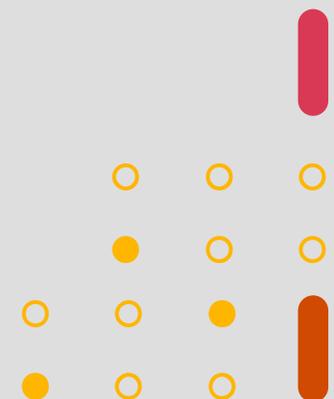
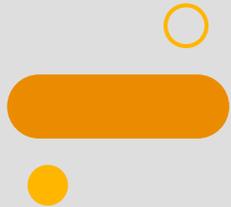
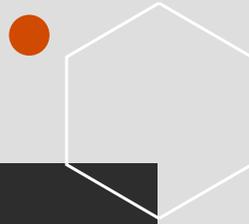


PwC Australia

Transparency

Report FY23



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About this report

This is PwC Australia's third Transparency Report and has been prepared based on the World Economic Forum International Business Council (WEF IBC) Stakeholder Capitalism Metrics to demonstrate our strengthened focus and ongoing commitment to transparency, accountability, and sustainable performance.

Further information on the data and disclosures provided in this report are available in the [Basis of Preparation](#). We are committed to improving our reporting and in FY23 we have included five additional WEF metrics. As a professional services firm, not all WEF metrics are material for us and as such we have indicated where this is the case.

Data and disclosures relate to PwC Australia business operations for the financial year ended 30 June 2023, and, unless specifically mentioned, excludes PwC PNG, other offshore operations where PwC Australia has an equity interest, and the business operations of PwC Indigenous Consulting Pty Ltd (PIC).

Timing of the report

The publication of our Transparency Report FY23 follows the release of Dr Ziggy Switkowski AO's Independent Review into our governance, culture and accountability. The Review and our response were published in full on 27 September 2023 and are available on our [website](#).

This Transparency Report makes reference to the corresponding [Management Response and Action Plan](#) which details our firm's commitments to change.

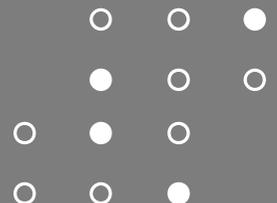
In some instances, we have provided information on steps already taken in our Action Plan.

Acknowledgement of Country and Traditional Owners

We acknowledge and pay our respects to Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation, upon whose ancestral lands and waters we work and live throughout what is now known as Australia.

We honour the wisdom of, and pay respect to, Elders past and present.

Our [offices](#) are located on Kaurna Country in Tarndanya (Adelaide), Turrbal and Jagera Country in Meanjin (Brisbane), Larrakia Country in Garramilla (Darwin), Ngunnawal and Ngambri Country in Canberra, Wurundjeri Country in Naarm (Melbourne), Awabakal Country in Mulubinba (Newcastle), Whadjuk Noongar Country in Boorloo (Perth), Gadigal Country in Sydney and Dharug Country in Parramatta.



CEO message

Welcome to our PwC Australia Transparency Report FY23



FY23 was a challenging year for PwC Australia. A year which unearthed behaviours we are not proud of and threw into question our governance, culture and accountability practices. A year which made us all stop and take stock.

It was a year defined by the revelation that a number of now former partners had failed in their professional, ethical or leadership responsibilities, with respect to the misuse of confidential Treasury information.

Yet, it will also be remembered as the year significant action was taken, in order to reset.

We are deeply sorry to our people, our clients and the communities we work in. We are sorry for our failings and for the culture that allowed these behaviors to go unchecked for many years. We are committed to taking the actions required to rebuild trust.

In May 2023, we commissioned Dr Ziggy Switkowski AO to conduct an independent review of our governance, culture and accountability. Based on our reflections on the recommendations made in the Independent Review, we have developed five key [Commitments to Change](#) and a comprehensive Action Plan that provides a roadmap to becoming the leading professional services firm.

The Independent Review found a distinction between past leadership failures and the high quality of the work our people continue to provide for our clients every day. It is this internal capability we will draw from, as we seek to become the leading professional services firm, built on the highest ethical and professional standards with integrity at our core, a firm that delivers purposeful and sustained outcomes in everything we do.

PwC Australia is putting transparency at its core as we seek to re-earn trust with our clients and stakeholders. We have shown this already with the public release of the Review, our Management Response and Action Plan as well as our Statement of Facts. Our Transparency Report is yet another example, as it publicly details our performance in FY23 across four key areas; Principles of Governance, People, Prosperity and Planet. In some instances, we have provided more current information, to reflect the important findings of the Independent Review.

Our actions over the past several months reflect our desire to right the wrongs of the past and set ourselves up for the standards and expectations we must meet. These include the appointment of new leadership, the exiting of partners who were found to have been involved in confidentiality breaches, or who failed in their professional, ethical or leadership responsibilities, and the divestment of our government advisory business.

On 1 September we also released our financial results, which are covered in this report. Despite the challenging final quarter of the year, the firm continued to invest in our hard-working people. In addition to making incentive payments and increasing fixed total remuneration, we delivered learning and development opportunities and maintained a focus on diversity, inclusion and wellbeing.

Of these people, I wish to recognise the 1,496 partners and staff who as at 8th November transferred to Scyne Advisory, following the divestment of our government advisory business to Allegro Funds. As a firm, we thank each of them for their commitment, dedication and contribution during their time at PwC Australia and wish them all the best in this next chapter.

Following the Independent Review and the commitments made in our Management Response and Action Plan, we are reviewing our firm's governance and risk management. We reference this in our Principles of Governance Chapter in this Report and further information will be shared as we progress.

Throughout FY23 we continued to progress on a range of other metrics and initiatives related to our environmental and social commitments, including our transition to net zero, progress on modern slavery, work in the community, driving reconciliation and investing in responsible technology. These are an important part of ensuring our purpose and values are at the core of everything we do.

While the past months have been enormously challenging, I am immensely proud of the dedication and resilience shown by our people. We are moving as quickly as possible towards our goals, however, we recognise that meaningful change will take time, and we are committed to getting this right.

On behalf of everyone at PwC Australia, we extend our deep thanks to our clients for sticking with us through this challenging period.

From the top down, we are committed to rebuilding and re-earning the trust of our stakeholders.

This is our promise to our people, our clients and our communities.



Kevin Burrowes
CEO, PwC Australia



Our purpose, values, vision and strategy

Our purpose and values

Our purpose is to build trust in society and solve important problems. Our five values and their underlying behaviours define who we are, what we stand for and how we behave.

We know we must work hard to rebuild and re-earn trust

To truly live our purpose we know we must re-earn the trust of our people, our clients and communities we work in. Our purpose and values are the foundation of our success. Yet in 2023, Dr Switkowski's Independent Review into our firm's governance, culture and accountability detailed shortcomings and highlighted a failure of leadership - both by individuals and as a firm. Over time, this failure of leadership contributed to an erosion of good governance and culture, weakening focus on our professional and ethical standards.

PwC Australia has accepted and will implement the recommendations of the Independent Review and has announced an Action Plan to achieve this. The Action Plan, along with other key documents, can be found on our [website](#), which outlines our commitments to enhancing our governance, culture and accountability.

Fundamental to reshaping our culture are our five values: Act with integrity, Make a difference, Care, Work together and Reimagine the possible. We are committed to putting our values at the core of everything we do to help us realise our vision for the future. We recently held firmwide engagement sessions where we explored how we can bring our values to life to help realise our vision.

Our vision is to become the leading professional services firm, built on the highest ethical and professional standards with integrity at our core, a firm that delivers purposeful and sustained outcomes in everything we do.



**Act with
integrity**



**Make a
difference**



Care



**Work
together**



**Reimagine
the possible**

Our strategy

The PwC Network strategy, launched at the start of FY22, is called [The New Equation](#). At PwC Australia, our community of solvers brings The New Equation to life by combining our diverse perspectives, expertise and relationships with the right technology to solve problems and unlock opportunities for our clients, partners and the community. Our strategy, governance and performance against our objectives is measured and explored in this report.

We are currently designing our 2025-27 firmwide strategy, which will be launched firmwide before the end of the calendar year. As we work to build back trust in our firm, we look forward to continuing to create value, deliver impact and contribute to a more sustainable future.



Summary of our metrics

Key metrics as at 30 June 2023¹. Refer to the full report for context and the [Basis of Preparation](#) for definitions of our measures.



Our People²

| | | | |
|---|---|---|---|
|  |  |  |  |
| 9,988 Employees | 882 Partners | 1,130 New Graduates | 97 New Partner Admissions |

Employee Engagement

76%
(Down 5 points)³

Employee Turnover

19% (Down 3%)
Employee overall attrition

Employee Gender

52.3% Female
47.5% Male
0.2% Non-binary, gender diverse or not known

Employee Diverse Cultural Backgrounds⁴

51%
(Up 3.5 points)

Partner Gender

34% Female
66% Male

Partner Diverse Cultural Backgrounds⁴

19%
(Up 3 points)

New Partner Admissions Gender

35% Female
65% Male

New Partner Admissions Diverse Cultural Backgrounds⁴

34%
(Up 14 points)

Employee Pay Gap

1.5% Like for like by grade (Up 1 point)
6.5% Gender (Down 1 point)
16% DCB (Down 2 points)

Partner Pay Gap

<1% Like for like by pay band
18.5% Gender (Up 1.5 points)
22.8% DCB (Up 1.8 points)

Learning & Development

401,849 hrs (Up 2%)
\$33m Investment

Cultural Awareness

People completed First Nations cultural awareness training (Down 1 point)
79%

Serious Misconduct Matters Tabled

43
Matters were tabled with the People and Ethical Conduct Panel, of which 72% were substantiated. Up from 31 matters in FY22, of which 68% were substantiated.

¹ Metrics shown on this page are as at 30 June 2023 and do not reflect the divestment of our government advisory business to Allegro Funds which occurred on 8 November 2023.

² People numbers related to the divestment of our government advisory business are provided in the People chapter.

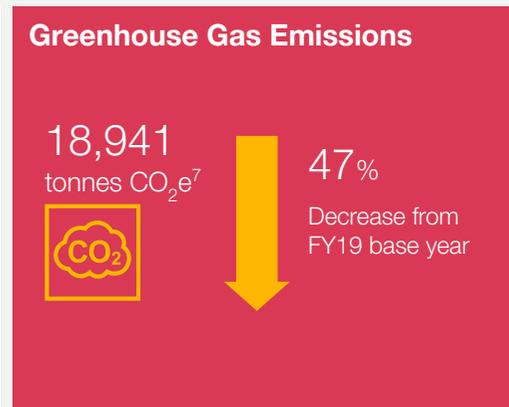
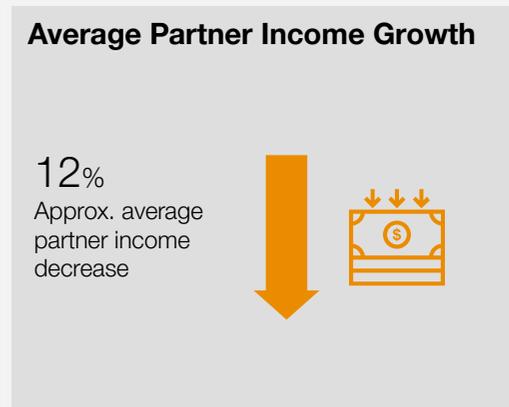
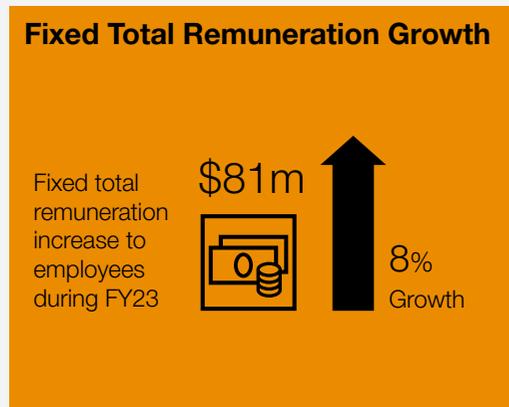
³ Results from our 'Global Mojo' Survey conducted in May FY23.

⁴ Unless otherwise stated Diverse Cultural Background (DCB) refers to non-European DCB, defined as being from a non-Anglo-Celtic or non-European background. For the purposes of reporting we rely on the self-disclosure of our people.



Summary of our metrics

Cont'd



⁵ Refer to page 21 for full details of Australian revenue.

⁶ In FY22 we made record incentive payments as a result of our strong financial performance. The FY23 total annual performance incentive payments to employees is an increase of 31% compared to FY21 total annual performance incentive payments of \$36M.

⁷ To allow a relative comparison with our FY19 base year emissions, figure includes scope 1 and 2 emissions, and scope 3 business travel emissions only.



