusive, and ethical culture is not only the foundation for audit quality—it is also essential to long-term resilience and public trust.

Reward and Recognition

Baker Tilly Ireland's approach to reward and recognition is designed to attract, retain, and motivate high-performing individuals while aligning incentives with the Firm's values, culture, and commitment to audit quality.

The framework seeks to reward not only technical competence and commercial contribution, but also integrity, collaboration, leadership behaviour, and the promotion of a strong ethical environment. During the year the Firm rolled out role profiles for all levels of staff which set out clear expectations of performance and behaviours for each role, including commitments to quality and technical excellence.

The Firm operates a structured performance management process, underpinned by the new role profiles, regular feedback, clear objectives, and competency-based assessments.

Individuals' contributions are recognised both formally —through progression, bonuses, and promotion—and informally, through internal recognition schemes and local initiatives.

Reward outcomes are based on appraisal results, taking into account key performance indicators, client service outcome, leadership behaviours & people metrics. For senior individuals involved in audit, the Firm also considers the results of internal and external file reviews, adherence to professional standards, and contributions to the wider audit strategy.

Recognition of non-financial contributions—such as mentoring, inclusion efforts, and technical leadership—is a growing priority. The Firm is continuing to develop mechanisms to ensure these contributions are appropriately valued and visible in career development.

Pay equity, transparency, and fairness remain core principles of the reward strategy. The Firm continues to review pay and progression data to ensure that outcomes are consistent with its commitments to diversity, inclusion, and equal opportunity.

Reward and recognition play a vital role in reinforcing the behaviours and standards the Firm expects of its people, and will remain closely aligned with its quality, ethics, and governance objectives as the business continues to evolve.



People and Culture

More Than A Number

At Baker Tilly Ireland, people are more than a number – they are part of something bigger. From the start, it has always been about people. Our culture is at the heart of who we are, guided by our values and driven by our ambition to grow together.

That's how we create a better tomorrow for our colleagues and stakeholders. When new colleagues join our teams, they experience fulfilling careers and are truly celebrated as individuals. Through it all, they will work with a variety of clients and have the support they need to leave their mark, no matter what path they choose.

What makes Baker Tilly Ireland special is our belief in our people, their ideas, contributions, and unique perspectives. It's not about title, background, or where they've been, it's about where we can go together.

We're a people-first business. That's why we attract and keep amazing people who collaborate and support one another to be the best they can be. We are proud to be part of MHA, which holds Investors in People Gold accreditation. Our regular People feedback surveys ensure our commitments to our culture and high standards are reaffirmed by external frameworks and the views of our people.

Our key drivers to help us attain this include:

People first – we want to continue to invest in our people to unleash their full potential, ensuring our key talent is retained.

Leading with ambition - growth and scale – through our merger and acquisition strategy and organic business development initiatives, we focus on scalability, and enhancement plans to support these changes.

All in - new policies, process and adoption – integrating new firms under the MHA Group means new software, AI and automation, and additional policies and process necessary to support the transformation and cultural alignment.

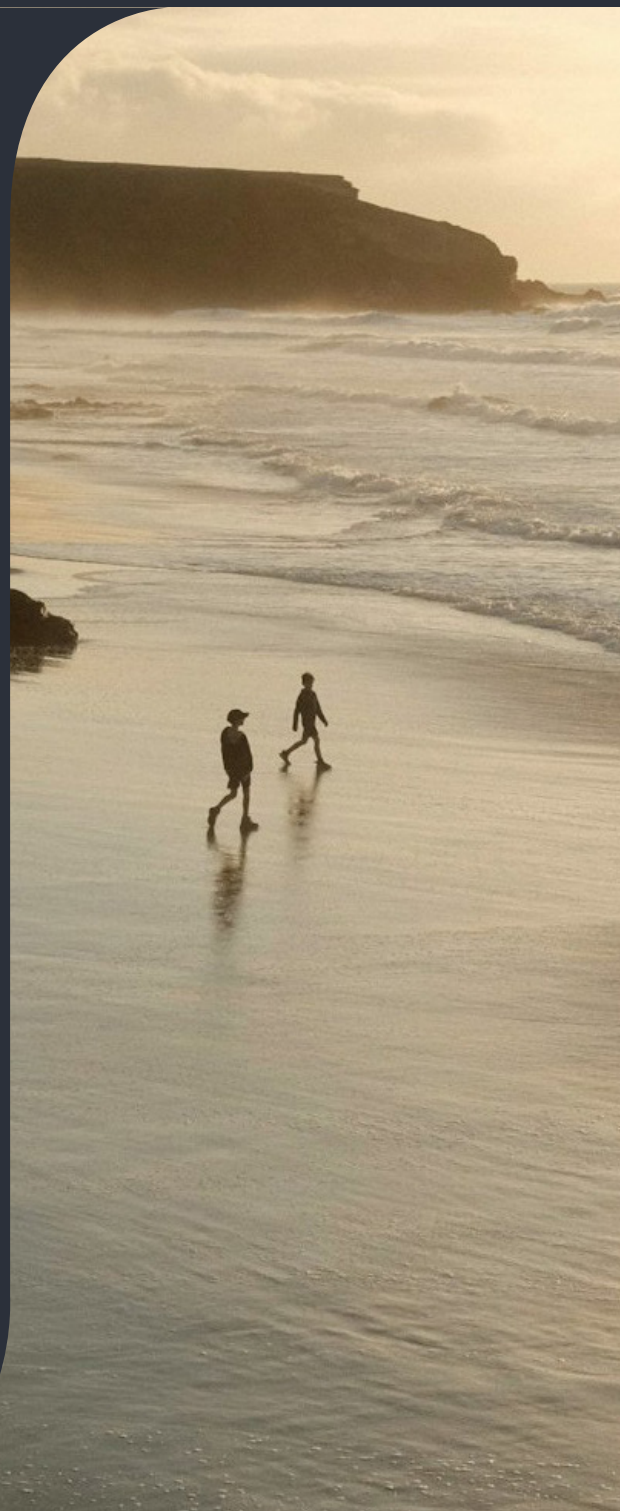
Synergy and alignment of our culture and people – onboarding new businesses/teams and individuals within the wider MHA Group, requires a specific and individual cultural change plan. This underpins our integration success and will continue to drive the way we integrate future mergers and acquisitions.

Standardisation and quality – we always look to harmonising our business to ensure standardisation and quality outcomes across all our people processes and practices.

STAR Values

Our people-first approach, together with our STAR values—Service, Teamwork, Attitude, and Relationships—supports a positive and successful working environment and shapes the experience of both our people and our clients. They are integral to ensuring our people are engaged and motivated in their everyday working life.

- **Service**
- **Teamwork**
- **Attitude**
- **Relationships**



Talent Acquisition

Baker Tilly Ireland adopts a forward thinking and integrated approach to talent acquisition, designed to meet both immediate business needs and support the long-term development of future leaders. Our recruitment strategy is firmly aligned with the Firm's quality and ethics objectives, ensuring that all hires, regardless of level, demonstrate the technical expertise required to operate in a regulated environment and the behaviours and mindset expected of professionals serving the public interest.

We take a strategic and data-informed approach to workforce planning, working closely with service lines and regional leaders to anticipate future demand and ensure that recruitment activity supports sustainable growth. This includes embedding skills mapping, resource forecasting, and succession planning into our hiring processes to ensure a steady pipeline of diverse, high-quality talent across Ireland.

Baker Tilly Ireland continues to invest in our employer brand, candidate experience, and outreach channels to attract talent aligned with our values of service, teamwork, attitude, and relationships. We have refined our messaging to reflect the meaningful and purpose-driven careers available at Baker Tilly Ireland, particularly highlighting the impact our people make for clients and communities. Our recruitment campaigns reflect our commitment to accessibility, inclusion, and social mobility, and we regularly review our attraction and selection methods to minimise bias and ensure fairness.

From initial outreach to onboarding, we aim to build a reputation for professionalism, flexibility, and support. We recognise that candidates are assessing us as much as we are them, and we are proud to receive consistently positive feedback about the transparency, responsiveness, and care shown throughout the process. Talent acquisition is not only about filling roles but about creating a firmwide culture where the right people can thrive both now and in the future.

Graduate and Non-Graduate Trainee Recruitment

Baker Tilly Ireland maintains a graduate programme that offers a range of structured pathways for both graduates and school leavers. These programmes are designed to build technical competence and to nurture commercial awareness, ethical judgment, and a strong understanding of client needs in a regulated and constantly evolving profession. We view our early talent as the future of the Firm, and we are committed to equipping them with the tools, experiences, and support they need to thrive.

Recognising the importance of social mobility and inclusion, Baker Tilly Ireland has significantly expanded its entry routes beyond the traditional graduate model. This includes a growing range of apprenticeship programmes, national work experience opportunities, and work-based learning models that offer meaningful access to careers in the accounting profession.

These routes are designed to attract individuals from a variety of educational, socioeconomic, and regional backgrounds, reinforcing our commitment to removing barriers and creating opportunities for all.

Our early careers experience is underpinned by high-quality training and development. New joiners benefit from a comprehensive induction programme, structured learning plans, and rotational placements that expose them to a wide variety of client types, sectors, and service lines. This breadth of experience ensures they develop into well-rounded professionals with an understanding

of the Firm's multidisciplinary offering. Mentoring from experienced colleagues, regular feedback, and support from line managers are all integral to helping our early talent build confidence, resilience, and a strong sense of belonging.

We also focus on creating a positive and inclusive culture from day one. Our early careers cohorts are encouraged to get involved in firmwide initiatives, wellbeing programmes, and local office life. We want our people to feel connected and supported, and to see a clear pathway for growth, whether they joined us from university, college, or another route entirely.

Early careers talent is central to Baker Tilly Ireland's long-term success, and we are proud to offer routes that are flexible, inclusive, and aligned to the evolving expectations of future professionals.

Diversity, Inclusion, Belonging and Societal Impact (DIBS)

The Firm is committed to creating a working environment that values difference, promotes inclusion, and supports a sense of belonging. A dedicated DIBS strategy guides activity across recruitment, progression, training, and engagement. Key actions include inclusive recruitment practices, targeted outreach, leadership training on bias and allyship, and employee-led networks. The Firm monitors progress using internal data and regularly reviews its reviews its DIBS objectives objectives at Board level.

Diversity, inclusion, belonging, and societal impact are central to Baker Tilly Ireland's talent strategy and organisational culture. Our DIBS framework is not a standalone initiative but a core thread running through every stage of the employee experience, from attraction and recruitment through to development, progression, engagement, and retention.

It is designed to ensure that all colleagues, regardless of background, feel respected, valued, and supported in building a meaningful and long-term career at Baker Tilly Ireland.

The strategy is underpinned by data-informed decision-making and is driven by collaboration between executive leadership, regional teams, and our employee-led network groups. This ensures both strategic oversight and authentic lived experience influence how we design and deliver our inclusion commitments.

Key initiatives include inclusive recruitment training for hiring managers, structured processes to reduce bias in screening and selection, and targeted outreach to attract candidates from under represented communities.

We also provide tailored support to help individuals from all backgrounds navigate their careers confidently, including mentoring schemes, sponsorship opportunities and access to development resources.

Our employee networks, including Race and Ethnicity, Gender Equity, Pride (LGBTQ+), Faith, Religion and Belief, Family and Carers, Wellbeing, and Disability and Neurodiversity, play a vital role in fostering community, raising awareness, and shaping firmwide policy and practice. These groups provide inclusive spaces for open dialogue and shared learning, ensuring that lived experience actively informs our culture and approach across the Firm.

Baker Tilly Ireland is proud to be a Disability Confident employer. This reflects our commitment to supporting candidates and colleagues with disabilities or long-term health conditions. We continue to review and improve our recruitment processes, workplace adjustments, and ongoing support to ensure every individual has equal access to opportunity and development.

We regularly seek feedback from colleagues through our engagement surveys, listening sessions, and informal conversations, using what we learn to shape policy, processes and communications. This responsiveness ensures that our DIBS strategy is not only values-led but also effective in practice.

Baker Tilly Ireland is committed to building a Firm where diversity is celebrated, inclusion is expected, and everyone has the opportunity to belong and thrive. We believe our ability to serve clients, and society is strengthened when we reflect the diversity of the communities in which we live and work.

