



Report of the Board of Management

# Strategy execution

# Annual Report

2022/2023



[www.pwc.nl](http://www.pwc.nl)

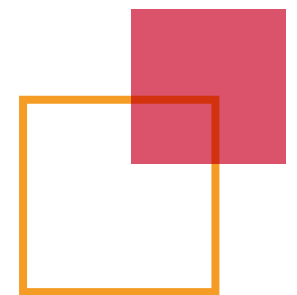




Relevant to clients

and society

We are there to help clients build trust with their stakeholders and realise sustained outcomes for the complex challenges they face. This makes it vital for us to know their (strategic) agenda, understand what is happening in their sector and be aware of the topics they and their stakeholders struggle with. Asking impactful questions, actively listening, acting on what we hear and learning from feedback is key to building long-lasting relationships and delivering high-quality services. We need to live our values and behaviours.



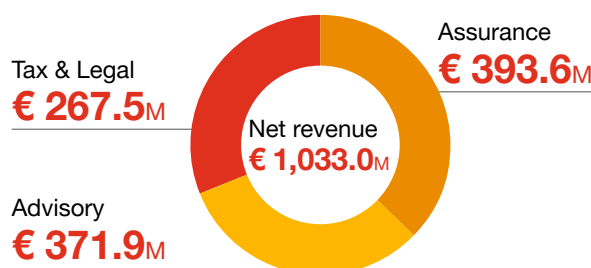
We aspire to be the most trusted and relevant professional service firm in the Netherlands. To stay relevant and grow, we build on the strength of our leading positions in a number of markets, including in audit, deals and tax, and increasingly enhance these services, through digitisation and x-competence collaboration. At the same time, in spite of economic uncertainties, we see many opportunities, as our clients need to continue to transform driven by technological advancements and digitisation, sustainability trends and climate change, but also new laws and regulations, such as CSRD, Pillar Two and the Dutch pension agreement. Here we need to expand our capabilities to grasp the growth opportunities and remain relevant. We invest in the attraction and education of new colleagues with a technical background and ESG knowledge. We also continuously upskill our colleagues on the latest developments such as ESG reporting and artificial intelligence (AI). Nine internal inspirational webcasts were held over the past year on subjects such as CSRD, COP27, cyber and connected compliance.

We believe there is an opportunity to better leverage the quality and 'trust' strength of our brand. We will therefore launch a new marketing campaign in the Netherlands to strengthen our brand positioning. This campaign emphasises the unique strengths of our multi-competence organisation, which enables us to bring together the right combination of human talent and technology to help solve complex business challenges.

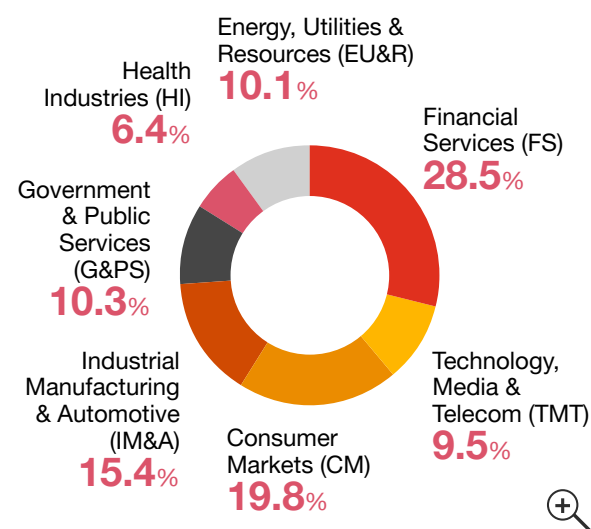


Revenue growth  
**11.0%**

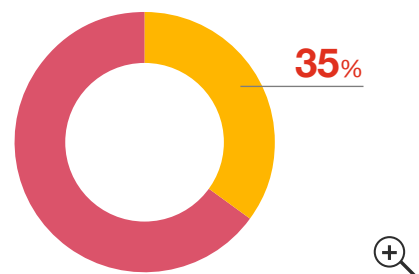
### Net revenue Lines of Service



### Net revenue per industry



### Integrated service delivery



### Tax transparency

The tax transparency landscape is rapidly evolving while voluntary and mandatory reporting standards are increasing. At the same time, a critical next-generation workforce is demanding responsible employers and the related transparency. During this fiscal year we reviewed our tax strategy and consulted external organisations. We discussed our approach within the Board of Management and with the Supervisory Board and the Tax & Legal Board. The result was an ambition to increase our tax transparency, a broadening of our scope and a clear distinction being made between PwC NL as an organisation and the tax services it provides. Furthermore, we aligned our tax strategy to our sustainability agenda and expressed the ambition to align our tax control framework also to our sustainability agenda.