Our approach to sustainability

We believe it is important to incorporate a focus on sustainability into what we do and how we do it. Our approach includes understanding and managing the impact of our decisions and operations and providing transparency around our sustainability commitments and performance. We also have the opportunity as a firm to create a positive impact on social and environmental issues - helping to solve important problems through our operations, thought leadership and community engagement. Through our client services we also support our clients and partners to manage their own sustainability journeys, helping them to transition to a more sustainable way of operating.

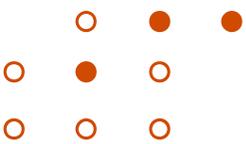
Our Sustainability Framework is aligned to the four pillars of the WEF IBC Stakeholder Capitalism Metrics initiative and the chapters of this report:

- Principles of Governance
- Prosperity
- People
- Planet

Stakeholder engagement

Having an open and collaborative approach to building and maintaining relationships with our stakeholders is essential for business. Proactive engagement allows us to identify our stakeholders needs and expectations; seek feedback to evolve our services and operations; and work effectively with our clients, people and communities.

At PwC Australia, we have a diverse range of stakeholders. We use a number of mechanisms to engage them, including internal and external events, communications, forums and activities, targeted surveys, feedback processes and in-depth interviews. This information informs our view of materiality, shapes our sustainability approach and guides our transparency reporting. Further information about our stakeholder engagement is outlined on our [website](#).



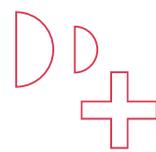
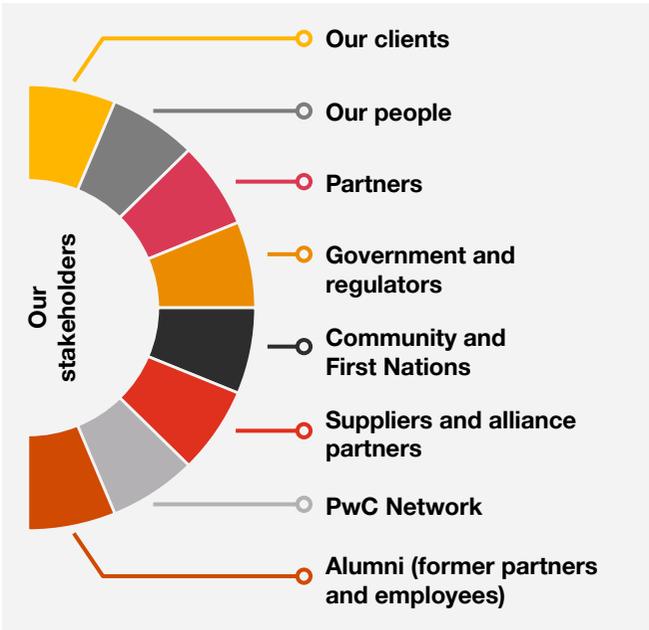
Our Materiality Approach

Across the four pillars of our Sustainability Framework, we have mapped a range of sustainability topics that we believe are relevant to our business.

Our approach to materiality focuses on issues that our stakeholders believe are the most relevant and significant to PwC Australia and which we have the ability to impact within Australia.

To inform our strategic priorities and the content of our transparency reporting, we conducted a materiality assessment, leveraging desktop research, an employee survey, internal workshops, and interviews with sector leaders, to identify the issues that matter.

Following this process, we identified a number of material topics as our key areas of focus, including: ethics and business conduct; risk governance, management and oversight; health, safety and wellbeing; climate change; diversity and inclusion; quality; and cyber and data protection.



Mapping to the UN Sustainable Development Goals

In addition to our global commitment to the [UN Global Compact's Ten Principles](#) with respect to human rights, labour rights, the environment and anti-corruption, we have also mapped our activities to the United Nations Sustainable Development Goals (SDGs).

In 2015, all United Nations Member States adopted the [2030 Agenda for Sustainable Development](#) and its 17 SDGs. The SDGs are a set of interlinked goals and targets, representing a shared blueprint for peace and prosperity for people and the planet, now and into the future. Achieving the goals requires government, private sector, civil society and individual citizens to work together in partnership.

We have reviewed each of the 17 SDGs and the associated targets to understand which of the goals we impact or can influence through our business strategy, market priorities and approach to sustainability. We also considered the inherent risk to our firm if global and local communities fail to make significant advancement toward the SDG targets.

The following goals are most aligned to PwC Australia. By incorporating them into our sustainability strategy, engagement and reporting, we believe we have an opportunity to make a real and sustained impact.

5 GENDER EQUALITY

10 REDUCED INEQUALITIES

8 DECENT WORK AND ECONOMIC GROWTH

13 CLIMATE ACTION

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

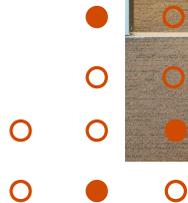
Underpinned by our commitment to partnerships



Principles of Governance

Embedding the highest ethical and professional standards with integrity at our core.

This chapter is aligned to our priority Sustainable Development Goals



Our approach to governance

In May 2023, following a breach of PwC values and policies, Dr Ziggy Switkowski AO was commissioned by PwC Australia to conduct an independent review of our governance, culture and accountability.

PwC Australia has accepted and will implement the Independent Review’s recommendations, as detailed in our [Management Response and Action Plan](#). We know this is a critically important step to re-earn trust.

This will include the appointment of at least three non-executives, including a non-executive Chair, to our Board of Partners (Governance Board) and we will publish comprehensive, audited financial statements.

Over the last several months, PwC Australia has installed a new CEO and leadership team, exited those who failed in their leadership duties, divested its government business, and created a new role of Chief Risk and Ethics Leader.

We have also committed to applying Australian Securities Exchange (ASX) Corporate Governance Principles and Recommendations to the extent feasible.

Our Commitments to Change⁸

| 1. Put our purpose and values at the core of everything we do | 2. Increase the independence and effectiveness of our Governance Board | 3. Improve the discipline and rigour of decision making | 4. Strengthen risk and conflict management and accountabilities | 5. Embed a culture and practice of constructive challenge |
|--|--|---|---|---|
| Key Initial Actions | | | | |
| <ul style="list-style-type: none"> Conduct a gap-analysis to identify a firm-wide target culture focused on restoring trust Undertake a program of work to embed desired behaviours to bring out our purpose and values each day | <ul style="list-style-type: none"> Adopt the ASX Corporate Governance Principles where feasible Appoint at least three independent non-executives, including a non-executive Chair Revise the CEO election process Publish comprehensive, audited financial statements | <ul style="list-style-type: none"> Formalise the Management Leadership Team (formerly known as the Executive Board) as the enterprise-level decision making and risk management forum Enhance operating and decision-making disciplines of the Management Leadership Team | <ul style="list-style-type: none"> Strengthen the voice and mandate of the central risk function Appoint an external CRO Uplift the rigour and transparency of our incident handling and conflict management | <ul style="list-style-type: none"> Further empower our people and partners to ask questions and challenge the decisions and behaviours of others within the firm |

PwC Australia

PwC Australia is a partnership that is established under the laws of the Australian Capital Territory and operates throughout Australia. The firm is owned by partners who are admitted to the partnership in accordance with the firm's partnership agreement. PwC Australia is also a member of the PwC network.

We deliver integrated solutions in audit, assurance, consulting and tax services. We deliver our capabilities through three businesses: Assurance, Consulting and Financial Advisory, which are supported by our Enabling Functions.

CEO and Management Leadership Team

PwC Australia’s Country Senior Partner (CEO) provides leadership for the partners and employees, and sets short and long-term strategic direction. Tom Seymour, elected in March 2020 was PwC Australia’s CEO until 8 May 2023. Kristin Stubbins was Acting CEO from 8 May 2023 until Kevin Burrowes became CEO on 17 July 2023.

The Management Leadership Team (MLT) are leaders of the firm appointed by our CEO. Under the leadership of the CEO, they are responsible for the management and administration of the firm. The 10 members of the MLT can be found on our [website](#). After the above changes took effect, the composition of the MLT was 60% women.

The MLT are assisted by advisory groups and committees which provide support on a range of matters associated with the four WEF pillars covered in this report.

Board of Partners

The Board of Partners is the key governance body in the firm. Its role includes ensuring a strong firm by supporting, monitoring and providing input into strategy; protecting the interests of partners; approving partner admissions and retirements; and approving major transactions or referring them to a partner vote. The Board of Partners consists of the firm’s CEO plus a maximum of 10 partners who are elected by partner vote. In September 2023, the firm announced its commitment to appoint at least three non-executive members to the Board of Partners including a non-executive Chair, and is implementing other changes to its governance following recommendations made in Dr Switkowski’s Independent Review. The current members of the Board of Partners can be found on our [website](#).

Directors of PwC Australia companies

PwC Australia provides some services through companies incorporated in Australia, including PricewaterhouseCoopers Consulting (Australia) Pty Limited⁹ and PricewaterhouseCoopers Securities Ltd. PricewaterhouseCoopers Services Pty Limited employs the firm’s staff and provides various support services to the partnership. The directors of those companies carry the standard obligations and responsibilities under the Corporations Act.

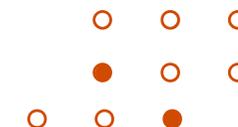
| Composition of Management Leadership Team and Board of Partners | | FY21 | FY22 | FY23 |
|---|------------------------|------|------|------|
| Board of Partners ¹⁰ | % of women | 40% | 40% | 40% |
| | % of DCB ¹¹ | 20% | 20% | 20% |
| Management Leadership Team | % of women | 47% | 50% | 58% |
| | % of DCB ¹¹ | 0% | 6% | 8% |

⁸ Source: 'PwC Australia's Commitments to Change', September 2023, pg 7.

⁹ On 6 July 2023, in preparation for the completion of the divestment of our government advisory business, PricewaterhouseCoopers Consulting (Australia) Pty Limited was renamed Scyne Advisory Pty Ltd. This entity was divested on 8 November.

¹⁰ The Board of Partners excludes our CEO although they are also a member.

¹¹ Unless otherwise stated Diverse Cultural Background (DCB) refers to non-European DCB, defined as being from a non-Anglo-Celtic or non-European background. For the purposes of reporting we rely on the self-disclosure of our people.



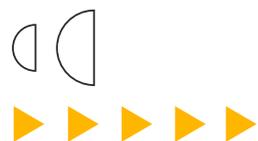
Risk governance, management and oversight

We recognise the importance of having robust and dynamic processes, policies and governance structures in place to proactively identify, manage and monitor the challenges, opportunities and risks we face, and support delivery of our strategic objectives.

Dr Switkowski's Independent Review found our risk practices and systems focused on quality and client delivery at the line of service level, but at the enterprise level our controls were immature - lacking the stature, capability and rigour required. This created inconsistency when it came to how risks were managed, reported and escalated in different businesses. It also limited the opportunity for additional objective challenge of risks and issues at the leadership and governance levels of the firm. To this end, we have committed to:

- Strengthening the voice and mandate of the central risk function.
- Appointed external Chief Risk Officer, David Stephen, reporting into and working closely with Chief Risk and Ethics Leader Jan McCahey.
- Uplifting the rigour and transparency of our incident handling and conflict management.

For a further list of actions we are taking to enhance our risk governance, management and oversight, view our [Management Response and Action Plan](#).



Ethics and business conduct

We are governed by a set of PwC Network Standards and Network Risk Management Policies, as well as local engagement and workplace policies. Our [Code of Conduct](#) sets out what's expected of us and holds us accountable to our professional and ethical standards.

In FY23, 99.8% of partners and employees completed ethics and code of conduct training. We want PwC Australia to be a place where our people feel comfortable bringing their whole selves to work, feel safe asking questions or raising concerns, and are confident that issues will be handled in a sensitive and considerate way.

We continue to operate our Speak Up campaign (launched in 2021) to encourage our people to Speak Up, Listen Up and Follow Up when they see behaviour that isn't right. This campaign reinforces our commitment to creating a work environment where everyone feels safe and like they belong. We thank our people for raising issues of concern as well as their feedback on how we can continue to improve.

We know there is further work we can do to embed a culture that empowers our people to ask questions and challenge decisions. We are implementing a program of work to support a constructive challenge culture in line with the recommendations of the Independent Review. In the meantime, we continue to provide our Ethics helpline and promote our Whistleblower policy:

- The [PwC Ethics Helpline](#) is available to all our people and external stakeholders, including clients and third parties, to ask for advice or report concerns or unethical conduct. Reports can be made online or via the phone. Issues can be reported anonymously and are taken seriously and handled in confidence.
- The [PwC Australia Whistleblower Policy](#) applies to the making of reports relating to PwC Australia.

We have a People and Ethical Conduct Panel (the PEC Panel) that is responsible for the oversight and management of serious conduct matters, including making decisions on consequences and communicating these to the Management Leadership Team and Governance Board.