Corporate Social Responsibility

Baker Tilly Ireland is committed to being a responsible business that positively contributes to society and the environment. Our CSR agenda encourages all offices to support charities and not-for-profits through fundraising efforts.

Environmental sustainability is also a growing area of focus. We continue to engage teams in internal campaigns around waste reduction, energy efficiency, and sustainable travel. The Firm is exploring formal frameworks to better measure its environmental footprint and evaluate the wider social impact of its operations and policies.

Appraisals, Professional Development, and Training

A structured appraisal process is in place, with mid-year and annual reviews supported by clear performance frameworks. Feedback is gathered from peers, managers, and clients where appropriate. Development plans are aligned with both technical growth and behavioural competencies. The Firm places particular emphasis on audit quality, leadership capability, and ethical judgement.

Our performance management approach underpins our vision and commitment to establishing a culture of consistency in our people-related practices, ensuring all staff at Baker Tilly Ireland are treated fairly and equitably. By maintaining clear and transparent guidelines around our appraisals, professional development and training, we strive to create an exceptional employee experience where everyone knows what is expected of them and can trust that decisions are made fairly and consistently.

This commitment to consistency not only fosters a sense of trust and respect among our colleagues but also serves as the golden thread that weaves together our Firm values, driving the Firm's success and growth. Through this, we create a high performing workplace environment where every individual feels valued and empowered, contributing to our constant drive on audit quality, leadership capability and ethical judgement.

Summary of Core Training Conducted

We have a comprehensive Learning and Development core programme that is designed to cover the technical and professional needs of all our staff.

Training, delivered through workshops, virtual classrooms, and digital platforms, is assigned to staff based on their level and service line throughout the year with new starters receiving structured induction training. Compliance with core learning is reviewed during the six-month appraisal process or followed up directly to ensure our staff are committed to attaining and retaining high standards when it comes to technical competence, quality, and soft skills.



Core programmes run in 2024/25 included:

Technical skills

- Bi-annual audit quality and technical updates
- Bi-annual tax issues and opportunities updates
- Technical updates for ABAS professionals (payroll and accounts)
- Updates on regulatory standards (including the IAASA Ethical Standard)
- Best practice Audit Bootcamp for audit trainees
- Regular technical topic updates for our staff Audit- It's Not Rocket Science, Tax isn't Taxing, etc)
- Sector specific updates for staff (including SAR Accounts Rules, banking, not-for-profit).

Professional Skills

- **Phase Courses:** Annual Professional skills training for all trainee staff that increases general business acumen, as well as hone the skill needed to thrive in a professional environment (time keeping, critical thinking, business writing, etc).
- **Modern Manager:** A rolling series of courses aimed at giving team leaders the tools to help their teams (and themselves) thrive. Elements covered include feedback and coaching, difficult conversations, and fostering motivation and engagement.
- **LEAD:** A programme aimed at senior leadership within the organisation (senior managers and higher) which explores the distinctions between managing and leading a team – with an emphasis on personal development, resilience, and strategic thinking.
- **Other elective professional skill modules** run throughout the year include topics such as Networking, Business Development, Presentation Skills, Team Unity
- **INSIGHTS TEAM Profiling** – is a programme used to understand key attributes of an individual and how they like to work within their teams whilst allowing others to get the most from understanding and working with their particular team styles.

Key to the success of our learning and development function is our Learning Platform (LMS). With a library of over 2000 courses this serves as a one-stop-shop for our people to access both live and prerecorded content and enables the Firm to monitor completion of mandatory training. October 2024 saw our LMS for the whole of MHA, Ireland and Cayman hit a milestone with over 10,000 being completed during that month and is testament to continuing our commitment to ensuring well rounded, competent, quality focused individualised learning paths for our staff.

Gender Pay Gap

The Firm remains committed to reducing its gender pay gap and publishes data in line with statutory requirements. Action plans focus on increasing female representation in senior roles, supporting returners from family leave, and ensuring gender-neutral promotion criteria. The Firm continues to analyse pay, bonus, and progression data to monitor trends and identify areas for targeted improvement.

What is Baker Tilly Ireland doing to address its gender pay gap?

While the Firm's gender pay gap compares favourably with that of organisations both across the whole economy and within the legal and accounting activities sector, this is not a subject about which the Firm is complacent, and it is committed to doing everything that it can to reduce the gap. However, the Firm also recognises that its scope to act is limited in some areas - it has, for example, no direct control over the subjects that individuals choose to study or the career choices that they make.

Partner Remuneration

Partner remuneration is based on a combination of financial performance, audit quality, leadership behaviours, and contribution to the wider Firm. Audit partners are assessed not only on client delivery but also on quality outcomes, risk management, compliance with independence requirements, and contribution to the training and mentoring of others. In January 2025 the Firm introduced its new RI Quality Assessment Policy with the aim of formalising partner assessments and strengthening the link between partner reviews and audit quality moving forwards into 2025/2026. Decisions on profit allocation are monitored, moderated and reviewed to ensure fairness, transparency, and alignment with the Firm's strategic objectives and public interest responsibilities.





Governance

Governance Structure

The governance structure of Baker Tilly Ireland Audit Limited, as part of the MHA Group, has been designed to promote strong accountability, transparency and audit quality, reflecting the heightened expectations that apply where the public interest is engaged.

The year ended 31 March 2025 represents our first-year trading as Baker Tilly Ireland Audit Limited and our first year undertaking Public Interest Entity (PIE) audits. Accordingly, during the year we focused on establishing and embedding governance arrangements, oversight processes and reporting lines appropriate to a PIE audit practice, while also aligning with the wider Group governance framework described above.

The overall governance model remained in place throughout the period, while further planning and development work was undertaken to strengthen the framework and support continued growth and increased public interest responsibilities. This included preparing for enhancements to governance and oversight implemented following the Group's transition to a listed structure, completed in early April 2025.

Our governance framework operates across multiple tiers, ensuring that decisions relating to quality, risk, ethics, and strategic direction are subject to appropriate oversight, challenge, and independent input.

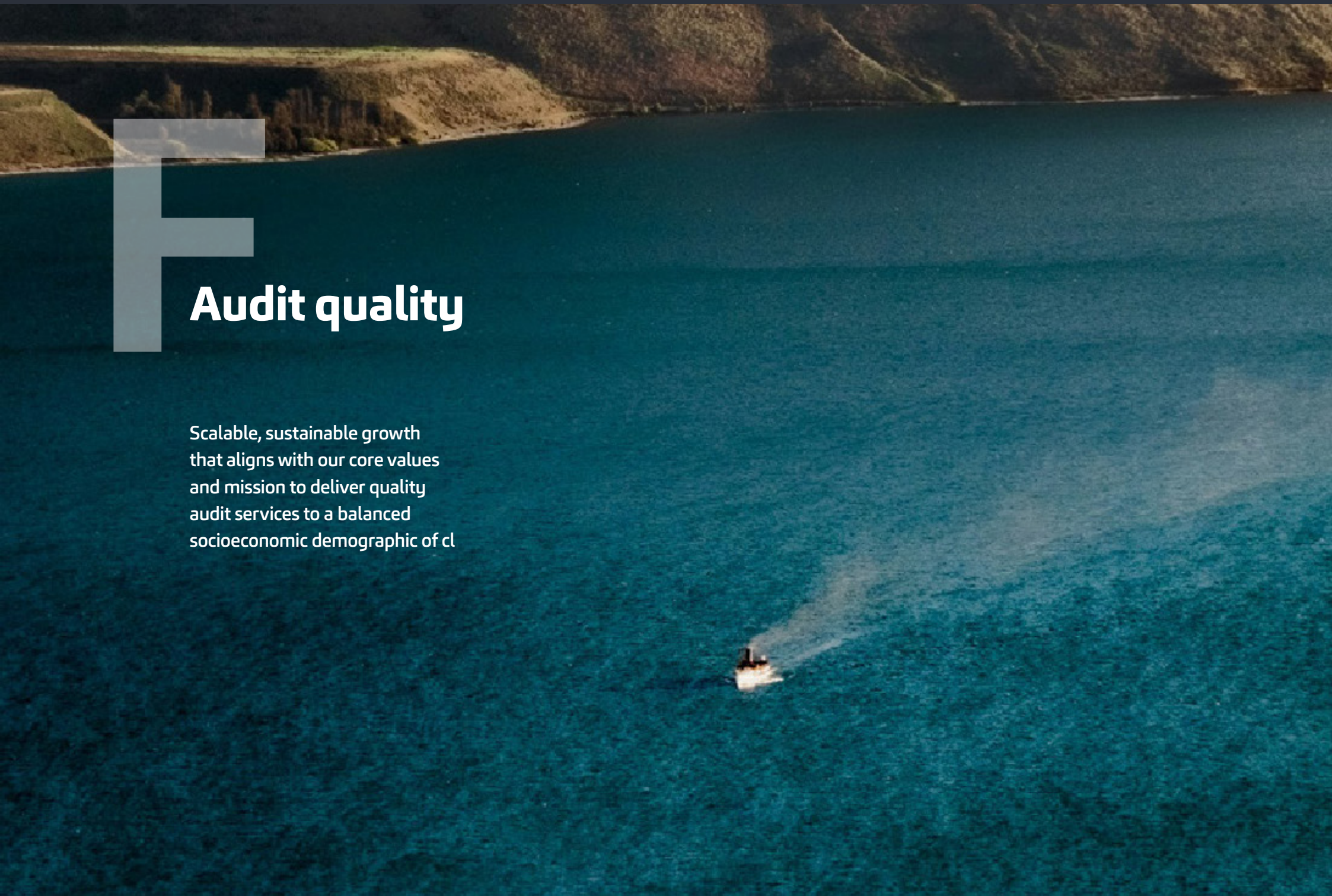
For Baker Tilly Ireland, governance during the period was centered on our Irish leadership structure, with overall responsibility for the Firm's strategy, performance and culture resting with the Board of Baker Tilly Ireland Audit Limited. As a company within the MHA Group, we align with—and feed into—the Group's UK governance framework where relevant to audit quality, ethics, risk and public interest matters. In practice, this means that our Irish audit governance and reporting routes connect into the UK's specialist oversight bodies, including the Audit Management Board (AMB), Ethics Council, Oversight Committee (OC) and Public Interest Committee (PIC), which provide additional independent challenge and direction. This linkage supports a consistent approach across the Group while ensuring that accountability for Irish statutory audit responsibilities remains clearly owned and discharged in Ireland.

Oversight Committee

Ethical governance is embedded across all levels, led by the ethics oversight is led by the MHA Group-wide Ethics Partner (Kate Arnott) and coordinated through the Ethics Council. In Ireland, ethical matters are supported locally by the Regional Ethics Partner (Aidan Scollard), who reports into the Group-wide Ethics Partner and provides day-to-day guidance to partners and staff on the application of ethical requirements. The Ethics Council promotes consistent adherence to the ACCA's Code of Ethics and the IAASA's Revised Ethical Standard, providing a forum for challenge, consultation and best-practice sharing. This model combines local leadership with central oversight, strengthening consistency and accountability in ethical decision-making.

From a risk perspective, the MHA Group-wide Chief Risk Officer (Martin Herron), who also covers the Irish region, oversees the enterprise-wide risk management framework, including regulatory risk, reputational risk and operational resilience. This work is integrated with the deliberations of the Oversight Committee and Public Interest Committee, helping to ensure that quality, ethics and risk are considered together and remain aligned with the Group's wider strategic direction.

Importantly, Baker Tilly Ireland Audit Limited operates within the MHA Group's overall corporate governance framework and therefore benefits from the enhanced involvement of Independent Non-Executive Directors (INEs), particularly in the period leading up to listing. The Group's three INEs—Mark Goodey, Dianne Azoor Hughes, and Tim Davies—chair the key governance committees that provide oversight across the Group, including areas relevant to the Irish practice such as audit quality, ethics, risk and public interest matters. Their external insight and constructive challenge strengthen decision-making and reinforce a consistent commitment to public interest responsibilities across the Group, including Baker Tilly Ireland Audit Limited.