Transparency builds trust. We are proud that Coöperatie PricewaterhouseCoopers Nederland U.A. and its subsidiaries have endorsed the VNO-NCW Tax Governance Code per July 2023. Given that PwC is a global network of independent member firms, we can only endorse the code with respect to our own tax position.

The updated Tax Strategy is approved by the Board of Management. We aim to report on our tax strategy in 2023/2024.

### Thought leadership

During the year, we developed thought leadership on a variety of issues of societal relevance, including climate, tax, financial and sustainability reporting, workforce transformation and use of emerging technologies. Along with publications and communication of insights, our research contributes to the public debate and to knowledge sharing.







# When two become one

## Total support for Roompot with major acquisition

In April of this year, Roompot received the green light from the Dutch Authority Consumer & Market (ACM) to take over Landal GreenParks. For Sebastiaan van der Welle, senior director finance at Roompot, the challenge now lies in 'integrating two different strands of DNA into a single organisation.' The story of a large takeover and the comprehensive support role provided by PwC at all stages of the process.

A great deal of preparatory work was involved in the acquisition of Landal GreenParks, starting back in 2021 when Roompot first decided to buy the company and contacted PwC. 'We carried out the due diligence for Roompot,' says Gijs van Leeuwen, partner in Deals at PwC. 'Once the purchase contract was signed all that was left was to wait for approval by the ACM. In the meantime, PwC helped Roompot gather the financing, provided support in the approval process by ACM with market and economic research, and helped make a start with preparations for the possible merger of both organisations.'

With regards to the approval project, Van der Welle welcomed the support offered in mapping out the market. 'What is your market share? Are there issues and, if so, how do you deal with them? PwC's data analyst team helped us share our market view with the ACM.'

### The takeover process

One of the provisions ACM set for Roompot to take over Landal GreenParks was to sell thirty vacation parks. 'Although we hadn't really expected this sale, together with PwC we carefully went through all steps of the process,' says Van der Welle. 'Various PwC teams supported the sale of the thirty parks, including with due diligence, offering specialised assistance

with the sale and identifying the requirements of operational unbundling.'

Van Leeuwen was responsible for the due diligence of the thirty parks: 'To provide potential buyers with financial information, Roompot asked us to make a vendor due diligence report. And that entailed analysing the numbers for each park.'



Although we hadn't really expected this sale, together with PwC we carefully went through all steps of the process.

### Joint business structure

With the takeover now complete, Van der Welle continues to receive support from different PwC teams with the process of integrating Landal GreenParks and Roompot. A vital part of this work is the development of a joint business structure. 'Workshops and interviews set up by PwC have helped us in the thinking process. How do we manage the new organisation that annually processes 25 million overnight stays? What about the hierarchy?' In addition to process matters, Roompot has also been hard at work on the IT side since the merger and sale. The sold parks are de-merged and eventually the systems of the two companies will be consolidated. 'That's a complex job for any IT department', Van der Welle explains.

### Diverse team disciplines

Having previously worked for a long time at PwC himself, Van der Welle knew the culture and people very well. 'It feels like a warm bath to cooperate with the different PwC teams. I've seen people work in many different disciplines that I didn't even know existed until now!'

Van der Welle also appreciates the critical questions the PwC teams kept asking during the process. 'There is no information available about the size of the Dutch vacation market, for instance, so a data team immediately decided to explore this issue. All park websites were studied and cadastral data requested. The team finally managed to dig up the missing data set.'

'It has been a fine experience for us to be involved with such a large and transformational transaction,' says Van Leeuwen. 'We had to deal with so many takeover aspects that you don't see on every transaction, including the ACM economic analyses carried out by two PwC partners.'

### Stronger together

How does Van der Welle now see the growth ambitions of Roompot after the takeover? 'These revolve around the integration of the two different strands of corporate DNA. With this Van der Welle refers to Roompot's roots in the family business from the Dutch province of Zeeland, and Landal was part of an American concern. Our aim is to create the very best from these two different cultures and procedures. We don't see the merger as a takeover. It is a fusion of two distinctive worlds.'