In FY23, 56 serious misconduct complaints were raised, with 43 matters tabled with the PEC Panel. Of those tabled, 72% were substantiated. The increase in matters tabled, compared to 31 in FY22, of which 68% were substantiated, reflects the impact of our Speak Up Campaign, increased communication and strong messages from our leaders and people on behaviour that is and isn't acceptable.

Of the matters substantiated:

- 22 (71%) related to bullying, harassment and other workplace misconduct.
- 7 (23%) related to sexual harassment.
- 2 (6%) related to data breaches.

Actions taken for substantiated matters included:

- 66% written warnings (including financial penalties, counselling, and training).
- 34% exit from the firm (including termination and resignation).

As part of our [Management Response and Action Plan](#) we are addressing a recommendation to redefine and clarify accountabilities for conduct risk.

Bribery and corruption

We maintain a focus on bribery and corruption by employing stringent risk management to prevent and detect financial crimes including money-laundering, tax-evasion, fraud and embezzlement.

While there were no incidents of corruption confirmed during FY23, the misuse of confidential Treasury information was the subject of independent legal investigations and remains the focus of a number of external investigations. For more information refer to [PwC Australia's Statement of Facts: Review of Tax Confidentiality Breaches](#).

Our Statement sets out the key issues examined in the investigation and is structured to address and answer the three questions that Dr Switkowski posed in his Independent Review, namely:

- How did the breaches of confidentiality and conflicts happen and persist uncorrected for some years?
- Have responsible parties been identified and disciplined?
- What processes are now in place to minimise the possibility of any repeat of this experience?

PwC Australia accepts full responsibility for the historical misconduct that occurred in our Tax practice and notes that significant repairs have been made and will continue to be made to re-earn the trust of our stakeholders and clients.



0
incidents

Incidents of corruption confirmed during FY23

Quality

At PwC Australia we define quality service as that which consistently meets the expectations of our stakeholders and complies with applicable standards and policies.

We have teams in place that are responsible for the systems and processes that facilitate the delivery of high quality services in line with professional standards. They also oversee the training curriculum and conduct business and engagement reviews.

Mechanisms providing quality advice include our PwC Tax Policy Panel which reviews complex tax advice matters involving issues of tax policy and provides quality advice to our tax practitioners in line with the [PwC's Global Tax Code of Conduct](#).

In the context of audit quality, we are encouraged by Dr Switkowski's comments on our Assurance practice, which he describes as 'appearing to substantially model best practice' with a 'well developed controls framework for audit quality management'. Our commitment to and delivery of the highest standards of audit quality are set out in detail in our annual [Audit Transparency Report](#).

Cyber and data protection

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

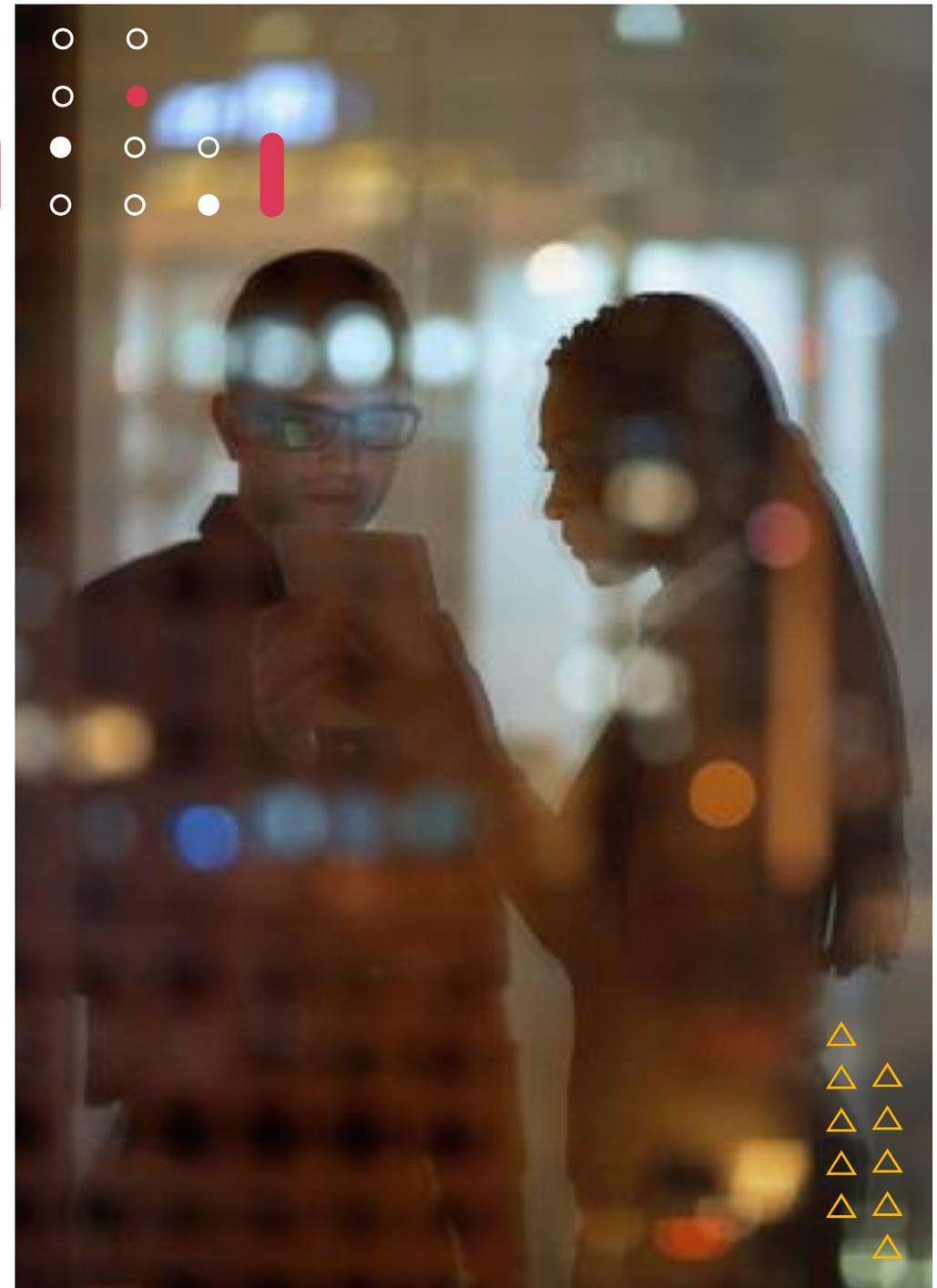
During FY23 we uplifted our firmwide asset inventory and confirmed backups, business continuity and IT disaster recovery plans for the majority of our critical applications. We migrated 30 applications to Next Gen Cloud, decommissioned 75 applications and moved 60% of servers to the strategic OneAD global platform. This helps us to ensure an efficient and resilient technology network.

In May, third party file transfer platform, MOVEit, experienced a cyber security incident which impacted hundreds of organisations globally, including PwC. PwC Australia used the MOVEit software on a limited number of client engagements, and, upon learning of the incident, ceased use of the platform and conducted a thorough investigation. This investigation found that PwC's own IT network was not compromised, but some historic engagement files had been accessed. PwC immediately reached out to clients who were impacted by the incident and arranged specialist care for affected individuals.

Following the incident PwC Australia prevented all use of the MOVEit application, conducted a deep dive assessment into enterprise-wide file sharing capabilities to revalidate best practice, and continued to invest in our cyber uplift program.

We completed an additional 31 threat and risk assessments and have identified how our critical applications could be affected by a cyber attack. This allows us to focus our remediation efforts on our most critical cyber risks and further the maturity of PwC Australia's cyber risk management.

We will continue our program of cyber uplift and improvement to keep pace with developments in this space, and support the cyber capability of our Management Leadership Team, partners and employees.





People

Realising the potential of our people in a rewarding, inclusive and flexible workplace.



This chapter is aligned to our priority Sustainable Development Goals

| | | |
|--|--|------------------------------------|
| 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES |
| 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS | |



Our approach to people

Our people are central to everything we do at PwC. From the top down, we are committed to rebuilding and re-earning their trust. This includes prioritising people’s health and wellbeing, giving them access to challenging and purposeful work, and opportunities to develop and grow their careers. We are also striving to improve our culture and Dr Switkowski’s Independent Review of our firm’s governance, culture and accountability includes recommendations on how we can put our purpose and values at the core of everything we do.

Our ambition for our people is represented through our People Value Proposition (PVP), which encompasses:

- New ways of working - our commitment to workplace health, safety and mental wellbeing; how we create an experience of inclusion, connection and belonging; and enable our people to work effectively from any location.
- Total Reward - encompassing the full suite of financial and non-financial rewards and benefits, how we recognise performance and our commitment to transparency around total reward.
- PwC Academy - tailored learning opportunities for our people to grow and develop.
- Workplace Experience - how we create a sense of connection and energy through our workplaces and the experiences we offer.

We continually review our PVP to ensure we can provide the best experience for our people. On the pages which follow, more detail is provided on how we deliver on our PVP.

People demographics

Our ambition is to attract and retain diverse talent to our firm and make sure they represent the community and clients we provide services to. During FY23, we welcomed 3,211 new people. This included 1,130 graduates and the admission of 97 partners (a mixture of internal admissions and external hires). Our growth in people represented a 7.5% net increase in employees joining the firm over the year.

In June, the Management Leadership Team and Governance Board made the difficult decision to defer the 1 July 2023 internal partner admissions. This decision was not a reflection of the candidates. The firm considered it a necessary and prudent step as it continues to take steps to enhance its governance, culture and accountability.

As at 30 June 2023, PwC Australia comprised of 9,988 employees and 882 partners. On 8 November 2023, our government advisory business was divested to Allegro funds and Scyne Advisory was formed. On that date 100 partners and 1,396 employees transferred to the new business. See more information related to the divestment on page 22 of this report.

In FY23, 52.3% of employees identified as female, 47.5% identified as male, and 0.2% identified as non-binary, gender diverse or not known.

In FY23, we continued to track our entire Diverse Cultural Background (DCB)¹² population, which improved year-on-year, with 51.4% of our workforce from a non-European DCB. Of new employees in FY23, 58% identified as coming from a non-European DCB.

We also continued to focus on the diversity of our partnership. Of the 97 new partners admitted, 35% were female, 65% were male, and 34% were from a non-European DCB.

Overall at the conclusion of FY23, 34% of our partnership was female, and 19% was non-European DCB, with the latter figure having grown 3% year-on-year.

¹² Unless otherwise stated Diverse Cultural Background (DCB) refers to non-European DCB, defined as being from a non-Anglo-Celtic or non-European background. For the purposes of reporting we rely on the self-disclosure of our people.



In May 2023, more than 1,700 Senior Associates and Managers attended our Signature Experience, The Outside.



| Our People | FY21 | FY22 | FY23 |
|--|--|--|---|
| Employees | | | |
| Number of employees | 8,086 | 9,288 | 9,988 |
| Avg. Age | 33 | 33 | 32 |
| Number of new graduates | 946 | 1,530 | 1,130 |
| Gender | 52.5% F 47.0% M 0.5% N ¹³ | 52.0% F 47.5% M 0.5% N ¹³ | 52.3% F 47.5% M 0.2% N ¹³ |
| DCB ¹⁴ | 38% | 45% | 51% |
| Number of new employees | New metric | 3,835 | 3,180 |
| Gender of new employees | New metric | 49.0% F 50.5% M 0.5% N ¹³ | 49.9% F 49.9% M 0.2% N ¹³ |
| DCB ¹⁴ of new employees | New metric | 57% | 58% |
| Partners | | | |
| No. of partners ¹⁵ | 777 | 864 | 882 |
| Youngest partner ¹⁵ | 31 yrs | 27 yrs | 28 yrs |
| Oldest partner ¹⁵ | 67 yrs | 67 yrs | 64 yrs |
| Partners over 55 ¹⁵ | 11% | 10% | 10% |
| Gender ¹⁵ | 33% F 67% M | 34% F 66% M | 34% F 66% M |
| DCB ¹⁴ | 15% | 16% | 19% |
| New partner admissions ¹⁶ | 145 49% F 51% M | 148 41% F 59% M 20% DCB ¹⁴ | 97 35% F 65% M 34% DCB ¹⁴ |
| Partner retirements ¹⁷ | New metric | 79 29% F 71% M 13% DCB ¹⁴ | |
| Equity / Non-Equity partners ¹⁵ | 79% E / 21% N-E | 99% E / 1% N-E | 99.5% E / 0.5% N-E |

In FY23, employee turnover declined, with overall attrition decreasing by three percentage points to 19%. Our senior associate and manager cohorts continued to have the highest turnover. We remain focused on attracting, retaining and rewarding our talented people. During FY23 we:

- Promoted 1,513 people from our workforce.
- Invested in a new Early Careers program to recruit future talent to our firm.
- Supported 1,752 Senior Associates and Managers to attend our Signature Experience, The Outside. 201 partners and directors also attended. The Outside is an immersive learning experience designed to build the next generation of leaders. For the first time, we welcomed colleagues from PwC Network firms in New Zealand and the United Kingdom, as well as clients and not-for-profits.
- Launched a new Career Mobility policy and refreshed our careers hub to support our people to build diverse careers and better enable career agility.

| Employee turnover | FY21 | FY22 | FY23 |
|-------------------|-------|-------|-------|
| Overall attrition | 15.7% | 22.1% | 19.3% |

CASE STUDY

Early Careers Program - 'Inside PwC'

Our Early Careers program invites students and graduates from all over Australia to begin their careers with PwC. We welcome candidates from all degrees and diverse backgrounds, offering a variety of work across our businesses. For the first time in FY23, we delivered 'Inside PwC', held in-person at our Melbourne and Sydney offices, as well as virtually. It gave students the opportunity to participate in activities, panel discussions and networking opportunities, providing them with greater insight and understanding of a career with PwC. Following Inside PwC, students were able to apply for our Early Careers program. We hosted in-person assessment centres for over 1,500 candidates at our offices.