Audit quality

Scalable, sustainable growth that aligns with our core values and mission to deliver quality audit services to a balanced socioeconomic demographic of cl

Quality Processes

The Firm has a number of processes in place to support and maintain audit quality. Over the period these have been strengthened. These are detailed below.

RI (Responsible Individual) Licensing

The Firm has specialisms in several sectors and allocates Partner and senior audit team portfolios to individuals with the relevant sector experience. Only RIs who are appropriately licensed are permitted to undertake audit and assurance engagements in the following sectors. This licensing also extends to EQRs:

Financial institutions

Banks

FCA regulated financial services entities

Insurance undertakings

Other entities:

Other Entities of Public Interest as defined by the FRC

Large corporates with turnover in excess of £500m

Pension schemes

Sports clubs

Construction groups with turnover in excess of £200m

Property investment groups

With assets in excess of £200m

Entities producing financial statements

In accordance with IFRS / FRS101

Not for Profit

Charities

Academies

Further Education Colleges

Higher Education Institutions

Other assurance

Solicitors Accounts Rules reports, Client Asset reporting, Grant assurance, IRSE 2410 and ATOL reporting accountants work

The provision of a licence in each sector will depend on qualifications, sector experience, completion of relevant sector training, outcomes of internal and external inspections and any other relevant matters. RI (Responsible Individual) licences are reviewed annually by Simon Knibbs, Audit Compliance Partner, to confirm that RIs are continuing to meet the requirements and that their licence can be continued.

Attainment and retention of RI Status

The Firm has processes in place for everyone who is applying for, or has been granted, RI status. This sets out the process for application and the support provided by the Firm, the requirements for ongoing quality monitoring, CPD requirements and steps to be taken when retiring as an RI. During the year the Firm introduced the RI Quality Assessment Policy which includes the potential to reduce an RI's remuneration or remove an individual's RI status if they are not meeting the Firm's required quality standard. The first assessment under the new RI Quality Assessment Policy will take place in March 2026.

All newly appointed RI's are put onto a restricted licence and are subject to hot reviews on their first three audits. On successful completion of these hot reviews the restriction is lifted.

Appointment of Engagement Quality Reviewers

The Firm has established an Engagement Quality Review (EQR) panel which is responsible for the appointment of an appropriate EQR to each engagement

where one is required by the Firm's policies. This includes PIE audits and other high-risk audits. The EQR panel maintains a register of individuals eligible to be appointed as EQRs and, for each engagement where an EQR is requested, considers whether the individual appointed to be an EQR has the competence and capability to perform the review.

Onboarding, client acceptance procedures and continuance of audit engagements

Baker Tilly Ireland maintains robust procedures for the onboarding, acceptance, and annual re-evaluation of continuance of audit clients. These procedures are designed to ensure that all engagements meet the Firm's ethical standards, risk appetite, AML and public interest responsibilities, and that appropriate safeguards are in place before work is undertaken or continued.

The procedures include an assessment of the Firm's ability to meet the terms of the engagement, to deliver a quality engagement and address any potential reputational risks, ethical independence issues and conflicts of interest. These requirements are reflected in the completion of the Acceptance Risk Matrix Schedule (and Continuance Risk Matrix in an ongoing year) which highlights issues to discuss further or at a higher level.

The client acceptance and continuance risk matrices consider:

1. The risks associated with the engagement due to size, complexity and public interest
2. Independence and conflict checks, including assessment of financial, business, employment, and personal relationships and the level of non-audit services provided or expected to be provided
3. Ethical risks, including the nature of the engagement, client reputation, sector sensitivities, and services previously provided
4. Evaluation of management integrity and governance
5. The Firm's competence, capacity, and resourcing to deliver the engagement

For those clients where there is the potential for reputational risk, and certain larger clients, the Firm's Engagement Risk Assessment Panel (ERAP) is significantly involved at the onboarding stage.

For existing audit clients, an annual continuance assessment is required. This involves reviewing changes in client circumstances, ethical considerations, engagement performance, and the Firm's continued ability to serve the client appropriately. Where independence threats or new ethical concerns arise, these are escalated to the Ethics Partner and/or the Audit Compliance Partner for review and resolution.

Engagement Risk Assessment Panel (ERAP)

Engagement teams are required to consult with the Firm's ERAP prior to the acceptance or continuation of an engagement where the audit or assurance engagement meets certain criteria. The ERAP will consider how any risks associated with those engagements can be appropriately managed or whether to decline or discontinue the engagement.

The scope of the ERAP includes engagements which if accepted or continued may result in reputational risk to the Firm:

1. All audit assignments within the scope of the IAASA Audit Quality Review process
2. All audit assignments which are not undertaken under UK/Ireland
3. GAAP or if the framework is not under UK/Ireland GAAP or IFRS
4. All audits for entities with listed equity or debt on any market
5. Proposed fees more than €500k
6. National or International Not for Profit organisation
7. National government bodies
8. Any local authority audits
9. Housing Associations
10. Housing and other special purpose entities of local councils
11. Public reporting engagements carried out in accordance with the Standards of Investment Reporting
12. Transnational assurance or audits (meaning "an audit or assurance engagement which are or may be relied upon outside the audited entity's home jurisdiction for purposes of significant lending, investment or regulatory decisions; this will include entities which attract particular public attention because of their size, products or services provided")
13. Audit or assurance assignments where the Firm will be the principal or group auditor and the client has components, assets, revenues, or net income of which represents more than 50% of those of the consolidated group and they are audited by other non-BTI member Firms
14. Assurance assignments for a component of a listed parent company, when the parent is audited by a non-BTI member Firm and the component equals or exceeds 15% of the assets, revenues, or net income of the consolidated group
15. A high overall risk score resulting from the completion of the acceptance or continuation risk matrix

There is a Technical Team, called NASA, operated at the Group level. BT Ireland complies with all NASA policies and quality control procedures. The ERAP outcome may include rejection of the proposed engagement, appointment of an EQR, the adoption of the Technical Team support model in performing the engagement or referral to the PIC for higher risk engagements, depending on the circumstances or the recommendation of appropriate and mitigating safeguards being introduced.

Audits with a short timetable

For all audits where there is either a short reporting deadline after the end of the accounting period or where the Firm is appointed late in the audit cycle the audit team must set out their planned response to address any associated risk with the short timetable. This planned response is subject to review and approval by the Technical Team with escalation to the ERAP, where necessary.

Contentious Issues Forum (CIF)

The Contentious Issues Forum is a key part of the Firm's audit quality and risk management control procedures.

A CIF is convened when there is a disagreement between members of the audit team, with the EQR, Technical Team and/or the client on a significant audit judgement or financial reporting matter potentially impacting the audit opinion.

The CIF allows for the discussion and resolution of contentious issues in a collaborative and constructive manner. The CIF decides in the best interests of the Firm and not any individual. Members of the CIF include the Head of Audit, the Chief Risk Officer, Technical Partners, a Senior Audit Partner of the Firm and the Financial Reporting Director.

Financial reporting technical reviews

Engagement teams are required to request an annual NASA technical review of the draft financial statements for all PIE, listed or high-risk entities. Engagement teams may also request a voluntary technical review where they determine that is needed. Points raised by the technical team must be cleared before the financial statements are released for signature.

Approval of non-standard Audit Reports

All non-standard reports issued by the Firm are required to be approved by the Technical Team prior to the report being signed and issued. This includes all enhanced audit reports and audit reports which contain a qualified opinion or an emphasis of matter, or other matter, paragraph, where financial statements are prepared on a basis other than going concern, or where a material uncertainty relating to going concern exists.

Technical Support and Guidance

To ensure that a sufficient audit trail and record of auditing and financial reporting technical consultations are appropriately maintained and retained, the Technical Team uses a centralised tracking and reporting tool called Omnitrack. Omnitrack enables the Technical Team to adopt a proactive approach in monitoring technical queries and providing timely technical support to the practice.

The Firm's Statutory Audit Register (SAR)

Through the Statutory Audit Register the Firm maintains a record of all audit engagements, with detailed information showing each RI's respective portfolios. The Statutory Audit Register was relaunched towards the end of the year and additions to and removals from the Register are controlled by a central team as acceptance and continuance decisions are made.



Quality Monitoring and Improvement

Baker Tilly Ireland operates a comprehensive quality monitoring and improvement programme that supports continuous improvement, regulatory compliance, and alignment with the Firm's Strategic Audit Quality Plan.

Monitoring activities are coordinated across the Audit Management Board (AMB), Audit Council, and NASA Team, and are designed to provide assurance over both engagement-level quality and the effectiveness of the Firm's system of quality management. The monitoring and improvement framework encompasses the following key elements:

1 Internal Cold File Reviews

These are performed annually on a risk-based sample of completed audit engagements. The risk-based sampling criteria considers a number of factors including but not limited to IAASA's key areas of focus, historical performance / grading profile of the RI from both internal and external inspections, client type and sector, client complexity and geographical spread of engagements. Reviews are coordinated by a Technical Partner and conducted by experienced reviewers from both the NASA team and from experienced audit staff who are selected, screened and trained prior to carrying out any internal cold file reviews. The reviewers assess compliance with auditing standards, applicable financial reporting frameworks, the Ethical Standards, documentation quality, professional scepticism, and execution consistency. Following the merger, the first cold review of Baker Tilly Ireland took place in 2025.

2 Real-Time Support and In-Flight Reviews

For PIE audit engagements and selected complex or high-risk audits, engagement teams receive real-time support from a dedicated team in NASA. The direct support is aimed at improving audit quality across the audit engagements scoped in, as well as at identifying emerging and recurring issues and best practices that can then be shared across the audit practice and NASA in order to devise Firm-wide responses, like methodologies or training, and improve the consistency of approach and the quality of all the audit engagements performed by the Firm. The support consists in embedding members of the dedicated NASA team, generally having sector specific expertise, into the audit team to provide hands-on guidance and direct practical help in the performance of the engagement, focussing on complex areas and key audit judgements, or in performing in-flight reviews of the audit files to identify and help address improvement needs. In all cases the direct support encompasses significant and elevated risk areas and other thematic areas identified by internal and external reviews.

3 Thematic Reviews

The Firm conducts focused thematic reviews on specific areas of technical or regulatory importance—for example, auditor independence, audit of estimates, or group audit procedures. These reviews support learning and allow for timely adjustment to methodology and training.

4 Root Cause Analysis (RCA)

Findings from internal and external reviews are subject to root cause analysis, which is coordinated through the Audit Council. RCA outcomes inform action plans, which may include targeted training, changes in methodology, or process improvement initiatives.

5 Monitoring of the ISQM System

In parallel with the redesign of the Firm's SoQM following the merger, we will align our monitoring activities to ensure effective monitoring of the quality objectives and controls. Alongside internal inspections of audit engagements, monitoring includes review of complaints, audit quality indicators (AQIs), training completion, independence breaches, and consultation data.

Findings from monitoring activities are regularly reported to the AMB and Management Board, with oversight from Independent Non-Executives. Improvement action plans are tracked for completion, and learning outcomes are disseminated across the Firm to reinforce quality standards.

The monitoring and improvement programme is underpinned by a philosophy of continuous improvement, not compliance alone. The aim is to create a feedback- rich environment where audit quality risks are identified early, responded to effectively, and used to drive better performance across all levels of the audit function.

External Audit Inspections

Baker Tilly Ireland is subject to independent inspections by regulatory bodies, including the Irish Auditing and Accountancy Supervisory Authority (IAASA), the Association of Chartered Certified Accountants (ACCA) and Baker Tilly International. These reviews evaluate the Firm's systems, documentation, professional judgement, and compliance with ethical and auditing standards.

There were no external audit inspections concluded as at the 31 March 2025.