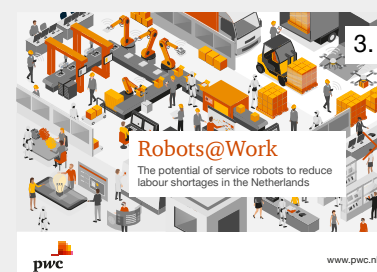


## Media presence

### The highlights:

1. Hogere productiviteit uitvoeringsorganisaties is noodzakelijk (*Dutch only*)
2. Subtle nudges increase willingness to pay for a 'fair' product
3. Use of service robots can reduce shortages in labour market
4. Major impact energy crisis on profitability Dutch companies
5. [Resilient workforce](#)

- [Year end tips tax](#)
- Janet Visbeen in [FD](#)
- [Role of auditors in shareholders' meeting](#)
- [Women in Work-index](#)
- [Productivity large government organisations](#)



## Outlook

Our client listening programme drives meaningful feedback interactions with clients at key moments in their journey. These interactions help us understand whether we have helped with building trust and realising sustained outcomes, and what more we can learn from each other.

We aim to maximise the learning opportunities from our feedback interactions by focusing primarily on the number of feedback and quality of the conversation than merely on satisfaction scores. This contributes to building a culture that welcomes and values all types of feedback, positive and negative, as long as we learn and grow together.



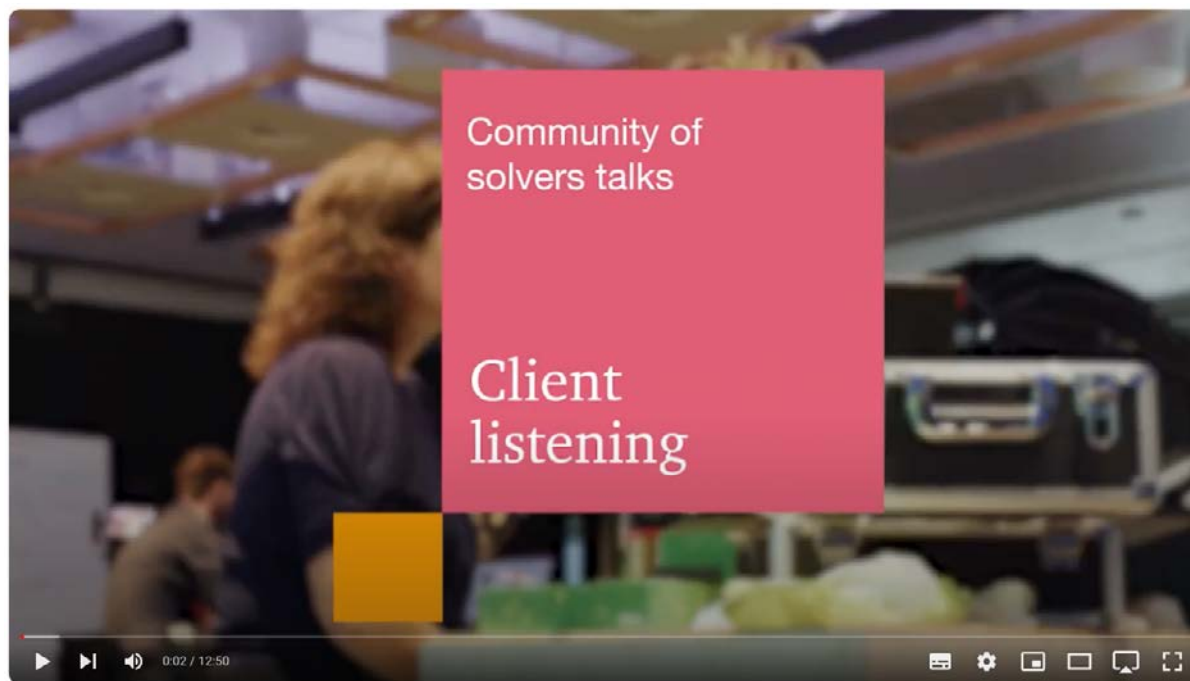
Documented client listening

589



Client satisfaction

8.2







A community

of solvers

We are a worldwide network with 364,000 professionals in 151 countries. Together we possess a wide range of skills and perspectives, which is exactly what is needed to solve the often complex challenges faced by our clients and society.

Last year, PwC introduced the term ‘community of solvers’. It reflects our belief that we can come to better solutions for the issues of today and tomorrow when we look from different backgrounds and angles at what can be done in a smarter way. The key is to bring together the right people with diverse expertise for the issue at hand and that is exactly what happens within the community of solvers at PwC.