¹³ Non-binary, gender diverse, or not known.

¹⁴ Unless otherwise stated Diverse Cultural Background (DCB) refers to non-European DCB, defined as being from a non-Anglo-Celtic or non-European background. For the purposes of reporting we rely on the self-disclosure of our people.

¹⁵ Partner numbers are at 1 July 2021, 1 July 2022 and 1 July 2023.

¹⁶ New partners are defined as admissions from 2 July to 1 July, inclusive.

¹⁷ This includes four partners who were held accountable in FY23 for failures of professional, leadership or governance responsibilities. Four more will be included in the FY24 total.

Culture

We want all of our people to feel like they belong and have a positive experience when working at PwC. This includes fostering an environment that is consistent with our values.

We have a range of ways we measure our people's engagement and our culture. This includes our 'Global Mojo' engagement survey, which provides an important checkpoint on our people's experience of working at our firm. We also check in with our people via our:

- Employee-led People Council, which provides insight into priority issues impacting our people's experience, engagement, development, recognition and reward.
- Employee-led networks and sustainability champion networks which raise awareness of grassroots issues and causes, and promote diversity, inclusion, wellbeing, environmental and sustainability awareness and engagement.
- On and off boarding surveys, pulse surveys and other listening activities.

We know we have a lot of work to do to improve aspects of our culture, and create an environment where all of our people feel they belong, are comfortable to speak up, and have positive experiences. Dr Switkowski's Independent Review provides us with recommendations on the things we can do to improve our culture, including a focus on embedding a culture and practice of constructive challenge which we are currently working towards.

View our Management Response and Action Plan for further details on the steps we are taking to enhance our culture.



Global Mojo

'Global Mojo' measures what most drives engagement of our people and how well we are living our values. It provides insights across eight focus areas - our purpose, values and societal impact; growth and development; diversity and inclusion; innovation; leadership; wellbeing; reward and recognition; and quality behaviours.

Conducted in May 2023, 'Global Mojo' was open at the start of a period of intense scrutiny on our firm related to the Tax Practitioners Board matter. Perhaps reflecting this, our response rate declined from 79% in FY22 to 59% in FY23.

Our overall engagement score declined from 81% in FY22 to 76% in FY23. At this point in time, our people told us they wanted to connect with leaders more often; and while their sense of pride in working at the firm had been impacted, they still enjoyed their work and would recommend PwC Australia as a place to work and grow a career. From a belonging perspective, we saw some positive changes for our LGBTIQ+, DCB Non European and First Nations communities.

In addition to 'Global Mojo', we regularly survey our people for feedback on their experience of working at PwC Australia. Their feedback helps inform decision-making by our Management Leadership Team and shape our firm's approach and priorities as we move forward.

'Global Mojo' results¹⁸

| | FY22 | FY23 |
|--|------|------|
| People who feel partners/ leaders in their practice make a point of connecting with them | 69% | 67% |
| People who feel a sense of pride working at PwC | 86% | 76% |
| People who enjoy working at PwC | 82% | 81% |
| People who would recommend PwC as a great place to work | 80% | 77% |
| LGBTIQ+ people reporting feeling comfortable to be out in the workplace | 57% | 64% |
| DCB Non-European people feeling their cultural diversity was valued at work | 44% | 56% |
| First Nations people feeling culturally safe at work | 69% | 79% |
| People who experience disability feeling comfortable to disclose at work | 48% | 49% |

¹⁸ Results are presented in terms of favourability scores, which is the percentage of submitted responses that indicated 'agree' or 'strongly agree' for each question.

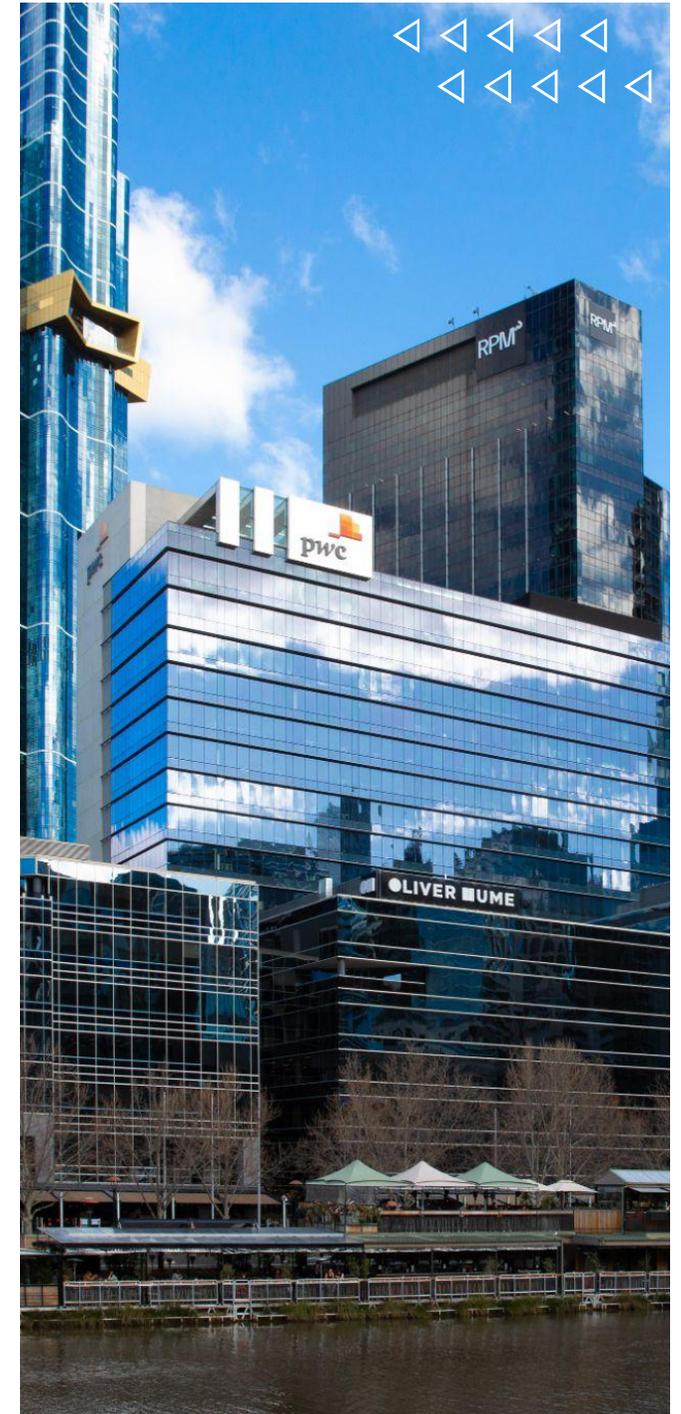
Health, safety and wellbeing

Our people's health, safety and wellbeing is a core priority. We know it is impacted by a variety of complex factors, and our workplaces play an important role in promoting positive mental health and wellbeing. We have had a sustained focus on mental health and wellbeing at the firm. In FY23 we:

- Launched Turning Mental Health Inside Out, an online course which builds mental health literacy and promotes good mental health.
- Launched specific rest and recharge programs and policies across the firm.
- Continued to invest in our community of 361 Green Light to Talk (GLTT) advocates, who are trained in Mental Health First Aid and Domestic and Family Violence First Response.
- Our employee-led BeWell network held pilates and meditation sessions, and staged expert panels and webcasts on mental health topics and lived experience, including neurodiversity in the workplace.
- Designed and tested our Sustainable High Performance workshop for partners and employees, that is now ready for implementation during FY24.

Broderick Review

In July 2023, EY Oceania released the findings of an independent and comprehensive review into its workplace culture, known as the Broderick Review. Many of the issues raised are known challenges across professional services firms in Australia, particularly related to balancing productivity and wellbeing. The findings lend themselves to shared learning and problem solving across the industry. We have reflected on the Review and used it to conduct a self-assessment and make adjustments to organisational culture as part of our wider transformation program.



Wellbeing¹⁹

| | FY21 | FY22 | FY23 |
|---|------|------|------|
| People who feel confident / equipped to recognise signs and symptoms of mental illness in myself and others | 73% | 75% | 77% |
| People who agree they work in teams that prioritise wellbeing | 60% | 71% | 68% |
| People who were able to find a balance between work and their personal life that suited them | 55% | 60% | 59% |
| People who feel their day-to-day stress levels they are currently experiencing with their work are manageable | 55% | 56% | 57% |

¹⁹ From 'Global Mojo' 2023. Results are presented in terms of favourability scores, which is the percentage of submitted responses that indicated 'agree' or 'strongly agree' for each question.



361

Green Light To Talk advocates trained in Mental Health First Aid and Domestic and Family Violence First Response



3.3%

of our people are Green Light To Talk advocates

For the first time, we are reporting the absenteeism rate of our people. At times, our people need to take time off work, including for physical and mental health purposes. We have our employee assistance program C.A.R.E. and other support programs and training to promote positive mental health and wellbeing and recognise potential mental health issues.

| Additional Wellbeing Metrics | FY21 | FY22 | FY23 |
|--|------------|-------|-------|
| LTIFR (Lost-Time Injury Frequency Rate) | 2.58 | 1.39 | 1.19 |
| The utilisation of our C.A.R.E program | 13% | 17.5% | 11.6% |
| Absenteeism rate of all employees | New metric | | 2.1% |
| Percentage of employees who have claimed the employee wellness benefit | New metric | | 58% |
| Percentage of employees who have completed mental health literacy training | New metric | | 39% |

The impact of past professional, ethical and leadership failures in relation to the misuse of confidential Treasury information was felt across our firm. To support our people, we enhanced our wellbeing program, including the provision of additional in-person sessions with psychologists, leadership and resilience training as well as mental health refreshers for Green Light To Talk advocates.

CASE STUDY

Mental Health, Safety and Wellbeing Advisory Committee

The Mental Health, Safety and Wellbeing Advisory Committee (previously known as the Mental Health Impact Board) was established in August 2021. Its establishment was critical to prioritising our people's mental health and wellbeing. It is responsible for oversight and monitoring of mental health, safety and wellbeing activities across PwC, which relate to strategy and innovation; leadership capability and culture; risk and compliance; and stakeholder engagement and reporting. The committee reports to the Management Leadership Team and Governance Board Risk Committee and meets every five weeks. It also holds quarterly meetings to address Workplace, Health and Safety, and risk matters.

The committee is critical in supporting alignment with firm strategy and facilitates collaboration across the firm.

In FY23, the committee introduced greater rigour to its governance reporting structure through embedding a clear Committee meeting cadence which also aligned to reporting obligations of the committee to the Management Leadership Team and Governance Board Risk Committee. In addition, we also refined its terms of reference and updated its composition to ensure key leaders from across the firm sit on the committee, including our people, risk and sustainability leads. This representation is critical to its effectiveness, enhances decision-making and ensures the wellbeing and safety of people is prioritised in decisions made across the firm.



Diversity and inclusion

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

We continue to be recognised as a WGEA Employer of Choice for Gender Equality and as a Platinum Employer in the Pride in Diversity AWEI LGBTIQ+ awards.

We keep ourselves on track to building a more inclusive and diverse firm through our focus on gender, non-European DCB, LGBTIQ+, First Nations peoples and people with a disability.

We know that where we focus attention we have made progress, such as on DCB and gender diversity in our partnership. We know we still have more to do in other areas. In FY23 we focused our attention on the Global Shine Summit and launched our first-ever global LGBTIQ+ strategy; we developed our Access and Inclusion Plan and continued delivery of our Reconciliation Action Plan.