Internal Monitoring Programme

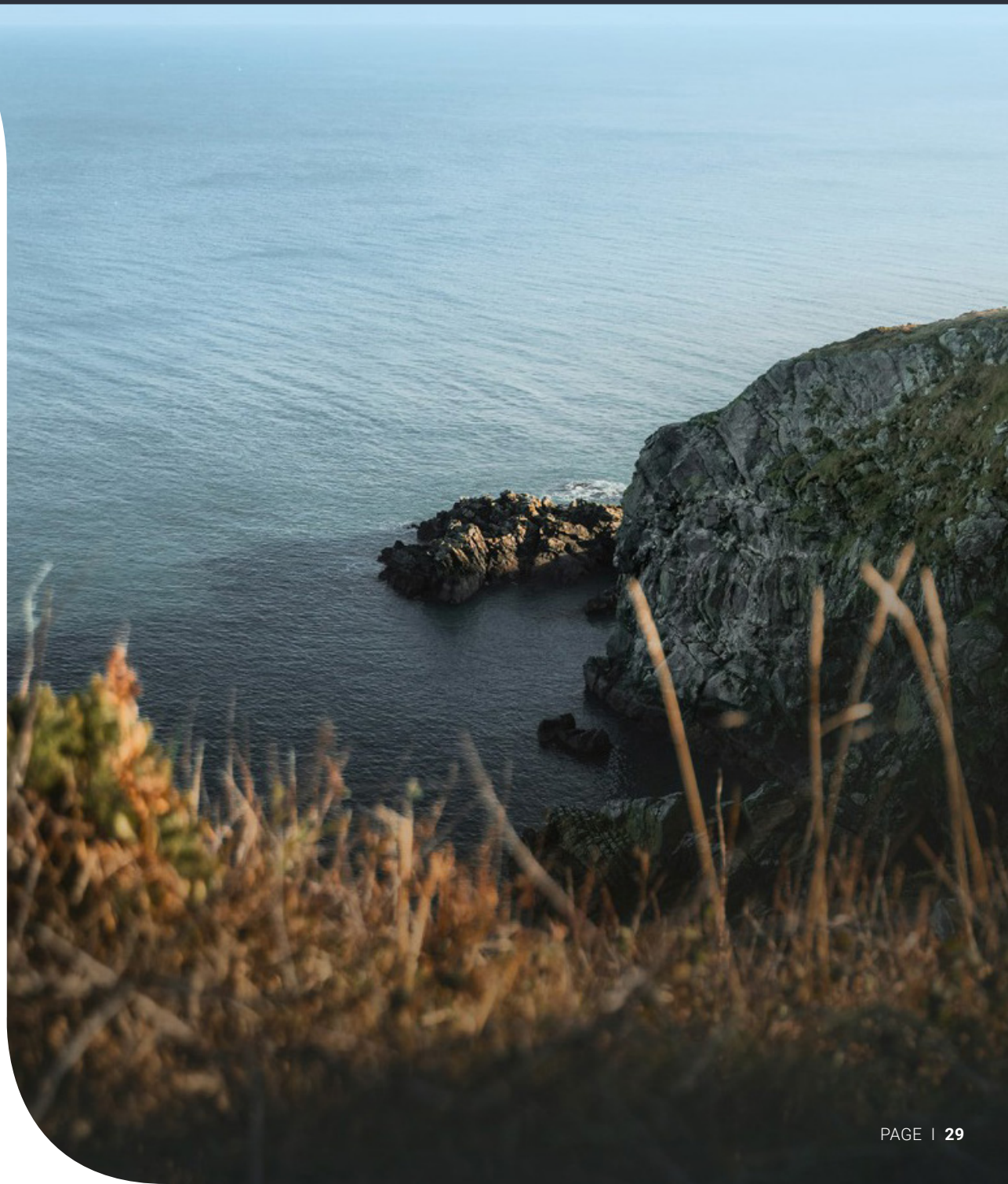
The internal monitoring programme complements external and network inspections and is designed to proactively identify risks, share good practice, and reinforce methodology.

Key components include:

1. Cold file reviews conducted post-sign-off
2. Hot file reviews for new Responsible Individuals
3. Thematic file assessments
4. Independence and ethics compliance reviews
5. Monitoring of audit quality indicators (AQIs)

Review findings are categorised and reported using a standardised quality grading framework. Results inform performance evaluations, partner assessments, and Firm-wide learning agendas.

There were no internal inspections performed as at the 31 March 2025.



System of Quality Management (SoQM)

As described in this report the Firm has established and implemented a range of quality management processes, procedures and controls to support, manage and improve audit quality. Notably, during the year the Firm has completed a number of key initiatives to strengthen quality management and improve audit quality including:

1. Recruitment of additional specialist partners and realignment of RI portfolios, improving capacity and capability for PIE audits
2. Launch of the RI Quality Assessment Policy
3. Introduction of new role profiles for all audit personnel setting out clear expectations, including quality
4. Roll out of the Firm's updated audit system, Global Focus Cloud
5. Launch of the new Statutory Audit Register
6. Launch of the Ethical Issues Register
7. Recruitment of dedicated RCA resource
8. Roll out of new sector specific audit methodologies for banking and construction



In February 2025, the Group recruited a technical partner with experience in implementing and monitoring systems of quality management across both UK and Ireland audit practices, as well as across global Audit Firm networks. Following their arrival, they carried out a detailed review of the Group's system of quality management under ISQM 1 (as adopted in the UK and Ireland). Given that Baker Tilly Ireland Audit Limited operates within, and feeds into, the UK governance and quality framework, the outcomes of this review and the resulting actions apply to the Irish practice as part of the Group-wide approach. The review concluded that:

1. The Firm has not undertaken a complete identification of quality risks and the quality risks identified lack specificity and granularity. The quality risks have not been regularly updated to include new quality risks facing the Firm, particularly those arising as the Firm has grown.
2. The Firm's responses designed and implemented to mitigate the identified quality risks are not sufficiently detailed and not all responses have been captured, particularly those that have been newly implemented to strengthen the Firm's SoQM in the last 12-18 months.
3. Due to the weaknesses in the identification of quality risks and responses the Firm's SoQM cannot be sufficiently monitored and does not provide sufficient information with which to evaluate and conclude with reasonable assurance that the system is operating effectively and that the objectives of the system are being met.
4. The Firm has not dedicated adequate and sufficient Resources to monitoring, to performing adequate RCA or to remediating the deficiencies identified.
5. The Firm's new audit system and audit manual, both provided by Baker Tilly International, have not been supplemented for the additional requirements of ISAs (IRELAND), particularly in relation to the audit of fraud and groups and reporting to regulators. A mapping exercise has been performed but insufficient actions have been taken to remediate gaps.
6. The Firm has raised a general quality risk around compliance with the ethical requirements, identifying threats and safeguards and reporting breaches. As a result, the responses are general in nature (training, cold reviews) and do not reflect the Firm's specific responses to ensuring and monitoring compliance with ethical requirements.
7. Following the implementation of the new audit system, the Firm does not currently have a monitoring process to identify when audit files are approaching, or have exceeded, the Firm's archive period.
8. The rate of audits needing more than limited improvement from internal and external inspections in the period is disappointingly too high, in particular in relation to the exercise of professional scepticism and the challenge of management's estimates and judgements.
9. During the period the Firm did not have in place appropriate mechanisms to reward partners for achieving audit quality or to impact reward where partners have not achieved the Firm's quality standards.
10. In addition, there were five further deficiencies across different components that were concluded to be pervasive but not severe.

As a result, as at 31 March 2025, the Firm is not fulfilling the requirements of ISQM (IRELAND) 1 to meet its quality objectives and the Firm is not able to conclude with reasonable assurance that the Firm's SoQM is operating effectively.

The Firm recognises the imperative to strengthen the Firm's SoQM for the newly restructured Firm to enable more effective monitoring and to support continuous improvements in audit quality. The Firm has put in place a robust remediation plan, with additional resources, to fully revisit the Firm's quality objectives and quality risks and the responses in place to mitigate those.

This work will also reflect the changes made to the Firm's systems following the mergers and the IPO and establish a system that continues to support the Firm's future growth ambitions. The Firm has revised its Strategic Audit Quality Plan for 2025/26, including recruiting additional dedicated resource with ISQM (IRELAND) 1 experience, to ensure the Firm is fulfilling the requirements of ISQM (IRELAND) 1 and has a fully documented SoQM that enables effective monitoring for the next evaluation due as at 31 March 2026 and provides the Firm with reasonable assurance that the system is operating effectively.

As the remediation plan is implemented the Firm is putting in place additional controls around the Firm's PIE and listed audits to ensure that audit quality is adequately safeguarded during this period of transition. This includes strengthened engagement acceptance processes, in-flight quality reviews, EQR processes, engagement resourcing, partner portfolio reviews and fully implementing the Firm's RI quality assessment policy.

The Firm is committed to establishing and monitoring a system of quality management that supports both its further growth ambitions and the Firm's commitment to delivering high quality audits.

During the year ended 31 March 2025, the Firm completed an internal review of changes introduced by the IAASA Ethical Standard 2020, which was supplemented with the FRC Revised Ethical Standard 2024 until adopting the IAASA Revised Ethical Standard 2025 as they are very closely aligned, including enhanced independence requirements for Public Interest Entities (PIEs), updated prohibitions on certain non-audit services, and revised long association thresholds. This review included updating the Ethics Manual and related procedures to ensure full readiness.

The Firm's Ethics Partner and Ethics Council oversee compliance with the Ethical Standard and advise on its interpretation. Their role includes the monitoring of breaches, provision of internal guidance, and escalation of matters requiring The Ethics Council meet at least quarterly. They have met more regularly in this period given necessary consideration around the impact of the IAASA Revised Ethical Standard 2025.

The Firm recognises that compliance with the Ethical Standard is not solely a matter of technical adherence—it is a foundation for trust. Upholding auditor independence is critical to the profession's credibility, and the Firm remains fully committed to applying the Ethical Standard in both letter and spirit.





Ethics and independence

Ethical Principles

Ethical conduct is fundamental to Baker Tilly Ireland's role as a professional services Firm and a registered statutory auditor. The Firm's ethical framework is built on the principles set out in the ACCA's Code of Ethics and IAASA's Ethical Standard for Auditors (Ireland), for auditors of public interest entities and other relevant entities.

The core ethical principles are:

Integrity – being straightforward and honest in all professional and business relationships

Objectivity – avoiding bias, conflict of interest, or undue influence of others

Professional Competence and Due Care – maintaining professional knowledge and acting diligently

Confidentiality – respecting the confidentiality of information acquired during the course of work

Professional Behaviour – complying with relevant laws and regulations and avoiding conduct that discredits the profession

These principles underpin the Firm's policies, behaviour, and decision- making processes. They are embedded into onboarding, client acceptance, training, and audit methodology, and reinforced through leadership messaging and Firm-wide culture initiatives.

The Firm views ethics not as a set of standalone rules but as an integral part of its values and its duty to the public interest. The importance of ethical judgement, personal accountability, and challenge is continually emphasised to all staff and partners across the Firm.

The Firm's Ethics Policies

Baker Tilly Ireland maintains a comprehensive set of ethics policies designed to support consistent, compliant, and high-quality decision-making across all professional activities. These policies apply to all partners and staff and are aligned with the ACCA's Code of Ethics and IAASA's Ethical Standard for Auditors (Ireland), and the Firm's broader commitments to integrity, independence, and public interest accountability.

The policies are documented in the Firm's Ethics Manual, which is reviewed and updated at least annually—or more frequently in response to regulatory change or emerging risk areas. During the year, updates were made to align with the Firm's evolving governance structure, the early implementation of elements of the IAASA's Ethical Standard for Auditors (Ireland),, and lessons learned from internal reviews and breach assessments.

Key components of the Firm's ethics policies include:

1. Personal and financial relationships
2. Gifts, hospitality, and anti-bribery controls
3. Audit independence requirements, including rotation and long association rules
4. Non-audit service safeguards and approval processes
5. Conflicts of interest and confidentiality
6. Client onboarding and continuance assessments
7. Whistleblowing and speaking up procedures

The policies are supported by:

- A centralised Ethics Council, comprising senior partners with experience in ethical matters selected by the Firm's Management Board. All matters relating to the Irish Firm are first considered by Ireland's Ethics Partner who is then supported by the Ethics Council and the Group's Ethics Partner
- A dedicated Ethics Partner for the group, with clear authority to advise, challenge, and approve matters requiring escalation
- Integration with quality monitoring and risk management functions, to ensure ethical matters are embedded within the broader governance system

Up to 31 March 2025 where ethical threats were identified ethics consultations were mandatory. Moving forwards all ethical threats must be discussed with the RI and relevant safeguards be approved by the RI in line with the IAASA's Ethical Standard. All consultations must be documented.