### Safe, inclusive and diverse collaborative culture

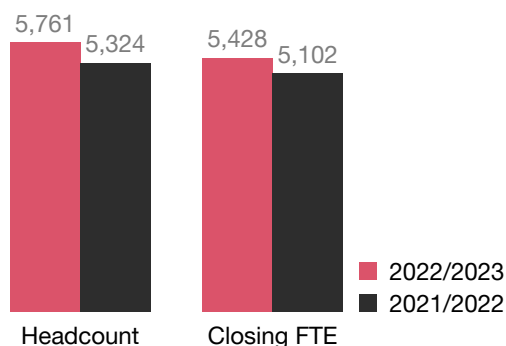
A strong community requires a safe, inclusive and collaborative culture. An environment where people can speak up, feel valued and work with purpose. From that perspective, we do not just look at quotas on gender and cultural diversity. The key challenge for us is to bring together the right capabilities to solve issues with passion, knowledge and skill.

Such a culture serves as the foundation for providing high-quality and innovative services, developing and retaining diverse talent and attracting future talent. This is why we constantly offer our colleagues the opportunity to develop their professional, digital and human skills. We engage in strategic people management and place the emphasis on diversity with regard to gender, cultural background and distance to the labour market. And we increasingly look at 'diversity of thought', convinced of the importance of people being curious and open to other viewpoints.

### Headcount/Closing FTE 30 June (incl. partners)

+ Contract

+ Full-time/Part-time



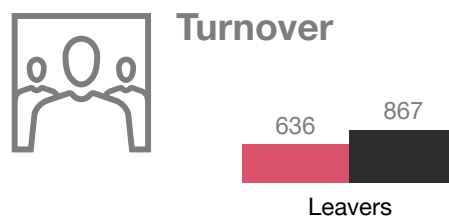
### Safely engaging in conversation about what is not going well

A socially safe working climate is one in which all employees feel free to voice their opinion. In a socially safe working climate, everyone can be fully themselves, apply the full breadth of their talents and support their own growth and that of others. Socially safe organisations are more robust and more future-proof.

With this context in mind we asked external agency Bezemer & Schubad to look at our organisation in the spring of 2022. It conducted research through a survey (with a 42% response rate, which was deemed representative) and a number of confidential interviews with staff members who had indicated their willingness to participate.

One of the key outcomes was that respondents generally reported feeling safe at PwC, with a score of 8.4 out of 10. We take this to be an encouraging result. Going into more detail, we see that women scored on average 0.5 points lower than men. When asked to rate the way they interact within PwC, respondents awarded an average score of 7.9. Diving deeper, we see that a substantial portion of respondents reported experiences of undesirable behaviour in the last twelve months. We have ranked the prevalence of these reports and see a substantial difference in the experiences of men and women at PwC.

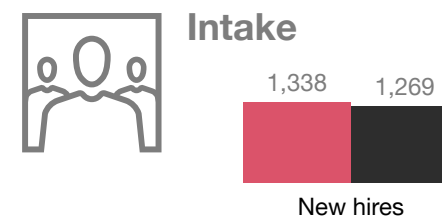
### Turnover



We have reflected on these outcomes with all staff in a webcast in December 2022. Having an open conversation about behaviour in a hierarchical organisation can be a challenge, which we addressed by (i) expanding our network of trusted counsellors to create an even more diverse group of people, (ii) providing guidance on how to have a conversation in your team, (iii) picking up on signals and holding people accountable for their behaviour, (iv) promoting the ethics hotline as a tool for anonymous reporting, and (v) continuous attention on the topic in newsletters and vlogs to sustain awareness in the organisation. See also the [article](#) in Het Financieele Dagblad (7 July 2023) 'Discussing behaviour is not easy, but it is very cathartic'... This theme remains a priority for 2023/2024 and beyond.

We believe one of the key factors behind any undesirable behaviour at PwC is a culture in which addressing negative behaviours is challenging. A learning organisation requires that people are able to safely talk about things which are not going well and our goal is to be transparent in this respect. By doing so we can identify what is going well, where improvements might be made and which additional actions are necessary. This information supplements the results of the PwC Global People Survey (GPS). In the coming period, we will ask our leaders and employees to study the GPS results and use them to work together on follow-up actions to address the outcomes.