In FY23 we are sharing new diversity and inclusion metrics which we have not reported on before as indicated in the table below.

| Additional Diversity Metrics ²⁰ | FY23 |
|--|------|
| People with disability | 7.4% |
| LGBTIQ+ people | 3.7% |
| First Nations peoples | 0.4% |

Further activity in FY23 included:

- Launched our new parental and miscarriage leave policies to support our people to balance their career and family life. This included an increase in our paid parental leave entitlement to 26 weeks, removing primary and secondary carer labels, and extending the eligibility period to two years to encourage both parents to take parental leave.
- Introduced 'Every Day Equal' training to better respond to and prevent workplace sexual harassment and discrimination before it occurs. We also launched Safe and Respectful Teams workshops for Directors and Partners to develop leadership capability on effective bystander intervention.

- Held events to help break down stigma and encourage acceptance. This included our employee-led BeWell and Ability networks celebrating International Day of People with Disability with a series of initiatives on neurodiversity in the workplace.

| Parental leave | FY21 | FY22 | FY23 |
|---|------------|----------|----------|
| % of people accessing some form of <u>parental leave</u> who are men | 42% | 42% | 43% |
| % of people who accessed parental leave remaining with the firm after the first 12 months | 94% | 93% | 92% |
| Avg. duration of parental leave (weeks) taken by women | New metric | 30 weeks | 38 weeks |
| Avg. duration of parental leave (weeks) taken by men | New metric | 16 weeks | 23 weeks |

| First Nations training | FY21 | FY22 | FY23 |
|---|------|------|------|
| % of our people who completed First Nations cultural awareness training | 93% | 80% | 79% |



CASE STUDY

Global Shine Summit

In March, we hosted PwC's Global Shine Summit 2023 (GSS23) against the backdrop of Sydney WorldPride, a global LGBTIQ+ festival and human rights conference.

We brought together 150 PwC colleagues from around Australia, our global PwC Network, as well as clients. Our ambition was to advance diversity, inclusion and belonging at PwC and in the community, as well as champion the impact our Shine network has across the firm.

At GSS23, we launched PwC's first-ever global LGBTIQ+ strategy, the purpose of which is to foster inclusion and diversity in all of our territories, so our people around the world can be their authentic selves at work and in their personal lives.

²⁰ As self-disclosed by PwC Australia employees and partners.

Performance and reward

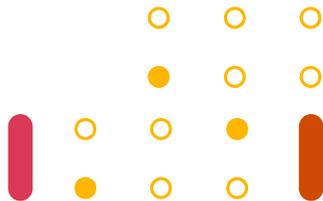
We want all of our people to feel valued, rewarded and recognised for the work they do. Our Total Reward Strategy comprises both financial and non-financial rewards, which we use to attract, retain and reward our people. It is a key component of our People Value Proposition and incorporates our commitment to pay transparency.

We track and review our gender and DCB pay gap data. In FY23, employee pay gap decreased by 1 percentage point for gender, and 2 percentage points for DCB. Both the gender and DCB pay gap outcomes reflect the population in more senior levels having a less diverse demographic. By improving pay transparency and diversity at all levels, including through promotion and recruitment, we will continue closing the pay gap.

For partners, the pay gap increased 1.5 percentage points for gender, and 1.8 percentage points for DCB. Female and DCB partner admissions in the past year were concentrated in the junior levels for internal admissions which reduces the average female and DCB incomes. Partners at the same level, with similar responsibilities, are paid the same amount.

In FY23 we commenced annual pay transparency sessions to help our people understand how their pay is determined. We also released our pay bands to the market.

Delivering on our diversity and inclusion targets and a continued commitment to ensuring fairness and equity across our performance, pay and promotion processes remains a key focus during FY24.



| Gender and DCB pay gap | | FY21 | FY22 | FY23 |
|------------------------|--|------------|-------------------|---------------------|
| Employees | Like for like by grade (gender) | <1% | <1% | 1.5% |
| | Gender | 10% | 7.5% | 6.5% |
| | DCB | New metric | 18% | 16% |
| Partners | Like for like based on pay band (gender) | <1% | <1% | <1% |
| | Gender | 13% | 17% ²¹ | 18.5% ²² |
| | DCB | New metric | 21% ²¹ | 22.8% ²² |

All PwC Australia graduates are paid above the minimum wage.

| Entry Roles: ratio to Minimum Wage | Women | Men |
|------------------------------------|-------|------|
| Associate | 1.20 | 1.20 |
| Long term vacationers | 1.04 | 1.09 |
| Intern/Trainee | 1.04 | 1.04 |
| Administrative | 1.09 | 1.61 |

Leadership and development

We continue to invest in leadership and development to support our people to lead diverse and interesting careers. One way we do this is through our PwC Academy, which offers a range of learning opportunities including technical mastery, leadership coaching and external certifications. Further activities in FY23 included:

- Launched Senior Manager and Director Key Talent Programs, providing mentorship, coaching and leadership support.
- Continued to refine and deliver Team Leader workshops to onboard and build capability. Our Financial Advisory business also staged a Team Leader Summit to build capability.
- Brought our partner cohort together for the Partner Ignite conference, to reconnect and explore themes influencing our clients and communities.

- Launched a range of leadership development programs for partners at different stages in their career, including on coaching, building self-awareness and navigating complexity and uncertainty.
- Launched external microcredential certifications to support our people to expand their skills and expertise. More than 1,200 people have accessed 3,200 microcredential courses.
- Continued our Digital Accelerator program, providing training in data and automation to 215 team members. Digital Accelerators apply their skills to everyday work with clients and are building digital skills which help us to remain fit for the future as a firm.

In FY24 and beyond, we continue to focus on leadership development, particularly in line with our focus of developing a culture of constructive challenge as outlined in our [Management Response and Action Plan](#).

| Learning and development | FY21 | FY22 | FY23 |
|---|------------|---------|---------|
| Total learning and development hours for employees | 273,960 | 371,577 | 381,129 |
| Total investment in learning and development for employees | New metric | \$28m | \$30.5m |
| Investment in learning and development for employees as a percentage (%) of payroll | New metric | 2.4% | 2.5% |
| Total learning and development hours for partners | 17,882 | 21,884 | 20,720 |
| Total investment in learning and development for partners | New metric | \$2.1m | \$2.5m |

We also require all people to complete a series of Essential IQ modules each year, to refresh awareness and knowledge of our rules, how we operate and to ensure everyone is clear on our obligations to each other, our clients and the communities in which we operate.

²¹ FY22 gender pay gap for partners has been updated based on actual incomes, which was finalised in September 2022.

²² FY23 gender and DCB pay gap for partners is based on target income as actual incomes are not determined until November.

CASE STUDY

Athlete Employment Program

In December 2022, we launched our Athlete Employment Program, to provide elite athletes with flexible, paid employment at our firm. The 12-week trial saw six athletes from various sporting codes gain work experience with a view to joining our firm - or other employers - in a full-time capacity after retiring from sport.

This program gives athletes the opportunity to integrate work around their training and competition requirements, and supports them in planning career pathways beyond sporting pursuits. Athletes receive learning and development opportunities, as well as the opportunity to connect with colleagues and broaden their corporate network.

“PwC’s Athlete Employment Program gave me the opportunity to prioritise my hockey training and work towards my goal of representing Australia at the Olympic Games, while knowing I can smoothly transition into a marketing role in the corporate world when ready.” - Ruby Harris, Athlete Employment Program participant



Modern slavery and human rights

Our approach to human rights is integrated into our existing business practices as part of our People & Culture, Procurement, Ethics and Compliance, and Corporate Sustainability activities.

In addition to our global commitment to the UNGC we are participants of the UNGC Network Australia and engage in the modern slavery community of practice

Since FY20, we have submitted a Joint Modern Slavery Statement, as required under the Australian Modern Slavery Act 2018. It outlines how we identify and address modern slavery risks to people in our operations and supply chains.

Our Global Third Party Code of Conduct sets out our expectations of suppliers including that they:

- Do not engage in or support human trafficking or modern slavery, including forced, bonded or involuntary labour.
- Maintain working conditions that meet internationally declared human rights and standards.

In FY23, we ran a pilot to enhance our responsible supply terms and conditions with select contingent labour and recruitment agencies. The pilot involved embedding terms into our contracts with these select agencies. We included explicit prohibitions to the recruitment process, including prohibiting the withholding of an employee’s identification documents. We have since embedded the terms into our contracts with suppliers on the pilot and are exploring rolling it out further in FY24.

We will continue to review and strengthen our approach to human rights issues across our operations and supply chains.



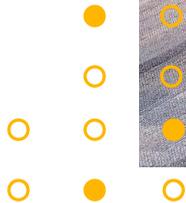


Prosperity

Delivering purposeful and sustained outcomes for our people, clients and community.

This chapter is aligned to our priority Sustainable Development Goals

| | | |
|------------------------------|--|--|
| 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES |
| 13 CLIMATE ACTION | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS |



Our approach to prosperity

On 1 September, we published our full year financial results for 2023. We reported underlying revenue growth of 10%, while profit remained flat year-on-year against the backdrop of the challenges faced by the business in the last quarter.

Economic contribution

Through our financial performance, business operations and client services, we deliver measurable contributions to Australia's economic prosperity, including job creation, new innovations, skills and leadership development.

Financial performance

In FY23, PwC Australia delivered total revenue of \$3.4 billion and Australian businesses revenue of \$2.9 billion (including PNG and excluding disbursements and revenue from other overseas entities where we have an equity interest). This reflected revenue growth of 10% for the Australian businesses. There were no acquisitions during FY23. PwC Australia did not receive any government financial assistance during the reporting period.

Despite profit remaining flat, we continued to invest in our people and our firm. We promoted 1,513 people - or 15% of our workforce, employed 700 net new employees and admitted 97 partners. During FY23, we made incentive payments to our people of \$47 million and increased their fixed total remuneration by \$81.3 million (an increase of 8.2%). On 1 July 2023, the fixed total remuneration of our people grew by a further \$50.3 million (an increase of 4.5%) as a result of our people's FY23 performance outcomes.

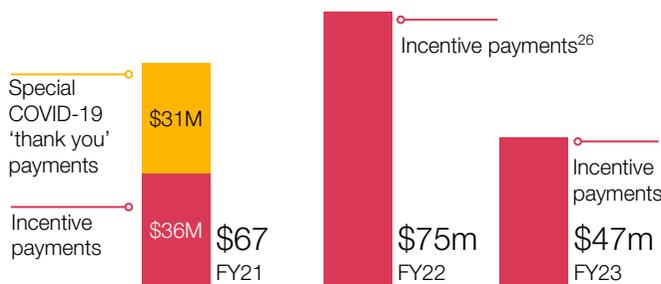
In FY23 our annualised partner pay ranged from \$374,000 to \$4,043,000 (former CEO). Our average partner income declined by 12% during the year. In order to manage the impacts of recent events on our FY24 revenue, the owners of our firm, our partners, are taking a target income reduction of up to 30%. Partner target incomes for FY24 start at \$337,000. Our CEO's target income for FY24 is \$2,830,000.

| \$ million | FY21 | FY22 | FY23 | Growth |
|---|-------|-------|-------|--------|
| Revenue - Australia²³ | 2,220 | 2,590 | 2,860 | 10% |
| Assurance | | | | |
| Financial Advisory | | | | |
| Consulting | | | | |
| Other | | | | |
| Revenue - Overseas | 210 | 250 | 310 | |
| Revenue - Consolidated | 2,430 | 2,840 | 3,170 | 12% |
| Disbursements | 160 | 170 | 180 | |
| Total Revenue | 2,590 | 3,010 | 3,350 | 11% |

FY23 Revenue by Business²⁴



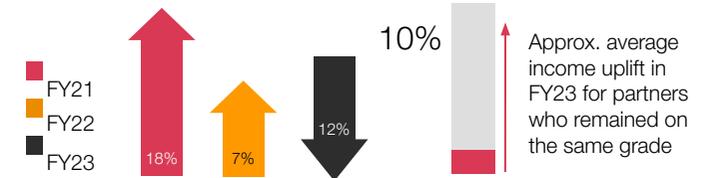
Total incentive payments to our employees



Fixed total remuneration increase of our employees



Average partner income growth



Business Performance

In FY23, we delivered services to market through our three Lines of Service - Assurance, Consulting and Financial Advisory - supported by our Enabling Functions.

Our Assurance business generated record growth in FY23, growing by 15% to \$880 million. This was driven by our continued investment in people and quality, coupled with demand for advice and audit related to cyber, risk and regulation and ESG.

Our Consulting business grew by 12% in FY23 delivering \$900 million in revenue. Growth was driven by demand in corporate and health sectors and an increase in demand for our cloud and digital capabilities.

Our Financial Advisory business comprising Tax, Deals, Private, Energy Transition, and Legal delivered over \$1.0 billion and 9% revenue growth through the delivery of integrated capabilities to corporate and private clients looking to drive value through organic growth and restructuring, while our Energy Transition business achieved double-digit growth delivering end-to-end client services for their energy transition and sustainability needs.