Escalation procedures are in place for complex or high-risk cases, with the Firm's Ethics Partner holding final decision-making responsibility in such matters.

The Firm is committed to ensuring that its ethics policies remain practical, accessible, and fully understood by its people. Regular communication and training are used to support this objective, and the Ethics Council plays an active role in encouraging a culture of openness, challenge, and responsibility.

The Ethical Standard

Baker Tilly Ireland applies IAASA's Ethical Standard for Auditors (Ireland) which sets out the principles and requirements for the integrity, objectivity, and independence of statutory auditors.

During the year the Firm undertook an early review and alignment of key policies and safeguards ready for the implementation of the IAASA's Ethical Standard for Auditors (Ireland). The Ethical Standard applies to all audit and related assurance engagements and governs:

1. The provision of non-audit services
2. Financial, business, and employment relationships
3. Long association with audit clients
4. Fee dependency and contingent fees
5. Auditor rotation and cooling-off requirements
6. Use of auditor's experts and external consultants
7. Gifts, hospitality, and anti-bribery protocols

Baker Tilly Ireland has integrated the Ethical Standard's requirements into its:

- Audit methodology, including planning, independence assessments, and EQR (Engagement Quality Review) sign-offs
- Client onboarding and continuance processes, which involve independence checks and ethics clearance
- Consultation protocols, requiring documentation of decisions in high-risk or complex situations
- Training programme, ensuring all partners and staff are aware of key requirements and how they apply in practice

The Firm's Ethics Partner and Ethics Council oversee compliance with the Ethical Standard and advise on its interpretation. Their role includes the monitoring of breaches, provision of internal guidance, and escalation of matters requiring independent review or regulator notification. The Ethics Council meet at least quarterly. They have met more regularly in this period given necessary consideration around the impact of Ethical Standard for Auditors (Ireland).The Firm recognises that compliance with the Ethical Standard is not solely a matter of technical adherence—it is a foundation for trust. Upholding auditor independence is critical to the profession's credibility, and the Firm remains fully committed to applying the Ethical Standard in both letter and spirit.

Ethics Training

Ethics training is a core component of Baker Tilly Ireland's professional development programme and a critical tool in embedding a culture of integrity, objectivity, and public interest responsibility. All partners and staff are required to complete regular ethics training appropriate to their role, seniority, and regulatory responsibilities.

The Firm's ethics training framework is built around four objectives:

1. Reinforcing awareness of the IAASA's Ethical Standard for Auditors (Ireland)
2. Providing practical guidance on identifying, documenting and responding to ethical threats
3. Promoting a culture of challenge, escalation, and consultation
4. Supporting the ethical judgement required in complex and real-time situations

During the year ended 31 March 2025, the Firm delivered a comprehensive ethics training programme, including:

- Annual mandatory ethics refresher for all audit staff and partners
- Targeted workshops on specific themes such as independence safeguards, non-audit services, and long association
- Real-time case studies and discussion forums led by the Ethics Partner and members of the Ethics Council
- Ethics-focused sessions during the Firm's "It's Not Rocket Science" weekly technical programme
- Tailored induction training for new joiners, including those joining through mergers
- Briefing sessions on the 2024 Ethical Standard changes, with early guidance and FAQs shared across the Firm
- An introduction to the Firm's Ethical Issues Register which was launched in April 2025.

Training is delivered through a mix of virtual classrooms, in-person workshops, and online learning modules. Completion of core ethics training is mandatory and tracked centrally and forms part of the Firm's compliance monitoring and appraisal processes.

In addition to formal training, the Firm encourages informal learning through regular communications, ethics updates, and peer-to-peer knowledge sharing. Staff are encouraged to raise questions and share ethical challenges through safe and structured channels, including direct contact with the Ethics Partner or Ethics Council members.

The Firm recognises that strong ethical awareness requires not only knowledge of rules, but the confidence to apply judgement in uncertain situations. Ethics training is therefore designed not just to inform, but to empower individuals to act responsibly and uphold the Firm's standards.

Conflicts of Interest, Financial, Business, Employment, and Personal Relationships

Baker Tilly Ireland applies strict policies to prevent and manage conflicts of interest and relationships that could impair, or be perceived to impair, the independence or objectivity of its partners and staff. These policies are designed in accordance with the ACCA's Code of Ethics and IAASA's Ethical Standard for Auditors (Ireland), and internal requirements reflecting the Firm's commitment to integrity and public trust.

Conflicts of Interest

Before accepting certain audit engagements, the Firm conducts a formal conflict check across its client and engagement database. If a potential conflict is identified, the matter is escalated to the Ethics Partner or Ethics Council, who assess whether the conflict can be managed through appropriate safeguards (e.g. confidentiality agreements, separate teams, or partner rotation), or if the engagement must be declined.

Where a conflict is deemed unmanageable or prohibited the Firm will not proceed with the engagement. Clear and ethical client selection is essential to maintaining public confidence in the Firm's independence, objectivity, and professionalism. Baker Tilly Ireland's approach ensures that no audit is accepted or retained unless it meets the Firm's legal, ethical, and quality standards.

Financial Interests

Partners and staff are prohibited from holding any direct or material indirect financial interest in audit clients, or entities closely connected to them.

This applies to personal holdings, those of immediate family members, and collective investment vehicles. Compliance is monitored through annual declarations, periodic reminders, maintenance of the Restricted Entity list and ad hoc reporting obligations.

All partners and staff are required to declare any new financial relationships that may affect independence or create a perceived conflict. From April 2025, Partners and staff are also required to log financial interests on the Firm's Ethical Issues Register.

Business Relationships

The Firm does not enter into any commercial arrangements with audit clients (or their related entities) outside of permitted services governed by the IAASA's Ethical Standard. Where business relationships are required (e.g. as part of a group audit structure or joint assignment), these are reviewed for independence threats and must be approved by the Ethics Partner.

From April 2025, Partners and staff are also required to log business relationships on the Firm's Ethical Issues Register.

Employment and Personal Relationships

Partners and staff must declare any family, personal, or former employment connections with audit clients. This includes:

- Immediate family members employed by the client
- Recent employment with the audit client by the auditor or team members
- Close personal relationships (including with client management or directors)

Where such relationships exist, the individual will be removed from the engagement, and further safeguards may be considered or implemented as necessary.

Annual independence confirmations are required from all partners and audit staff. These declarations are reviewed by the Firm's ethics and compliance teams and inform quality monitoring and performance assessments. From April 2025, Partners and staff are also required to log employment and personal relationships on the Firm's Ethical Issues Register.

By maintaining rigorous controls around relationships and conflicts, Baker Tilly Ireland safeguards the independence and integrity of its audits, ensuring that public interest responsibilities are upheld.

Long Association with Engagements

Baker Tilly Ireland has adopted robust policies to manage the risks associated with long association between key audit personnel and audit clients, in accordance with the IAASA's Ethical Standard and its internal ethical framework. These policies are designed to safeguard auditor independence, ensure professional scepticism is maintained, and uphold the credibility of the audit process.

Long Association with Engagements

- Rotation
- Tenure
- Cooling-off periods
- Independence safeguards

The Firm monitors tenure across all audit engagements, with heightened focus on:

- Public Interest Entities (PIEs)
- Listed entities and large corporate groups
- Engagements involving complex or judgemental areas

The following key requirements are applied:

- **Engagement Partners:** A maximum tenure of five consecutive years for audits of PIEs, with a five-year cooling-off period. For non-PIEs, tenure is assessed based on independence threats and may require partner rotation or enhanced review procedures after ten years.
- **Engagement Quality Reviewers (EQRs):** Subject to a seven-year limit on PIE engagements, followed by a five-year cooling-off period.
- **Other Senior Team Members:** Tenure is monitored, and appropriate safeguards (such as rotation or second partner review) are applied where familiarity threats may arise.

Tenure is tracked through the Firm's audit management systems, and rotation schedules are reviewed annually by the Audit Compliance Partner and Ethics Council. Moving forwards, long association will also be tracked on the Firm's new Ethical Issues Register.

Safeguards and Oversight

Where threats to independence due to long association are identified, the Firm may apply safeguards such as:

- Additional independent reviews
- Use of second partners or external consultants
- Enhanced documentation and justification for continued involvement
- Consultation with the Ethics Partner on appropriate actions

In all cases, the public interest and stakeholder confidence in audit quality and independence are the primary considerations.

The Firm also ensures that rotation policies are incorporated into its engagement planning, resource allocation, and long-term audit team development strategies. Where rotation creates resourcing challenges, particularly in specialised sectors or geographies, the Firm balances continuity with independence by leveraging support from its broader technical and quality teams.

Baker Tilly Ireland remains committed to managing long association risks proactively and transparently, ensuring that fresh perspectives and professional objectivity are preserved throughout the lifecycle of each audit relationship.

Fees, the Criminal Justice Act and Gifts and Hospitality

Baker Tilly Ireland applies rigorous procedures to ensure that fee arrangements, hospitality, and business conduct comply with the IAASA's Ethical Standard for Auditors (Ireland), the Criminal Justice (Corruption Offences) Act 2018., and the Firm's internal Ethics Manual and policies. These policies are integral to preserving independence, integrity, and public confidence.



Fees

All audit fees are agreed in advance, documented in formal engagement letters, and supported by a clearly defined scope of work. The Firm prohibits contingent fee arrangements for audit or non-audit services provided to audit clients, in line with IAASA's Ethical Standard and Baker Tilly Ireland policy.

Where audit fees are lower than commercially expected, the Engagement Partner must justify that sufficient time and resource have been allocated to meet quality and ethical standards, and that an objective, reasonable, informed third party (ORITP) would not perceive independence to be compromised.

Fee dependency is closely monitored, with the following thresholds and procedures applied:

1. **>15% of Firm income (non-PIEs):** the Firm must resign or not reappoint
2. **Between 10–15%:** consultation with the Ethics Partner is required and an external quality control review must be undertaken
3. **PIEs and listed entities:** thresholds are lower and include additional safeguards and external disclosures.
   All proposed services must be assessed against non-audit service caps (70%) and overall fee thresholds (10%)

Overdue fees are also treated as a potential independence threat. If unresolved and material, the Firm must assess whether the audit can continue and apply safeguards or consider withdrawal from the engagement.

Gifts and Hospitality

The Firm maintains a zero-tolerance stance on improper influence through gifts or hospitality. The following are prohibited:

1. Acceptance of gifts of material value from audit clients, their affiliates, or connected parties.
2. Provision or acceptance of entertainment or hospitality that could be perceived as coercive, excessive, or intended to influence.
3. Participation in events or arrangements that could, in the view of an ORITP, compromise independence or objectivity.
4. Gifts of nominal value (e.g. flowers for bereavement or illness) may be permitted at the discretion of the partner and must be recorded in the Firm's Gifts and Hospitality Register, in accordance with the Firm's internal policy. From April 2025, Partners and staff are also required to record gifts and hospitality on the Firm's Ethical Issues Register.
5. All non-trivial gifts and hospitality must be disclosed and pre-approved by an Ethics Council member, and in some cases, escalated to a second member for consideration. Offers from suppliers or marketing contacts must also be cleared in advance.

Bribery and Corruption Safeguards

The Firm's Anti-Bribery and Corruption Policy aligns with the Criminal Justice (Corruption Offences) Act 2018. and applies to:

- Partners and employees
- Contractors, secondees, and third parties acting on behalf of the Firm

It is supported by:

- Mandatory annual training and Annual Compliance
- Declarations
- Inclusion in client onboarding and risk assessments
- Whistleblowing mechanisms
- Oversight by the Ethics Partner and Chief Risk Officer

Gifts, fees, and business conduct are viewed through the lens of public interest and ethical perception. Compliance with these rules is monitored and enforced, and breaches are investigated and reported as required by the Firm's Ethics Manual and IAASA's regulatory reporting requirements.

By maintaining these standards, Baker Tilly Ireland reinforces its commitment to independence, ethical leadership, and sustained audit quality.



Non-Audit / Additional Services

Baker Tilly Ireland applies strict controls over the provision of non-audit services to audit clients, in accordance with the ACCA's Code of Ethics and IAASA's Ethical Standard for Auditors (Ireland), and internal risk protocols. These controls are designed to prevent actual or perceived threats to auditor independence, objectivity, and public confidence.