### Intake





# Highlights PwC networks

We think it is important that everyone can be themselves within our organisation. To encourage and support an inclusive working environment for minority groups, their leadership and allies, we established our networks:



**Proud of:** Creating awareness on Trans visibility day.

Score of 92/100 in the Workplace Price benchmark.

Wish for the future

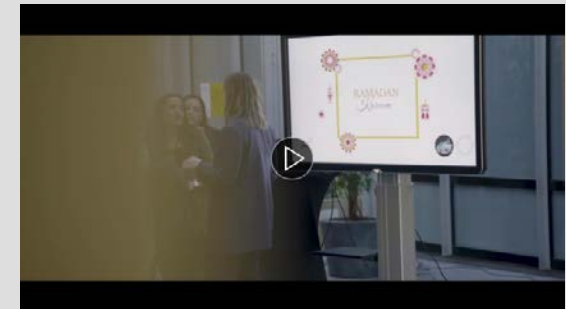


## Our challenges:

More focus on important topics (doing less with more impact).

How do we measure whether our LGBTIQ+ colleagues feel included and safe?

‘Stop changing the minority, change the system’



## Proud of:

Expanding our relation with other networks, like Agora Network and SER Diversiteit in Bedrijf.

Organising the round table Cultural Diversity.

## Our challenges:

Still quite some colleagues with other backgrounds leaving the firm and unequal opportunities.

Wish for the future



**Proud of:** Hosting Women talks with our inspirational PwC NL women and contributing to the EMEA empowerment circles.

Wish for the future



## Our challenges:

We see too many women leaving the organisation within several layers of the organisation.

Still it is the women who consciously and unconsciously have to adapt.

## Proud of:

Making people feel connected to PwC by bringing together different cultures and connecting YoungPwC NL.

More focus on well-being and mental health.



## Our challenges:

Voicing the needs, opinions and desires of young professionals within PwC and translate these into concrete action items.

Wish for the future



**Proud of:** The launch of the Global Disability Strategy.

Creating awareness by organising Taste of Ability event.

## Our challenges:

The ongoing struggle for acceptance & support.

Wish for the future







### Growing as a community of solvers

As new colleagues join PwC, we pay attention to inclusive culture and a safe environment in our onboarding programme and define what working within a community of solvers means. While this may seem logical on paper, it is often a challenge in practice. We are used to working in our own field of expertise. At the same time, we often have a focus on projects within a business unit or Line of Service.

To truly bring the idea of working within communities to life, new colleagues from different departments and Lines of Service are brought together during onboarding. This enables cross-pollination to occur at an early stage. Furthermore, and in addition to their professional skills in their field of expertise, we ask our people to become proficient on wider themes such as ESG and digitisation. We strive to develop

communities based on those subjects using joint upskilling, the development of industry knowledge and collaboration on client's and social issues.

Working as a community of solvers does not stop at the door to our office. As well as intensive collaboration with clients, we also work together with other knowledge partners. If the expertise is not available in-house, we look into accessing it via partnerships. Over the past year we signed contracts with Metabolic and Scorius, two partners that fit our strategic priorities of sustainability and digitisation.



As we continue to bring The New Equation strategy to life across our network with human-led, tech-powered solutions it is imperative that we attract, retain and invest in our people. Recognising that empowering our people to maximise their development through cross-border opportunities is a vital part of this. Tax & Legal has developed the Gateway EMEA Talent Mobility Programme and we have agreed cross-border deployments for some 2,000 junior employees over the coming two years. Lasting three months, these deployments within the EMEA Network allow colleagues to start building an international network at the start of their careers.

The key principles are:

- delivery on our aspirations and supporting our growth strategy;
- agile talent and skills within the EMEA cluster;
- people experience offering meaningful work and development;
- creating a culture of global thinkers.





### Be well, work well

Our clients expect a high-quality service delivery and therefore ask our colleagues to provide a quality level to match. To that end, maintaining a good work-life balance and good physical and mental health is important. Our people are offered a number of options to find the right balance, performing at their peak when necessary while taking more time for themselves when possible.

This is also why PwC has initiatives such as the individual well-being budget. Furthermore, we organise activities like financial well-being workshops (with Nibud), food speed dating (with dietitians) and inspirational sessions and workshops on sustainable performance.

Returning to offices post-pandemic required attention during 2022/2023. Our way of working as a community of solvers also demands regular face-to-face meetings and actively getting together with each other. With this in mind we provided more guidance on hybrid working both at the office and at home. Younger colleagues in particular told us that they find it important to regularly be in the office where they can learn from people with experience by joining meetings and working together on the job.