²³ Includes revenue from PwC PNG, which is wholly owned by PwC Australia.

²⁴ Revenue by Business is on an adjusted basis due to business unit restructuring. It excludes disbursements.

²⁵ Other revenue of \$50 million was revenue earned outside the three businesses.

²⁶ In FY22 we made record incentive payments as a result of our strong financial performance. The FY23 total annual performance incentive payments to employees is an increase of 31% compared to FY21 total annual performance incentive payment of \$36M.

Our tax contribution

In FY23, PwC Australia contributed \$659m in total taxes, up 6% from FY22. Total tax contribution is comprised of:

- Fringe Benefits Tax
- Payroll Tax
- Pay As You Go Withholding tax
- Stamp Duty
- Insurance Duty
- Corporate Tax
- Foreign taxes
- Non-recoverable GST
- Estimated taxes payable by Partners

PwC is a general partnership and therefore income tax payable on the profits of the Partnership and Services Trust are solely the personal liability of the individual partners and beneficiaries, respectively. The estimated percentage of tax paid by partners will vary from year to year as a result of tax timing and permanent adjustments experienced by the business. The average rate of tax paid by partners over the past 5 years is approximately 38%

| | FY21 | FY22 | FY23 |
|--|--------|--------|--------|
| Total tax contribution | \$520m | \$624m | \$659m |
| Estimated average percentage of tax paid by partners | 42% | 37% | 37% |



Scyne Advisory

On 25 June PwC Australia announced it had entered into an exclusivity agreement to divest the firm's government advisory business to Allegro Funds for \$1.

This divestment resulted in 100 partners and 1,396 employees transferring to the new standalone business, Scyne Advisory on 8th November 2023.

The government advisory business accounted for about \$680 million, or 20% of the firm's FY23 revenue.

"For those moving across to Scyne Advisory, this is an opportunity to join Australia's first advisory practice dedicated exclusively to government engagements and be a part of an exciting new entity. We thank those moving to Scyne for their hard-work, dedication and contribution during their time at PwC Australia and wish them all the best in this next chapter," Mr Burrowes said.

Sustainable procurement

We believe in the procurement of goods and services that embeds a shared focus on economic, environmental and social contributions within a framework of good governance and proactive supplier engagement.

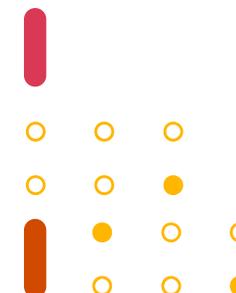
In order to support the effective engagement and management of our supply chain, in FY23 we developed our first sustainable procurement strategy focusing on a range of ESG aspects with our key suppliers. In FY24, we will increase capability and awareness and expand on supplier diversity aspects.

Responsible technology

At PwC Australia we consider the ethical, societal and environmental impacts associated with technology in both our operations and our client work. As a firm we are committed to incubating and delivering digital products, services and businesses that deliver value to our people, our clients and the community. This includes global investments we make into new technologies such as the artificial intelligence (AI) powered legal startup Harvey.

During the year we continued our commitment to minimising the environmental impact of our technology through the responsible recycling of our devices and limiting technology and server uptime to only when in use. We also continued to encourage the appropriate use of data and technology as part of our Digital Accelerator program.

In FY24, we will develop our responsible technology approach and embed our policy and governance framework for the responsible use of AI in our business. We are also working with thought leaders to drive our national capability.



CASE STUDY

Critical Minerals Summit

In November 2022, our Energy Transition business hosted the inaugural Critical Minerals Summit in collaboration with The Australian. Critical minerals are widely regarded as the engine driving the world's energy transition. The Summit explored the infrastructure, regulatory settings, and end-to-end supply chain strategies required to support a thriving critical minerals sector in Australia.

With critical mineral exports likely to grow 70 per cent by the early 2030s, Energy Transition Leader Varya Davidson said, "We need to move past talking about the size of the opportunity and start talking about action. The benefits are clear and the time for action is now."



Reconciliation

PwC Australia supports reconciliation between Aboriginal and Torres Strait Islander peoples and all Australians. For many years we have proudly supported the Uluru Statement from the Heart, which includes a First Nations Voice to Parliament being enshrined in Australia's Constitution. Our current Reconciliation Action Plan (RAP) documents this support. Our ambition is to support empowerment and self-determination for First Nations peoples and communities, including helping to catalyse the emerging Indigenous economy, by assisting clients and communities to come together to design and deliver better outcomes. In line with this, in FY23 our then Executive Board took the position to publicly support the 'Yes' campaign in the Aboriginal and Torres Strait Islander Voice referendum while ensuring there was an opportunity for all of our people to consider the range of different perspectives in this conversation to help them reach their own individual positions. Our RAP efforts are focused on increasing economic participation of Aboriginal and Torres Strait Islander peoples, developing our own cultural fitness, deepening our relationships via pro bono support and strategic partnerships and collaborating on issues of importance to Aboriginal and Torres Strait Islander peoples, such as housing security and culturally appropriate housing. Our ability to deliver on our reconciliation commitments is only possible through our people engaging and working collaboratively with Aboriginal and Torres Strait Islander communities.

In FY23 we launched the [First Nations Academy](#) to enable First Nations employees to build their skills and grow their careers and in February we held a PwC Australia and PIC First Nations Networking Summit on Gadigal Country.

We also renamed key spaces in our Naarm (Melbourne) office using language words from the Wurundjeri Woiewurrung language as the local Traditional Custodians of Country. It's a key commitment of our RAP and further offices will follow in FY24.

PwC's Indigenous Consulting (PIC) continues to work in partnership with us in delivering on our RAP commitments. PIC is majority-owned, led and staffed by First Nations Australians. As at 30 June 2023 PIC had four partners and 70 employees. Our current [RAP](#) commenced in 2019 and was extended until June 2024. In 2024 we will launch the next iteration of our RAP. Together with PIC, we will continue to embed our new First Nations Academy and implement a PwC Australia and PIC First Nations Impact Strategy that spearheads our direction and commitment to meaningful change and impact for First Nations peoples and communities.

First Nations Academy

In February 2023, PwC's Indigenous Consulting (PIC) and PwC launched The First Nations Academy to help PIC employees and PwC First Nations employees strengthen their connection with each other, develop skills, grow their careers and become future leaders in the firm, community and beyond.

The program brings new and existing First Nations employees together, fostering belonging and connection through mentoring opportunities, employee gatherings (including our First Nations Networking Summit), community engagement, building professional connections and cultural immersions.

Since the Academy's inception, 12 First Nations employees have commenced a mentorship with a PwC Partner or Director, six employees have engaged with a professional coach, and over 40 First Nations and non-First Nations employees have attended cultural immersions in Brisbane, Sydney, Melbourne, Adelaide, Canberra and Perth. The Academy hosted 12 virtual yarning circles, four of which took place in the week prior to The Voice referendum, so as to provide support for First Nations employees around this significant event.

"While there are cultural differences between me and my mentor, we have forged a great connection with many cultural similarities. I have been getting great career advice that has helped me with Goal Setting and Development Planning."
Tara Jackson-Goraya, First Nations Academy mentee



Community investment and impact

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

Our community contribution includes:

- PwC's Foundation Trust, which is funded by individual donations from our generous partners and people.
- Fundraising drives through our 'Giving' program, which help our people support the causes they are passionate about.
- PwC OnBoard, which bridges the gap between corporate Australia and the not-for-profit (NFP) sector by connecting our people across the firm to board and advisory roles with NFPs they are passionate about.
- Social impact time, which provides our people with the opportunity to volunteer, mentor, or work on pro bono and low bono projects.
- The Impact Assembly, which designs and facilitates collective leadership on social issues.

Throughout FY23, we continued our focus on digital inclusion and cybersecurity. This included developing and delivering our third annual NFP CEO Survey (see the case study on page 24).

Our Cyber and Digital Trust (C&DT) team worked, in partnership with social enterprise Infoxchange, to deliver a range of thought leadership and upskilling to NFPs, including a virtual reality cyber security incident experience.

We also continued our support of NFP Australian Business and Community Network (ABCN).

In FY23, we generated over

\$12m of value through social impact time, workplace giving, donations and cash contributions.

Overall, Social Impact Time and donations from the firm and our people increased on last year. However, financial value shows a decrease on last year which is mainly due to an increase in low bono engagements with the NFP sector.

The number of people holding governance and advisory roles increased from 666 to 715 in FY23. Governance & advisory roles are held by our people in a personal capacity and all external appointments are subject to review and/or approval under our external appointments policy.

In recognition of our giving program, we were honoured to receive the Workplace Giving Australia Best Pro Bono / Workplace Volunteering Program - Bronze Award in 2022.

Our Social Impact Champion network grew by 75% (from 212 to 371). This group raises awareness and engagement with our community impact programs.

We are committed to improving opportunities for students to reach their full potential in the future world of work. Through our 17-year partnership with Australian Business & Community Network (ABCN), we connect our skilled workforce with students from low socio-economic backgrounds and contribute to workplace-based mentoring programs focused on developing confidence, leadership, resilience, aspirations and vital enterprise skills.

In FY23, approximately 240 of our people volunteered their time to support and mentor as part of ABCN programs, enabling us to reach over 500 young people across 24 schools. We took part in ABCN's first-ever Digital Careers Expo in Sydney, where students took part in a range of sessions, including on digital careers, creating an app, staying safe online, and exploring the metaverse and intergalactic travel.

"I have been taught that technology is changing the world, making me realise that I want to influence and become part of this change." - ABCN student feedback

| Social impact time | FY21 | FY22 | FY23 |
|------------------------------|---------------|---------------|----------------|
| Skilled volunteering hours | 14,762 | 11,669 | 8,141 |
| Unskilled volunteering hours | 1,528 | 2,075 | 4,366 |
| Pro bono hours | 20,214 | 16,483 | 15,753 |
| Low bono hours | 42,864 | 56,550 | 73,988 |
| Total Hours | 79,368 | 86,777 | 102,248 |

| Board roles | FY21 | FY22 | FY23 |
|--|------|------|------|
| Number of people holding governance / advisory roles | 573 | 666 | 715 |
| Number of governance / advisory roles | 784 | 908 | 990 |

| Social investment | FY21 \$000s | FY22 \$000s | FY23 \$000s |
|--------------------------------------|---------------|---------------|---------------|
| Value of Social Impact Time | 12,586 | 10,772 | 10,013 |
| Workplace Giving | 993 | 1,056 | 918 |
| Foundation Trust | 165 | 331 | 124 |
| Other fundraising | 217 | 395 | 612 |
| Other firm donations & contributions | 578 | 604 | 772 |
| Total Social Investment | 14,539 | 13,158 | 12,439 |



CASE STUDY

EmpowerHer Salesforce program

Our Salesforce Skills Group (part of the Cloud & Digital team) partnered with alliance partner Salesforce and not-for-profit Women in Technology Western Australia Inc. (WITWA) to deliver the EmpowerHer Salesforce program. The program is designed to help WA-based women find new careers, including through reskilling on the Salesforce platform, adding to their current skill set and finding new entry points into the workforce.

The training covered foundational concepts of cloud computing and the Salesforce platform, as well as real-life considerations and applications of the technology. Our team provided pro bono support to develop training materials to upskill and reskill the women of EmpowerHer.

CASE STUDY

NFP CEO Survey

In September 2022, we released our third annual not-for-profit CEO Survey, 'Upskilling and delivering in a digital world'. It shares insights from more than 230 leaders across the NFP sector in Australia and New Zealand. The report shows how NFP leaders are responding to the adverse impacts of widespread skills shortages and the strategies being undertaken to address role-based upskilling, strengthening their employee value proposition and supporting employee wellbeing.

The report found that against the backdrop of the war for talent, NFPs were able to offer candidates a strong sense of purpose and that digitisation of work continues to have a transformative effect on the sector.

The insights from our NFP CEO survey feed into our global 'New World. New Skills' (NwNs) program, helping to identify growth areas and opportunities that present themselves to the NFP sector.

As our NwNs program evolves, we will not produce a 4th annual NFP CEO Survey in 2023 and instead, will focus our efforts on supporting Infoxchange's annual Digital Technology in the NFP sector survey.





Planet

Contributing to a socially equitable, net zero and nature positive future.

This chapter is aligned to our priority Sustainable Development Goals



Our approach to the environment

We are committed to taking steps to achieve a net zero and nature positive future.

Climate change, clean and efficient energy

We're taking action on climate change, in line with our commitment to achieve net zero greenhouse gas (GHG) emissions. Our near-term (2030) scope 1, 2 and 3 GHG emissions²⁷ reduction targets have been validated by the Science Based Targets initiative (SBTi) and are aligned with a 1.5 degree climate scenario. These include:

- Reducing absolute scope 1 and 2 GHG emissions by 50% by FY30²⁸.
- Reducing absolute scope 3 business travel GHG emissions by 50% by FY30²⁸.
- Maintaining 100% renewable electricity in Australian offices in FY22.
- Continuing to commit that 50% of our purchased goods and services suppliers (by emissions) across our global PwC Network have set science-based targets to reduce their own climate impact by FY25.
- Continuing to counterbalance our emissions through high-quality carbon credits, transitioning our carbon offset portfolio to 100% carbon removals from FY30.