Permitted and Prohibited Services

For Public Interest Entities (PIEs) and certain other regulated entities that are audited, the Firm follows the Ethical Standard's "blacklist" of prohibited non-audit services. These include, but are not limited to:

- Tax advice involving aggressive tax planning or contingent fees
- Internal audit services
- Valuation services where the outcome may affect
- Financial statements
- Legal or recruitment services
- Design or implementation of financial IT systems
- Corporate finance services, such as deal structuring or fairness opinions

Permitted services are only offered when:

- They are not prohibited by regulation
- They are subject to robust threat assessment and safeguards
- They are pre-approved by those charged with governance, typically the audit committee
- They are documented in the Firm's ethics and independence register

For non-PIE audit clients, the Firm applies a principles-based approach, assessing threats under the five fundamental ethical principles. In all cases, the Firm ensures services are not provided where the self-review threat cannot be mitigated or they impair independence in appearance.

Approval Process

All proposed non-audit services are subject to a pre-approval process, which includes:

- Consultation with the Engagement Partner
- Consultation with the Ethics Partner or Ethics Council member
- Completion of a documented threat assessment including details of the proposed safeguards to mitigate the threat
- Escalation to the Ethics Council where necessary
- Audit committee approval (for PIEs and listed entities)
- Consultation with the Public Interest Committee where required

Services are only provided if clear safeguards are in place to eliminate or reduce threats to an acceptable level.

Effective April 2025, the Firm has introduced an Ethical Issues Register. This includes the details of the proposed non-audit service from the non-audit service provider, documentation of the consideration of the threats and safeguards relating to that non-audit service by the audit engagement team, evidence of the approval or rejection of the proposed non-audit service by the audit RI, and, where applicable, approval or rejection by a member of the Ethics Council.

Monitoring and Disclosure

The Firm maintains a central ethics inbox where approvals for non-audit services provided to audit clients are logged. This inbox is monitored by the Ethics Team and reviewed regularly to identify trends, ensure regulatory compliance, and assess cumulative threat exposure. This central inbox has been replaced by the Ethical Issues Register effective April 2025.

Fees for audit and non-audit services are communicated in our audit deliverables to those charged with governance.

Baker Tilly Ireland remains committed to ensuring that non-audit services do not compromise audit quality or independence. The Firm's policies prioritise objectivity, transparency, and alignment with public interest responsibilities.

Speaking Up (whistleblowing)

Baker Tilly Ireland is committed to maintaining a culture where all individuals feel empowered to raise concerns about unethical, illegal, or improper behaviour without fear of retaliation. The Firm's Speaking Up (Whistleblowing) Policy forms a key part of its wider ethics and quality framework and is designed to support transparency, accountability, and continuous improvement.

The policy applies to:

1. Partners and employees
2. Contractors and secondees
3. Former employees
4. Other parties acting on behalf of the Firm

Scope of the Policy

Individuals are encouraged to speak up about a wide range of concerns, including:

Breaches of the IAASA Ethical Standard or ACCA Code of Ethics

- Threats to audit independence or integrity
- Fraud, bribery, or corruption
- Misconduct or harassment
- Regulatory non-compliance
- Retaliation against whistleblowers

Reporting Mechanisms

Concerns may be raised through multiple channels:

- Directly to the Ethics Partner or a member of the Ethics Council
- Through the dedicated whistleblowing email address
- Via line managers or functional leadership, where appropriate
- Anonymously, if preferred, through secure reporting tools

The policy ensures that all disclosures are treated sensitively and confidentially. Individuals who raise concerns in good faith are protected from retaliation or disadvantage, in line with the Firm's commitment to a speak-up culture.

Oversight and Response

Reports are logged, assessed, and investigated under the supervision of the Ethics Partner, with support from the Chief Risk Officer or external advisers where necessary. Investigations are conducted promptly, and outcomes are documented, with follow-up actions taken to mitigate future risk.

The Oversight Committee, which includes Independent Non-Executives (INEs), reviews whistleblowing trends and themes as part of its remit. This governance-level visibility reinforces the seriousness with which the Firm treats ethical concerns and ensures appropriate escalation and challenge where necessary.

Baker Tilly Ireland believes that a strong speak-up culture is essential to ethical resilience and public trust. Individuals are regularly reminded of the policy through training, onboarding, and internal communications, reinforcing the message that everyone has a role in safeguarding the Firm's values.

Breaches of the Ethical Standard

Baker Tilly Ireland operates a structured and transparent process for identifying, reporting, investigating, and responding to breaches of the ACCA's Code of Ethics and IAASA's Ethical Standard for Auditors (Ireland), and the Firm's internal ethical policies. The approach reflects the seriousness with which the Firm treats any failure to meet its independence and professional conduct obligations.

Identification and Reporting

Breaches may be identified through:

- Self-reporting by engagement teams or individuals
- Internal monitoring activities (e.g. file reviews, compliance testing)
- Ethics consultations or whistleblowing reports
- External inspections or regulator communications

All suspected breaches are required to be escalated to the Ethics Partner or a member of the Ethics Council. A formal log is maintained, and breaches are assessed for severity, cause, and potential impact on audit quality or independence.

Investigation and Root Cause Analysis

Each breach is subject to documented investigation, typically involving:

- Review of relevant documentation and timelines
- Interviews or statements from involved parties
- Consideration of systemic or behavioural factors
- Independent challenge where objectivity may be impaired

Root cause analysis is performed for all confirmed breaches, in line with ISQM 1 expectations. Common root causes may relate to a lack of understanding of policy, human error or cultural factors. Findings are used to drive changes in training, controls, or guidance.

Corrective Action and Remediation

Corrective actions are proportionate to the nature of the breach and may include:

- Engagement team changes or partner rotation
- Mandatory retraining or targeted coaching
- Revisions to audit work or additional reviews
- Strengthening of internal processes and escalation protocols
- Disciplinary measures where required

Where breaches involve Public Interest Entities (PIEs) or result in actual independence impairments, they are disclosed to the Audit Committee, and—if required—reported to IAASA or other regulators in accordance with legal obligations.

Monitoring and Oversight

The Ethics Partner reports breach activity regularly to the Audit Quality Board and Oversight Committee, including breach trends, root causes, and actions taken. Independent Non-Executives are involved in reviewing sensitive or high-risk cases.

During the year ended 31 March 2025, breaches of the Firm's Ethics Policies were primarily administrative in nature (e.g. late declarations, documentation issues). All were investigated and resolved with appropriate remediation, reported to IAASA within the reporting annual deadlines and none of the breaches required regulatory enforcement or resulted in independence withdrawals.

Baker Tilly Ireland remains committed to a culture of transparency, accountability, and continuous improvement. Breaches of ethical requirements are treated seriously—not only to comply with standards, but to ensure trust in the integrity and independence of the Firm's audits.



Sustainability and ESG

Baker Tilly Ireland recognises that environmental, social, and governance (ESG) matters are central to long-term business sustainability, risk management, compliance, and public trust. As a professional services Firm operating in the public interest, we are committed to aligning our own operations with sustainable business practices and to supporting our clients as they navigate the increasingly complex ESG landscape.

Environmental Responsibility

The Firm continues to take a measured, practical approach to environmental responsibility. During the year ended 31 March 2025, our focus was on improving consistency in carbon footprint reporting, especially in the context of our post-merger integration and transition to a publicly listed structure..

Our office locations continue to implement nationally coordinated local measures to reduce energy usage, consumable consumption, and travel-related emissions. We encourage hybrid working and digital audit tools to minimise unnecessary travel, and we continue to roll out energy efficiency upgrades across our estate where feasible.

We are also mindful of the adoption of high carbon intensive technology and this in the process of being considered alongside investment need for the Firm.

Firm-wide environmental and ESG policies are being reviewed centrally to reflect increased expectations from regulators, clients, and institutional investors.

Social Impact and Inclusion

Social value and inclusion remain at the heart of our culture. Over the past year, the Firm has maintained its focus on employee wellbeing, mental health, and flexible working, while expanding our Diversity, Inclusion, Belonging and Social Impact (DIBS) initiatives.

The Firm has continued to support charitable and community projects, with local offices encouraged to participate in volunteering, pro bono work, and fundraising activities aligned to regional priorities. The Firm reconstituted its charitable trust (1892 Foundation) to be a nationally focused charity focusing upon education. We are now considering the development of a more structured corporate social responsibility strategy, with clearer measurement and reporting of social value.

Recruitment practices continue to promote access for underrepresented groups, and our school-leaver and graduate programmes are being expanded in collaboration with outreach partners.

Governance and Accountability

Governance has been a major area of focus in 2024–25, driven by the requirements of the Audit Firm Governance Code increased stakeholder expectations post-IPO, and the Firm's ambition to lead by example in the profession. As Baker Tilly Ireland is part of the wider MHA Group and MHA complies with the FRC's Audit Firm Governance Code in the UK, this therefore extends to Baker Tilly Ireland, and the Firm benefits from being part of this strong governance framework.

Our governance structure now includes an Oversight Committee and a Public Interest Committee, both chaired by Independent Non-Executives, with explicit oversight of values, culture, risk, and sustainability.

The Management Board receives formal reports on the Firm's four pillars of ESG and sustainability. These comprise: Pillar 1: MHA Sustainability & ESG, which focuses on the Firm's own sustainability strategy, environmental impact, governance and responsible business practices; Pillar 2: MHA Service Suite, covering the delivery of sustainability-related assurance, advisory and technical services to clients; Pillar 3: MHA & Baker Tilly International, which promotes a coordinated global approach to sustainability and ESG across the network; and Pillar 4: Sustainable Thought Leadership, which drives innovation, market insight and the sharing of best practice on sustainability-related matters.

Reporting across these pillars includes consideration of ESG risks, regulatory developments, and evolving client demand.

ESG is embedded within audit methodology (auditing climate risk and auditing climate related disclosures) and a standard component of our audit work. The trend of clients requiring assurance over sustainability disclosures and related internal controls under international standards including International Standard Assurance Engagement (ISAE 3000 IRELAND) and the Corporate Sustainability Reporting Directive (CSRD) continues to grow.

Our technical teams, with the ESG specialists provide training to the audit staff, with bespoke presentations. We track the developments in global reporting changes including but not limited to the IFRS Sustainability Disclosure Standards (ISSB) and developing Irish Sustainability Reporting requirements as the Firm continues to assess and enhancing its service lines in assurance, verification, and ESG advisory.

Next Steps

Looking ahead, the Firm will focus on:

1. Developing a consistent group-wide approach to carbon data tracking and reporting
2. Enhancing ESG-related training for audit and advisory staff
3. Supporting clients with readiness for CSRD, ISSB, and other ESG frameworks
4. Strengthening governance oversight of ESG risks and opportunities
5. Continuing to build a culture that prioritises ethical leadership, inclusion, and social value creation

Sustainability and ESG are now key expectations from regulators, investors, employees, and clients. Baker Tilly Ireland is committed to meeting these expectations with integrity, and to playing a responsible role in shaping a sustainable future for our profession and the communities to which we serve.



Appendices

Legal Structure and Ownership

Baker Tilly Ireland Audit Limited is an Irish incorporated company with its registered office based in Cork, Ireland and is a subsidiary of MHA LLP.

We are a member Firm of, and are regulated by, the Institute of Chartered Certified Accountants (ACCA) and our registered number is 6230592

The audit Firm is controlled by the audit Responsible Individuals who are described as partners herein.

Our professional activities are carried out by the Firm and various subsidiaries and associated businesses (“the group”).

Services offered by the group include: Audit & Assurance, Tax, Advisory and Outsourcing.

Network Membership

Baker Tilly Ireland Audit Limited is a member of the MHA network, and MHA is an independent member of Baker Tilly International Limited,), a global network of accountancy and business advisory Firms. Membership provides access to international resources and technical expertise, while the Ireland audit practice remains operationally and legally independent for regulatory purposes. BTI ranks in the top ten worldwide networks.

Baker Tilly International (BTI)

Description and legal structure

Baker Tilly Ireland is an independent member of Baker Tilly International Limited, which is a company limited by guarantee registered in England and Wales. It is owned by its members, all of which hold an equal interest in the legal entity. The members, in the Annual General Meeting, are responsible for appointing the board of directors, approving the company's strategy and other matters such as making changes to the company's constitution.

Baker Tilly International does not itself provide professional services, advice or opinions to clients but acts as a member services organisation operating from its Global Office in London. Client services are delivered by a network of over 140 independent members worldwide.

Each member is a separate and independent legal entity. Each member is locally owned, operated and managed and is responsible for its own actions. No single member is responsible for the services or actions of another.

Although many members operate under the Baker Tilly name, there is no common ownership amongst the members.

Management and governance

Baker Tilly International operates with a board of directors consisting of the Chief Executive Officer (CEO), and directors drawn from independent members around the world. The board of directors appoints the CEO.

It also formulates the strategy for Baker Tilly International and approves the policies and procedures to govern and manage the network. On the recommendation of the CEO and regional advisory councils, the board is responsible for admitting new members and, on occasion, terminating membership.

The network operates geographically through five regions - North America; Latin America; Europe; Middle East and Africa; and Asia Pacific. Each region has a chairperson who chairs an advisory council made up of partners from members in that region. The chairperson's role includes the co-ordination and development of business between members, the recruitment of new members as necessary and the implementation of the regional strategy.

At a management level, the network is co-ordinated by the CEO. The CEO is responsible to the board and ultimately to the members for all matters relating to the management and leadership of the network.

The CEO is supported by a team at Global Office which supports members worldwide. Support includes international brand development initiatives, technical development of the global audit tool and the co-ordination of a global secondment programme.

Quality assurance

Baker Tilly International's members are expected to conduct all aspects of their business to the highest professional standards, to maintain integrity and to keep in good standing n their local business community.

They are required to comply with all national standards applicable to all aspects of their work. These include auditing, independence and any other standards issued in a member's country which impact on their work.

They are also expected to comply with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and to carry out audits to standards that are at least compliant with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB).

Members are also required to comply with IAASB's ISQM 1 International Standard of Quality Management.

Regular quality assurance reviews of all members are carried out by Baker Tilly International, with members typically subject to a review at least once every three years.

Independence

Although Baker Tilly International is a network, it is for each member to determine its position under the ethical codes which govern its work. Each member identifies those other members of the Baker Tilly International network that must be considered in respect of independence for their client base.

Each member complies with their local code of ethics. Where no local code exists or where the local code is significantly less comprehensive than the International Code of Ethics for Professional Accountants (Code) members are expected to comply with the Code.

All members are required to include in their audit process a procedure that requires consideration of whether there are threats to independence resulting from work done for the client and any of its related companies by themselves or any other members of Baker Tilly International. This includes discussion with the client of circumstances where any such threats may arise.

Baker Tilly International provides a conflict check messaging system and an Independence Database to assist members in complying with this requirement. The Independence Database includes details of all clients which are members of a listed group for which any member provides any service to any company within the listed group. Details are recorded for all instances where members provide audit services to listed entities. This information is then used to create the Restricted Entity List which shows all the listed audit clients for whom members act as auditors. Member Firms should not hold a financial interest (for example, an investment) in any entity on the Restricted Entity List and should not provide non-audit services to those entities without first consulting the audit team.



Compliance with Article 13

We set out below where in this Transparency Report we have addressed the requirements of Article 13.2 of the EU Audit Regulation, as amended by the Statutory Auditors and Third Country Auditors (Amendment) (EU Exit) Regulations 2019.

Requirement	Report reference
(1) A description of the legal structure and ownership of the audit Firm	Appendix – Legal Structure and Ownership
(2) where the statutory auditor or the audit Firm is a member of a network	Appendix – Network Membership
(i) A description of the network and the legal and structural arrangements in the network;	Appendix – Network Membership Appendix – Baker Tilly International (BTI)
(ii) The name of each statutory auditor operating as a sole practitioner or audit Firm that is a member of the network	Appendix – List of EU/EEA and Gibraltar Member Firms
(iii) The countries in which each statutory auditor operating as a sole practitioner or audit Firm that is a member of the network is qualified as a statutory auditor or has his, her or its registered office, central administration or principal place of business	Appendix – List of EU/EEA and Gibraltar Member Firms
(iv) The total turnover achieved by the statutory auditors operating as sole practitioners and audit Firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements	Appendix – Total network revenue from statutory audit
(3) A description of the governance structure of the audit Firm	E. Governance Appendix – Baker Tilly International, Management and governance
(4) A description of the internal quality control system of the statutory auditor or of the audit Firm and a statement by the administrative or management body on the effectiveness of its functioning	F. Audit quality Appendix – Baker Tilly International, Quality assurance

Requirement	Report reference
(5) An indication of when the last quality assurance review referred to in Article 26 was carried out	F. Audit quality
(6) A list of public-interest entities for which the statutory auditor or the audit Firm carried out statutory audits during the preceding financial year	Appendix – Public Interest Entities
(7) A statement concerning the statutory auditor's or the audit Firm's independence practices which also confirms that an internal review of independence compliance has been conducted	G. Ethics and independence Appendix – Baker Tilly International, Independence
(8) A statement on the policy followed by the statutory auditor or the audit Firm concerning the continuing education of statutory auditors referred to in Article 13 of Directive 2006/43/EC	D. About Us F. Audit quality
(9) Information concerning the basis for the partners' remuneration in audit Firms	Appendix – List of EU/EEA and Gibraltar Member Firms
(iv) The total turnover achieved by the statutory auditors operating as sole practitioners and audit Firms that are members of the network, resulting from the statutory audit of annual and consolidated financial statements	D. About Us
(10) A description of the statutory auditor's or the audit Firm's policy concerning the rotation of key audit partners and staff in accordance with Article 17(7)	G. Ethics and independence
(11) Financial information about the total turnover of the statutory auditor or the audit Firm, divided into the following categories: (i) revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity (ii) revenues from the statutory audit of annual and consolidated financial statements of other entities (iii) revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit Firm (iv) revenues from non-audit services to other entities	Appendix – Total Network Revenue from Statutory Audit

Public Interest Entities (PIEs)

A list of public interest entities at 31 March 2025 is set out below.

1. Tyre Reinsurance (Ireland) Designated Activity Company
2. Schenker Reinsurance Designated Activity Company



List of EU/EEA and Gibraltar Member Firms

As at 31 December 2024, the following independent member Firms of the Baker Tilly International network provided statutory audit services in the EU:

Austria	Pro Audito Wirtschaftsprüfung und Steuerberatung GmbH (see Appendix 1)
Belgium	Baker Tilly Belgium
Bulgaria	TPA Audit OOD; Baker Tilly Klitou and Partners OOD (see Appendix 1)
Croatia	TPA Audit d.o.o. (see Appendix 1)
Cyprus	Baker Tilly Klitou & Partners Limited (see Appendix 1)
Czech Republic	TPA Audit, s.r.o. (see Appendix 1)
Denmark	Baker Tilly Denmark
Estonia	Baker Tilly Baltics OÜ
Finland	Baker Tilly Finland Oy
France	Strego Audit
Germany	Baker Tilly Holding GmbH
Gibraltar	Baker tilly (Gibraltar) Ltd
Greece	Baker Tilly Greece Auditors S.A. (see Appendix 1)
Hungary	TPA Control Könyvvizsgáló Kft. (see Appendix 1)
Iceland	Ryni endurskooun ehf.
Italy	Baker Tilly Revisa SpA
Latvia	Baker Tilly Baltics SA
Liechtenstein	Baker Tilly (Liechtenstein) AG
Lithuania	UAB Scandinavian Accounting and Consulting
Luxembourg	Baker Tilly Audit & Assurance s.à r.l.
Malta	Baker Tilly Malta
Netherlands	Baker Tilly (Netherlands)
Norway	Baker Tilly Grimsrud & Co.
Poland	Baker Tilly TPA Sp. z o.o. (see Appendix 1)
Portugal	Baker Tilly PG & Associados, SROC, LDA
Romania	TPA Audit Advisory S.R.L.; Baker Tilly Klitou and Partners SRL (see Appendix 1)
Slovakia	TPA Audit, s.r.o. (see Appendix 1)
Spain	Baker Tilly Iberia (see Appendix 1)
Sweden	Baker Tilly Sweden (see Appendix 1)
United Kingdom	MHA Audit Services LLP



Network Operators

Network	EU statutory audit members
Pro Audito Wirtschaftsprüfung und Steuerberatung GmbH	AuditConsultAustria Wirtschaftsprüfung und Unternehmensberatung GmbH (Austria) Pro Audito Wirtschaftsprüfung und Steuerberatung GmbH (Austria)
TPA Group	TPA Audit OOD (Bulgaria) TPA Audit d.o.o. (Croatia) TPA Audit, s.r.o. (Czech Republic) TPA Control Könyvvizsgáló Kft. (Hungary) Baker Tilly TPA Sp. z o.o. (Poland) TPA Audit Advisory S.R.L. (Romania) TPA Transilvania Advisory S.R.L. (Romania) TPA Audit, s.r.o. (Slovakia)
Baker Tilly Klitou & Partners Limited	Baker Tilly Klitou and Partners Limited (Cyprus) Baker Tilly Klitou and Partners (Limassol) Limited (Cyprus) Baker Tilly Klitou and Partners OOD (Bulgaria) Baker Tilly Greece Auditors S.A.(Greece) Baker Tilly Klitou and Partners SRL (Romania)
Baker Tilly Iberia	Audiaxis Auditores, S.L.P Castellà Auditors, S.L.P. Esponera Auditores, S.L.
Baker Tilly Sweden	Adsum Revision AB Ahnell & Partner Revisionsbyrå Aktiv Revision I Gavle AB Baker Tilly Ahlgren & Co Baker Tilly Asplunds AB Baker Tilly Borås AB Baker Tilly GA Revision AB Baker Tilly Guide Baker Tilly Halmstad KB Baker Tilly Helsingborg KB Baker Tilly Jönköping Baker Tilly Karnan Baker Tilly Luminor Revision AB Baker Tilly Mapema AB Baker Tilly MLT KB Baker Tilly Norköping Baker Tilly Saxos KB Baker Tilly SEK AB Baker Tilly Solid Revision AB Baker Tilly Stint AB Baker Tilly Stockholm KB Baker Tilly Strömstad AB Baker Tilly Swedrev Baker Tilly Sydost AB Baker Tilly Umeå AB Baker Tilly Uppsala AB Baker Tilly Örebro AB Baker Tilly Östra Värmland AB Carlstedt & Lindh AB Edlings Revisionsbyrå KB Ernströms Revisionsbyrå, AB M. Sandbergs Redovisning & Revision AB Radek KB YW Revision AB