We're also proud to continue our certification as a [Climate Active](#) carbon neutral organisation, which we have held since 2008.

In FY23, our scope 1 & 2 emissions decreased by 92% from our FY19 base year, exceeding our target of a 50% reduction. To achieve this we:

- Embedded energy efficiency measures and sustainable design principles within our offices.
- Purchased 100% renewable electricity for our offices.

²⁷ Scope 1 GHG emissions are direct emissions associated with our operations, whereas scope 2 GHG emissions are indirect emissions associated with the purchase of electricity, steam, heat, etc. Scope 3 GHG emissions are a consequence of PwC operations but are sources of GHG emissions not owned or controlled by PwC (upstream and downstream sources). Refer to the [Basis of Preparation](#) for further details on our GHG inventory, including boundaries, standards, methodology, calculations and estimates.

²⁸ From a FY19 baseline.

100% renewable electricity

In FY23, we continued our commitment to purchase 100% renewable electricity for our offices in Australia. This is aligned with our global membership of RE100, a global initiative bringing together businesses committed to 100% renewable electricity. Our sourcing strategy primarily focused on purchasing renewable electricity certificates from a single wind farm in Victoria.

While our scope 3 business travel emissions have reduced by 47% since FY19, we saw an increase in business travel emissions of 209% compared to the prior year. We are focused on managing the rebound since the easing of COVID-related restrictions. In FY23 we:

- Embedded a 'virtual first' approach for all client and firm activities.
- Launched a firmwide carbon cap on air travel, effective 1 July 2023.
- Enhanced our interactive, air travel emissions dashboard to include predictive analysis.
- Supported our people to upskill in key sustainability initiatives by offering a range of internal and external education opportunities, including through our global Sustainability Academy.
- Engaged with key travel suppliers to collaborate on shared emission reduction goals.

In FY23, we made material changes to our emissions boundary from previous years, as part of our ambition to continuously improve our disclosures. We calculated and disclosed additional scope 3 emissions sources from purchased goods and services, waste, water and the impact of our people working from home. We will continue to expand the sources we include in scope 3 emissions, as more accurate information comes available to us.

Actions taken in FY23 included:

- Developed and implemented our first Sustainable Procurement strategy, with a dedicated resource tasked with focusing on maturing our supply chain.
- Embedded a consistent framework for assessing the sustainability performance of new and existing suppliers.
- Engaged top suppliers to educate them on the PwC Network commitment for 50% of our suppliers (by emissions) to set their own science-based targets, and collaborated to reduce our collective emissions impact.
- Held employee-led educational campaigns to reduce waste and promote reuse or recycling of resources.

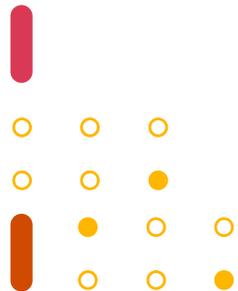
In FY24, we will rebase our GHG emissions due to the divestment of our government advisory business. Refer to the [Basis of Preparation](#) for further details on our GHG inventory, including boundaries, standards, methodology, calculations and estimates.



In October 2023, the PwC Network published the [PwC Network Environment Report](#), which details progress towards having 50% of purchased goods and services suppliers (by emissions) to have their own science-based targets by FY25.

In line with our global impact mitigation hierarchy, we prioritise absolute emission reductions, rather than the use of offsets. To counterbalance emissions we have not yet reduced, we purchase high-quality carbon credits for our scope 1, scope 2 and scope 3 business travel emissions.

As a PwC Network, we have joined the [LEAF Coalition](#), the Lowering Emissions by Accelerating Forest finance coalition, and the Natural Climate Solutions Investment Accelerator. These initiatives aim to accelerate the development of high integrity, nature-based solutions by mobilising funds through the voluntary carbon market.



We have a multi-year implementation plan (2022-2025) to support our transition to net zero. The plan outlines a framework and prioritises key activities to deliver within our operations and supply chain. It has measurable and actionable objectives that will support us to achieve emissions reductions in line with our near-term science-based targets. In FY24 we will:

- Implement continuous improvements to our measurement and disclosure activities.
- Reduce direct emissions by identifying further opportunities for energy efficiency.
- Manage our business travel impact through a focus on behavioural transformation.

We will also continue engaging with suppliers on our environmental commitments; incorporate a climate lens into strategy, governance and risk decisions; and communicate with our people to build on our culture of care for our planet and natural resources.



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

Globally, PwC has supported the TCFD since the launch of its recommendations in 2017, and has been a member of the Task Force since 2016. The first [TCFD report](#) for the PwC Network was issued in October 2021. It represented an important step to leading within the business community on climate-related challenges. The PwC Network's response to the TCFD recommendations is available in our most recent [Climate Report](#).



GHG emissions by scope (tCO₂e)²⁹

| | | FY19 base year | FY22 previous year | FY23 current year | Change in FY23 from FY19 base year | Reduction target from FY19 base year |
|--|--|----------------------|--------------------------|-------------------------|--|--|
| Scope 1 | Stationary combustion | 77 | 30 | 44 | -43% | Refer to scope 1 & 2 combined target |
| Scope 2 (market-based) | Electricity | 4,529 | 0 | 0 | - | |
| | Heating, hot water & steam | 502 | 287 | 345 | -93% | |
| Total scope 1 & 2 GHG emissions | | 5,108 | 317 | 389 | -92% | 50% absolute reduction |
| Scope 3 | Business travel | 35,013 | 5,997 | 18,552 | -47% | 50% absolute reduction |
| | Purchased goods & services ³⁰ | N/A | N/A | 68,043 | | Not applicable ²⁹ |
| | Other indirect emissions ³⁰ | N/A | N/A | 1,705 | | Not applicable ²⁹ |
| Total scope 3 GHG emissions | | 35,013 | 5,997 | 88,300 | | |
| Total GHG emissions | | 40,121 | 6,314 | 88,689 | | |

²⁹ There are material changes to the emissions boundary in FY23 (from previous years). In FY24, we will undertake a re-baselining exercise to reflect the divestment of our government advisory business and to incorporate additional information sources. Refer to the [Basis of Preparation](#) for further details on our GHG inventory, including boundaries, standards, methodology, calculations and estimates.

³⁰ Purchased goods & services, and other indirect emissions are new GHG emissions sources added to our scope 3 emissions inventory and were not previously disclosed.

Nature and biodiversity

We have taken steps to decarbonise our operations and supply chain in line with our net zero commitment and a nature positive future.

In FY23, we identified business activities that interface with nature or ecosystem services. As part of this, for the first time we are disclosing our impact against two additional core WEF metrics related to nature loss and freshwater availability.

We assessed the extent to which our office locations in Australia are in, or adjacent to, key biodiversity areas and/or protected areas. These are designated areas that have been recognised as contributing significantly to the long-term conservation of nature and biodiversity. Out of 11 office locations, two offices (1.19 hectares) were identified as being located within a key biodiversity area. Both offices are in urban areas.

We also assessed the extent to which PwC's office locations in Australia are located in water stressed regions by overlaying a map of water stressed areas onto our office network. Out of 11 office locations, seven offices were identified as being located in water-stressed regions. Of our total office water use³¹, 86% (26 megalitres) comes from offices in water-stressed regions.

In the year ahead we will work to reduce water use in these offices by implementing water efficiency measures and encouraging sustainable water-use behaviours.

Delivering impact with our clients

We strive to deliver sustained outcomes as we work on some of the most important problems facing our clients and Australia. In FY23, this included delivering a scope 3 roadmap for the Climate Leaders Coalition and hosting the inaugural Critical Minerals Summit (refer to page 22).

Our Energy Transition team was launched on 1 July 2022, and consists of more than 140 energy and sustainability experts with deep experience in sustainability strategy, transformational change, mergers and acquisitions, organisational design, capital raising and renewable energy infrastructure projects. Since then, we have been working with a range of clients and industries on topics such as decarbonisation, renewables and utilities deals, ESG strategy, and new economy opportunities like sustainable fuels and critical minerals.

CASE STUDY

Scope 3 Roadmap

We were involved in the development of the CEO-led [Scope 3 Roadmap](#) for the [Australian Climate Leaders Coalition](#) (CLC), providing practical steps for CEOs to follow to reduce scope 3 greenhouse gas emissions (GHG) in their value chains. Scope 3 GHG emissions account for between 65-90% of emissions for most organisations and are hard to address as they sit outside of one organisation's direct control.

Our involvement included developing five proofs of concept that saw supply chain partners collaborate, share data and highlight the commercial, financial and transformational requirements to reduce emissions collaboratively across their value chains. The work was seen as a global first, due to the practical 'learn by doing' nature of the work, and collaboration between 48 leading CEOs from companies. Through the work, proofs of concept identified scope 3 emissions reductions of between 11% and 42% in their value chains to align with 1.5°C.

As part of the roadmap's launch, we brought together CEOs, Heads of Sustainability and other key stakeholders to explore insights from the work and agree how to scale its impact. Our 'scaling impact on scope 3' work continues in FY24, and includes the co-design of a Scope 3 Excellence Checklist, as well as the delivery of Scope 3 Catalyst sessions to enable members to collaborate with each other and experts to break through Scope 3 barriers.

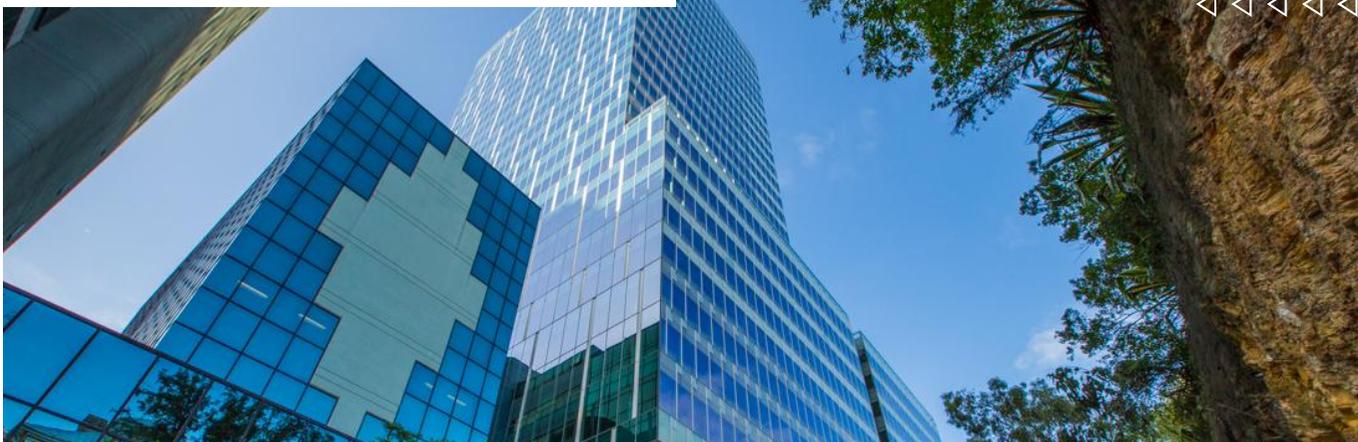
CASE STUDY

Nature Positive Transformations

Following our work on the [Scope 3 Roadmap](#), in March 2023 we were invited to support the [Australian Climate Leaders Coalition](#) (CLC) on a second impact area focused on 'Nature and Climate'

This work focuses on embedding nature positive thinking and measurement into organisational strategy and economic decision making, with a focus on connecting nature as an accelerator of net zero and 1.5 degree pathways.

PwC Australia, as part of our Global Centre for Nature Positive business, partnered with the World Economic Forum, The Earth Commission, Accounting for Nature, the Taskforce for Nature-related Financial Disclosures (TNFD) and PwC's Indigenous Consulting to design and run an education and scoping session for CEO's and Heads of Sustainability. We have also raised awareness of nature as a strategic issue through the co-design of a CEO conversation starter which Heads of sustainability have used to drive conversations with their executives on nature. Our work continues as we collaborate with CLC members to develop a Nature Scoping Tool that will enable organisations to understand their nature impacts, dependencies, materiality and interface as a pre-screen to participate in nature assessment frameworks, such as the TNFD disclosures.



³¹ Water use refers to the amount of water diverted from the source for its use.

CASE STUDY

Green Week

Our employee-led Green Team held its third annual Green Week in celebration of World Environment Day on 5 June. This firm-wide campaign raised awareness of - and engaged our people in - sustainability issues, and is our largest and most focused internal engagement drive on environmental sustainability.