Total Network Revenue from Statutory Audit

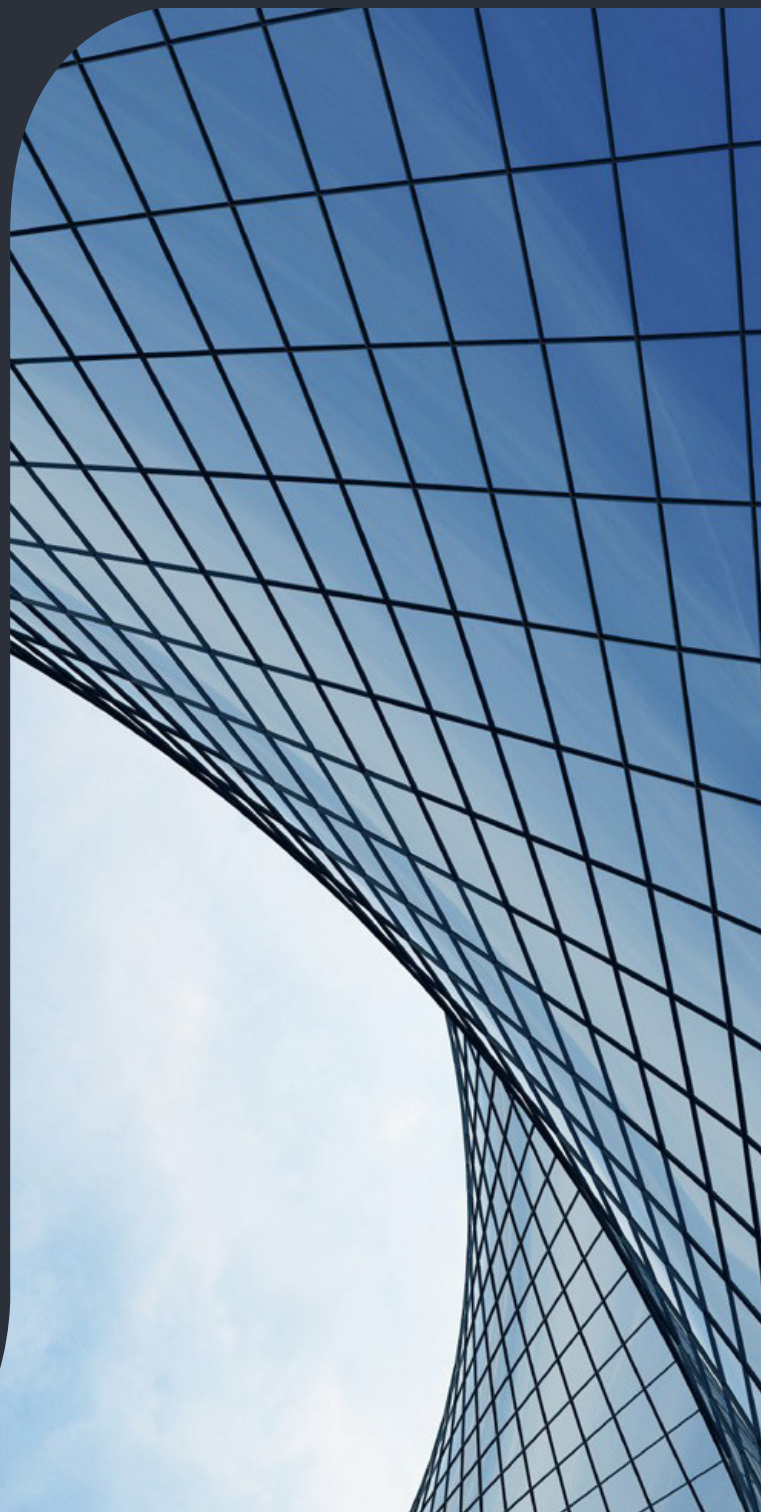
The total statutory audit fees for Baker Tilly Ireland for the period is approximately €2 million.

Analysis of Firm Turnover

Analysis of Baker Tilly Ireland Audit Limited & Baker Tilly Ireland Limited Partnership ("The Firm") turnover total fee income for the period to 31 March 2025 was €5.4 million. This is analysed as follows:

	2025 (€ '000)
Statutory audits and directly related services for audit clients	2,053
EU PIES	
Statutory audits and directly related services for other audit clients*	380
Sub-total of statutory audit services	2,433
Non-audit services to audit clients	465
Services to non-audit clients	2,506
Total turnover	**5,404**

* Includes turnover for entities that meet the definition of an EU PIE as at 31 March 2025.



Glossary

ACCA – Institute of Chartered Certified Accountants

The professional body responsible for registering audit Firms and monitoring compliance with audit and ethical standards

ACP – Audit Compliance Partner

The partner responsible for ensuring that the Firm meets its regulatory obligations in relation to audit activities.

This includes monitoring audit engagement compliance and liaising with audit regulators.

ADA – Audit Data Analytics

Technology-driven procedures that analyse data sets to identify patterns, anomalies, and audit risks. ADA enhances audit effectiveness and professional scepticism.

AEP – Audit Enforcement Procedure

The IAASA's formal process for investigating and enforcing audit quality failings. Firms may be subject to AEP in the event of significant audit deficiencies.

AFGC – Irish Audit Firm Governance Code

A code issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) that sets out governance principles for Firms that audit Public Interest Entities. It aims to improve transparency, accountability, and audit quality.

Annual Fit and Proper Assessment

A mandatory evaluation to confirm the ongoing competence, integrity, and independence of audit Responsible Individuals and other regulated personnel.

AMB – Audit Management Board

The internal governance body responsible for oversight of audit quality strategy, monitoring, and improvement activities across the Firm.

AQI – Audit Quality Indicator

A measurable metric used to assess and monitor the quality of audit delivery, such as inspection results, staff turnover, or training hours.

Audit Council

An operational committee that supports the Audit Management Board by overseeing the day-to-day implementation of audit strategy, methodology, and quality initiatives.

BTI – Baker Tilly International

A global network of independent accountancy and advisory Firms, of which Baker Tilly Ireland is a member. Network affiliation supports cross-border audit capabilities while maintaining legal and operational independence.

CFR – Cold File Review

Retrospective quality reviews conducted after audit sign-off to assess compliance with auditing standards, ethics, and documentation quality.

CIF – Contentious Issues Forum

A forum convened when significant disagreements arise in audit engagements relating to technical, ethical, or reporting matters. The forum ensures independent challenge and resolution.

Cooling-off Period

A mandatory break from an audit engagement role, required after a specified period of continuous service, to mitigate familiarity threats and preserve independence.

CSRD – Corporate Sustainability Reporting Directive

An EU regulation mandating sustainability disclosures from large companies. Relevant for clients and for assurance services provided under ISAE 3000 (Ireland).

Digital Learning Platform

A component of the Firm's training infrastructure that delivers ethics, audit, and leadership training via on-demand and virtual channels.

Engagement Acceptance Risk Matrix

A tool used in onboarding and continuance decisions to assess ethical, reputational, and operational risks, with escalation thresholds for ERAP review.

EQR – Engagement Quality Reviewer

A senior audit professional responsible for an independent review of an audit engagement prior to completion, particularly for high-risk or PIE audits.

ERAP – Engagement Risk Acceptance Panel

A governance body that considers the risks associated with accepting or continuing specific audit engagements, especially those posing reputational or independence risks.

Ethical Standard

A regulatory standard issued by IAASA that sets out ethical principles and rules for auditors, including independence requirements, non-audit services restrictions, and rotation obligations.

Ethics Council

A formal group within the Firm composed of experienced partners who oversee the application and interpretation of the Ethics Manual and advise on complex ethical matters.

Ethics Manual

A core Firm document setting out its ethical policies, processes, and decision-making structures. Updated regularly to reflect regulatory changes.

Financial Reporting Director

A senior technical role (often within the NASA Team) responsible for overseeing IFRS/IRELAND GAAP accounting consultations and policy interpretations.

Global Focus Cloud

The Firm's cloud-based audit platform, developed in collaboration with Baker Tilly International, designed to enhance audit consistency, methodology alignment, and real-time review capability

IAASA – Financial Reporting Council

The IRELAND's independent regulator for audit, accounting, and corporate governance. The IAASA supervises audit Firms, sets standards, and conducts inspections.

IAASA Audit Firm Supervisor

A designated point of regulatory contact at IAASA responsible for monitoring Baker Tilly Ireland's audit practice under the PIE Auditor Registration regime.

INRS – It's Not Rocket Science

Baker Tilly Ireland's weekly technical session used to reinforce audit methodology, ethics, and regulatory updates in an accessible and interactive way.

Independence Breach

An event or circumstance that may compromise or appear to compromise the auditor's objectivity or independence, requiring reporting, root cause analysis and remediation.

INE – Independent Non-Executive

An external individual, independent of the Firm, who serves on governance committees to provide objective oversight, challenge, and public interest perspective.

INE Chair – Independent Non-Executive Chair

An Independent Non-Executive who serves as chair of a governance committee (e.g. AMB, AOC, or PIC), responsible for leading challenge and oversight functions.

In-Flight Review

A live review of an audit file while the audit is ongoing, typically led by NASA or technical partners, aimed at improving real-time execution and identifying risk.

IPO – Initial Public Offering

The process of listing the Firm or its group entity on a public stock exchange. In this context, it refers to the listing of the non-audit business, triggering changes in audit governance.

ISAE 3000 (IRELAND)

International Standard on Assurance Engagements used for non-financial assurance, such as ESG or sustainability assurance work.

ISQM 1 / ISQM 2 – International Standards on Quality Management

Regulatory standards setting out the framework for managing and monitoring audit quality within audit Firms. ISQM 1 covers Firm-level quality systems; ISQM 2 covers engagement quality reviews.

Listed Entity

A company whose equity or debt instruments are admitted to trading on a regulated or recognised investment exchange, with heightened independence and audit quality requirements.

Management Board

The body responsible for setting the strategic direction of the Firm and overseeing its operations, culture, and compliance with regulatory requirements.

MLRO – Money Laundering Reporting Officer

The designated individual responsible for overseeing the Firm's AML compliance, suspicious activity reporting, and related regulatory engagement.

NA**SA – National Assurance Specialist Advisory**

The internal technical and quality team providing real-time audit support, guidance, training, methodology updates, and regulatory engagement.

Non-Trivial Breach

An ethics breach that exceeds documentation or administrative oversight and may require escalation to regulators or those charged with governance.

OC – Oversight Committee

A governance committee, chaired by an INE, providing independent challenge on the Firm's quality management, ethics, culture, and operational resilience.

Omnitrack

The Firm's centralised tool for logging and tracking technical consultations, ensuring real-time support and audit methodology consistency.

One Firm Approach

A governance and operational principle whereby all offices and service lines work to consistent policies, values, and quality standards, regardless of location or merger history.

One Firm Culture

A strategic integration goal focused on harmonising values, systems, and leadership behaviour across legacy Firms post-merger.

Other Entity of Public Interest (OEPI)

An entity that is not formally a PIE but is treated as such due to size, complexity, or public relevance (e.g. large corporates, pension funds, or regulatory sensitivity).

PACP – Practice Assurance Compliance Partner

A regulatory role responsible for ensuring that the Audit Firm meets the ACCA's practice assurance standards and engagement review obligations.

PIC – Public Interest Committee

A committee focused on ensuring that the Firm's decision-making and governance align with its public interest responsibilities, especially as a listed group.

Pillar Leads

Senior members of the Audit Council responsible for specific audit pillars such as methodology, technical support, learning & development, and quality monitoring.

PIE – Public Interest Entity

An entity defined in Irish law as being of public interest due to its size, nature, or role in capital markets—such as listed companies, banks, insurers, and certain regulated entities.

RCA – Root Cause Analysis

The structured process of identifying the underlying causes of audit quality or ethical failures, used to inform learning and remedial actions.

Remediation Plan

A formalised response plan designed to address audit quality deficiencies, SoQM weaknesses, or inspection findings.

Typically monitored by the AQB or OC.

Restricted Entity List or Independence Database

A BTI-maintained record of listed audit clients across the network to support independence checks and compliance with the IESBA Code.

RI – Responsible Individual

A partner authorised to sign audit reports on behalf of the Firm. RIs are subject to licensing, quality assessments, and performance monitoring.

RI Quality Assessment Policy

A framework used to assess and monitor the ongoing suitability of Responsible Individuals based on quality indicators, inspection results, and behavioural attributes.

RiCo – Risk Committee

The committee chaired by the Chief Risk Officer and responsible for reviewing enterprise risk, resilience strategies, and emerging threats.

Sector-Specific Methodology

Tailored audit approaches developed for complex or regulated industries such as banking, insurance, and construction to ensure relevance and compliance.

SoQM – Systems of Quality Management

The framework of policies, procedures, and controls required by ISQM 1 to ensure the consistent delivery of high-quality audit engagements.

Speaking Up Policy

The Firm's whistleblowing framework which provides protected channels for staff and stakeholders to raise ethical or professional concerns.

Statutory Audit Register

A central record of all statutory audit engagements and Responsible Individual assignments, used to support risk assessment, independence checks, and portfolio reviews.

Strategic Audit Quality Plan

A multi-year plan established by the Audit Quality Board to improve audit quality across the Firm, aligned with regulatory expectations and internal objectives.

Transparency Report

An annual report required under Irish and EU regulations for audit Firms auditing PIEs. It sets out the Firm's legal structure, governance, quality control procedures, independence practices, and public interest responsibilities.

Baker Tilly Audit is the trading name of Baker Tilly Ireland Audit Limited, a limited company incorporated in Ireland under company number 753814 with its registered office at the Penthouse Floor, 5 Lapps Quay, Cork, T12 RW7D, Ireland.

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