This year's theme, 'Nature Positive Futures', focused on building understanding of nature-based solutions, our impact on nature, and the opportunities that nature positive transformations can unlock for our future.

Our Green Team hosted activities across all of our major office locations, including a Green Week bingo in Adelaide that invited participants to complete a sustainability challenge each day, a book swap in Canberra, a sustainable eating workshop in Perth, a screening of The Business of Nature documentaries in multiple offices, and a panel discussion with business leaders and a World Wide Fund for Nature (WWF) representative in Melbourne.

These activities aligned with the launch of the [PwC Global Centre for Nature Positive Business](#) in April 2023, which brings together more than 500 nature specialists from across our network to accelerate the global transition to a nature positive and net zero future.

CASE STUDY

ESG reporting

In March 2022, the International Sustainability Standards Board (ISSB), which was formed by the International Financial Reporting Standards Foundation, released proposed global Environmental, Social and Governance (ESG) disclosure standards.

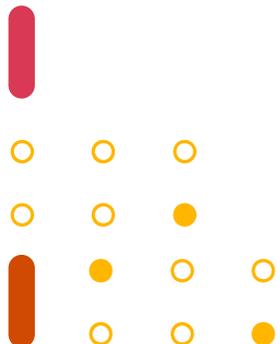
In November 2022, we issued our report '[ESG Reporting in Australia - Change afoot, but are companies ready?](#)', providing a detailed analysis of the level to which ASX200 companies were meeting the ISSB draft disclosure standards.

Our analysis showed, despite year-on-year improvements in ESG reporting, ASX200 disclosure levels needed to be significantly enhanced to meet the ISSB's proposed standards, particularly in quantifying the financial impact of sustainability and climate-related risks and opportunities. Our report enabled the ASX200 to assess their ESG reporting maturity against the proposed standards endorsed by the International Financial Reporting Standards (IFRS) Foundation.

Following the standard's formal release in June 2023, the stakes for ESG reporting are at an all-time high and we are working with our clients to help them review and prepare for what this means in the Australian context.

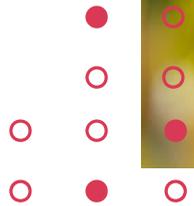
"Companies need to better quantify and disclose the current and anticipated effects of sustainability and climate-related risks and opportunities on their business model and value chain. The increased disclosure requirements as well as stakeholder appetite for more ESG related information will mean many companies will need to develop and mature their disclosures to meet these increasing demands."

Caroline Mara, ESG Reporting and Assurance Partner





Mapping to WEF metrics

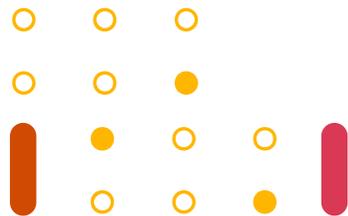




This report has been prepared in accordance with the World Economic Forum International Business Council (WEF IBC) Stakeholder Capitalism Metrics.

1. Principles of Governance - Core metrics and disclosures

| WEF Theme | Disclosure included in our FY23 report | Report section |
|---------------------------|---|--------------------------|
| Governing purpose | Our Purpose | Introduction |
| | Our Values | |
| Quality of governing body | Governance bodies - gender (%): <ul style="list-style-type: none"> • Management Leadership Team • Board of Partners | Principles of Governance |
| | Governance bodies - diverse cultural background (%): <ul style="list-style-type: none"> • Management Leadership Team • Board of Partners | Principles of Governance |
| | Risk governance and oversight mechanisms and approaches | Principles of Governance |
| | Audit Transparency Report | Principles of Governance |
| | Material strategic economic, environmental and social milestones achieved in the current period relating to the sustainability strategy. | Introduction |
| Stakeholder engagement | Overview of our key stakeholders and the topics that are important to them | Introduction |
| Ethical behaviour | Ethics and Code of Conduct training | Principles of Governance |
| | Number and nature of incidents of corruption: <ol style="list-style-type: none"> 1. Total number and nature of incidents of corruption confirmed during the current year (FY23), but related to previous years 2. Total number and nature of incidents of corruption confirmed during the current year (FY23), related to this year (FY23). | Principles of Governance |
| | A description of internal and external mechanisms for: <ol style="list-style-type: none"> 1. Seeking advice about ethical and lawful behaviour and organisational integrity; and 2. Reporting concerns about unethical or unlawful behaviour and lack of organisational integrity. | Principles of Governance |
| | Bullying, harassment, sexual harassment, serious misconduct complaints and data breaches considered by the People & Ethical Conduct Panel. | Principles of Governance |
| | Bullying, harassment, sexual harassment, serious misconduct complaints and data breaches substantiated by the People & Ethical Conduct Panel. | Principles of Governance |



2. People - Core metrics and disclosures

| WEF Theme | Disclosure included in our FY23 report | Report section |
|---|--|----------------|
| Dignity and equality | Number of employees | People |
| | Number of new employees | People |
| | Number of partners | People |
| | Gender profile (employees) | People |
| | Gender profile (new employees) | People |
| | Percentage of employees from diverse cultural background (non-European background) | People |
| | Average age of employees | People |
| | Gender profile (partners overall) | People |
| | Gender profile (new partner admissions) | People |
| | Gender profile (partner retirements) | People |
| | Percentage of partners from diverse cultural backgrounds (partners overall) | People |
| | Percentage of partners from diverse cultural backgrounds (new partner admissions) | People |
| | Percentage of partners from diverse cultural backgrounds (partner retirements) | People |
| | Percentage LGBTIQ+ representation of employees and partners | People |
| | Percentage of employees and partners with disability | People |
| | Percentage of employees and partners that are First Nations peoples | People |
| | Percentage of partners that are Non-Equity Partners or Equity Partners | People |
| | Youngest partner | People |
| | Oldest partner | People |
| | Percentage of partners 55 years or older | People |
| % of people completing the 'Global Mojo' Survey | People | |
| Employee engagement score (%) | People | |
| % of people who feel a sense of pride working at PwC | People | |
| % of people who feel the partners/ leaders in their practice make a point of connecting with them | People | |

| WEF Theme | Disclosure included in our FY23 report | Report section |
|-------------------------------|--|----------------|
| Dignity and equality (cont'd) | % of people who enjoy working at PwC | People |
| | % of people who would recommend PwC as a great place to work | People |
| | % of LGBTIQ+ people reporting feeling comfortable to be out in the workplace | People |
| | % of Non-European DCB people feeling their cultural diversity was valued at work | People |
| | % of First Nations people feel culturally safe at work | People |
| | % of people who experience disability feel comfortable to disclose at work | People |
| | % of people who feel their day-to-day stress levels they are currently experiencing with their work are manageable | People |
| | % of people who were able to find a balance between work and their personal life that suited them | People |
| | % of people who agree they work in teams that prioritise wellbeing | People |
| | % of people who feel confident / equipped to recognise signs and symptoms of mental illness in myself and others | People |
| | % of people accessing some form of parental leave who are men | People |
| | % of people who accessed parental leave remaining with the firm after the first 12 months | People |
| | Avg. duration of parental leave (weeks) taken by women | People |
| | Avg. duration of parental leave (weeks) taken by men | People |
| | PwC's Indigenous Consulting partners | Prosperity |
| | PwC's Indigenous Consulting employees | Prosperity |
| Reconciliation Action Plan | Prosperity | |
| Employee-led networks | People | |

2. People - Core metrics and disclosures (cont')

| WEF Theme | Disclosure included in our FY23 report | Report section |
|-------------------------------|---|----------------|
| Dignity and equality (cont'd) | Employee pay gap (like for like by grade) | People |
| | Employee gender pay gap | People |
| | Employee DCB pay gap | People |
| | Partner pay gap (like for like based on pay band) | People |
| | Partner gender pay gap | People |
| | Partner DCB pay gap | People |
| | Proposed partner target income range | Prosperity |
| | Ratios of standard entry level wage by gender compared to local minimum wage | People |
| | Responsible supply chain activities | People |
| Health and wellbeing | The utilisation of our Employee Assistance Program | People |
| | Lost time injury frequency rate (LTIFR) | People |
| | Absenteeism rate (AR) of all employees | People |
| | Percentage of employees who have claimed the employee wellness benefit. | People |
| | Percentage of employees who have completed mental health literacy training. | People |
| Skills for the future | Learning and development hours of employees | People |
| | Learning and development investment (\$) of employees | People |
| | Investment in learning and development of employees as a percentage (%) of total employee payroll | People |
| | Learning and development hours of partners | People |
| | Learning and development investment (\$) of partners | People |
| | Percentage of people who completed First Nations cultural awareness training | People |

3. Prosperity - Core metrics and disclosures

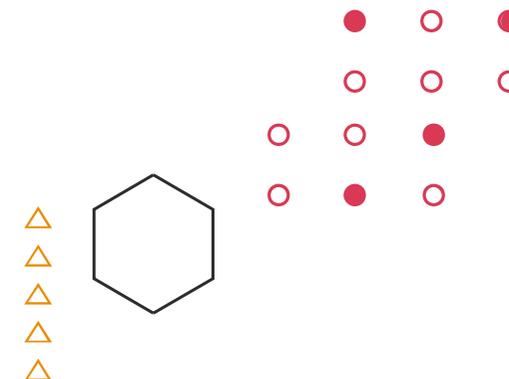
| WEF Theme | Disclosure included in our FY23 report | Report section |
|---|---|----------------|
| Employment and wealth generation | New graduates | People |
| | New partners | People |
| | New people (partners and employees) | People |
| | New employees | People |
| | Percentage of new employees from diverse cultural backgrounds | People |
| | Gender profile (new employees) | People |
| | Total employee promotions | People |
| | Employee growth (%) | People |
| | Partner retirements | People |
| | Overall employee turnover | People |
| | Total revenue | Prosperity |
| | Revenue - Australia and Australian businesses | Prosperity |
| | Revenue growth in Australia businesses | Prosperity |
| | Revenue - Overseas | Prosperity |
| | Revenue - Consolidated | Prosperity |
| | Revenue growth from businesses acquired | Prosperity |
| | Disbursements | Prosperity |
| | Profit growth | Prosperity |
| | Average partner income growth | Prosperity |
| | Approximate average income uplift for partners who remained in the same grade | Prosperity |
| Total incentive payments to employees | Prosperity | |
| Fixed total remuneration growth (employees) | Prosperity | |
| Increase in fixed total remuneration on 1 July 2022 (employees) | Prosperity | |

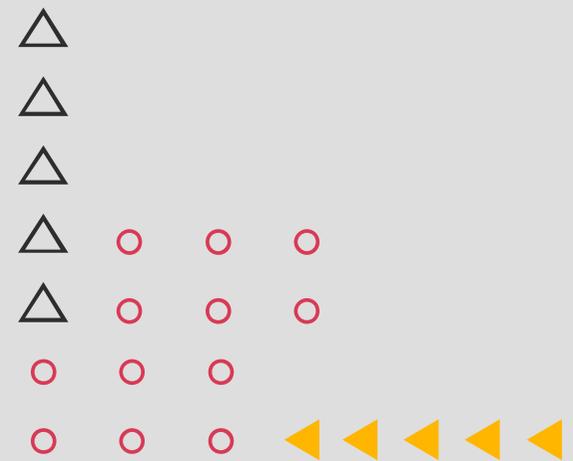
3. Prosperity - Core metrics and disclosures (cont')

| WEF Theme | Disclosure included in our FY23 report | Report section |
|--|--|----------------|
| Employment and wealth generation | Total social impact time | Prosperity |
| | Total social impact investment (\$) | Prosperity |
| | List of acquisitions and divestments | Prosperity |
| | Government assistance | Prosperity |
| | Number of people holding board roles | Prosperity |
| | Number of board roles | Prosperity |
| Financial investment contribution | Since PwC is a Network of privately owned separate legal entities, these metrics are not relevant to our structure | N/A |
| Innovation of better products and services | PwC Australia has continued to prioritise ongoing investments into the future of our business, despite the heightened economic challenges of the past year. This includes our investments in new partners, technology costs and business development | N/A |
| Community and social vitality | Estimated average percentage of tax paid by partners | Prosperity |
| | Total tax contribution | Prosperity |

4. Planet - Core metrics and disclosures

| WEF Theme | Disclosure included in our FY23 report | Report section |
|-------------------------|---|----------------|
| Climate change | Total greenhouse gas emissions | Planet |
| | TCFD implementation | Planet |
| | Actions related to the Net Zero commitment | Planet |
| | GHG emissions targets | Planet |
| Nature loss | Number and area (in hectares) of sites owned, leased or managed in or adjacent to protected areas and/or key biodiversity areas | Planet |
| Freshwater availability | Amount of water withdrawn and the percentage of total PwC office water withdrawn in regions with high or extremely high baseline water stress | Planet |





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