Adjustments were made at our offices to better support hybrid working, especially the options for remote conferencing. In addition, we continue to make our offices more attractive for working as a community of solvers. This year for instance, we redesigned both office restaurants in Amsterdam and created more creative rooms.



Employer of choice  
**#8**



### Outlook

The focus for the coming year lies on a broad variety of topics, including the following examples:

#### Implementing MAAS services

We will increase our flexible options by adding the so-called 'Mobility as a Service' (MAAS) concept to our employment conditions. This ensures that employees always have suitable mobility for commuting and business travel in a way that aligns with our net zero ambitions and meets upcoming legal compliance with regards to CO<sub>2</sub> reporting. In addition to public transport, options like bike, scooter and car sharing become available.

#### Updating employee personal data

The Dutch central bureau for statistics (CBS) changed its ethnic origin categories in 2022 and now looks at more objective geographic descriptions. PwC will be adopting that change to keep our data relevant and comparable. Together with the diversity networks Shine, Ability and Connected Cultures, PwC aims to use this opportunity to also make a start with a data-driven policy in the area of Ability and LGBTIQ+.

next to gender and cultural background. This will also help us prepare for future legislation and we will be gathering voluntary and anonymous data about ability, sexual orientation and gender identity from our current and new employees.

#### Preparation for implementing evolved PwC professional framework

As of 2024/2025 the evolved PwC professional framework will be implemented across the network. With a focus on Trusted Leadership and distinctive outcomes, this is not a plug-and-play solution but a cultural change process that needs careful preparation.

#### Influence of AI

There is no doubt that AI will influence the nature of our work, including for HC processes. Consider for example the unlimited possibilities for our recruitment processes and upskilling programs. But also the more routine parts of our jobs can be executed in a different way, which frees up time for more value adding activities. See the paragraph 'Human-led, tech-powered' for more on this topic.



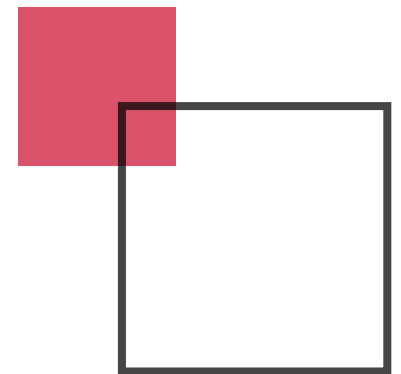




Human-led,

tech-powered

Digital innovations are driving changes in the world, leading to exciting opportunities and complex challenges. Working in the cloud, for instance, offers flexibility and easy access while also bringing risks in the area of cybersecurity. The use of service robots and AI can reduce scarcity on the labour market, but will require a different business model for many organisations.



Despite the many digital possibilities, we believe it is people that will continue to make the difference. The New Equation strategy is aimed at a human-led and tech-powered future. People and technology go hand in hand at PwC and we are convinced that by combining human ingenuity with technology, we can develop better solutions, increase quality of service delivery and build trust across the whole value chain.

Based on this idea, we guide clients with digital transformations while also continuing to work on our own. At PwC this consists of:

- digitisation of our (existing) services;
- digitisation of our own processes and infrastructure.

### Digitisation of our (existing) services

The solutions offered by our technology alliance partners are essential if we are supporting our clients in their digital transformations. Our key strategic partnerships include Oracle, SAP, Salesforce, Microsoft and Workday. Over the past year we have further expanded our alliances and forged new partnerships.


#### Harvey

PwC has entered a worldwide partnership with the AI platform Harvey, which is built on OpenAI and ChatGPT technology. With the help of natural language processing, machine learning and data analytics, the platform automates and improves different aspects of legal work. Harvey enables us to offer even more strategic and targeted advice, including in the area of contract analysis, regulatory compliance, claim management and due diligence. Harvey is also helping us develop our own AI models to create tailored products and services for Legal Business Solutions clients.

#### Microsoft/AI

**PwC US** has announced that it will invest \$1 billion in generative AI technology over the next three years, working with **Microsoft Corp.** and ChatGPT maker OpenAI to automate aspects of its tax, audit and consulting services. For PwC worldwide, the goal is not only to develop and embed generative AI into our own technology stack and client-services platforms, but to also advise other organisations on how best to use generative AI and help them build those tools.


#### Tomorrow 2.0 platform

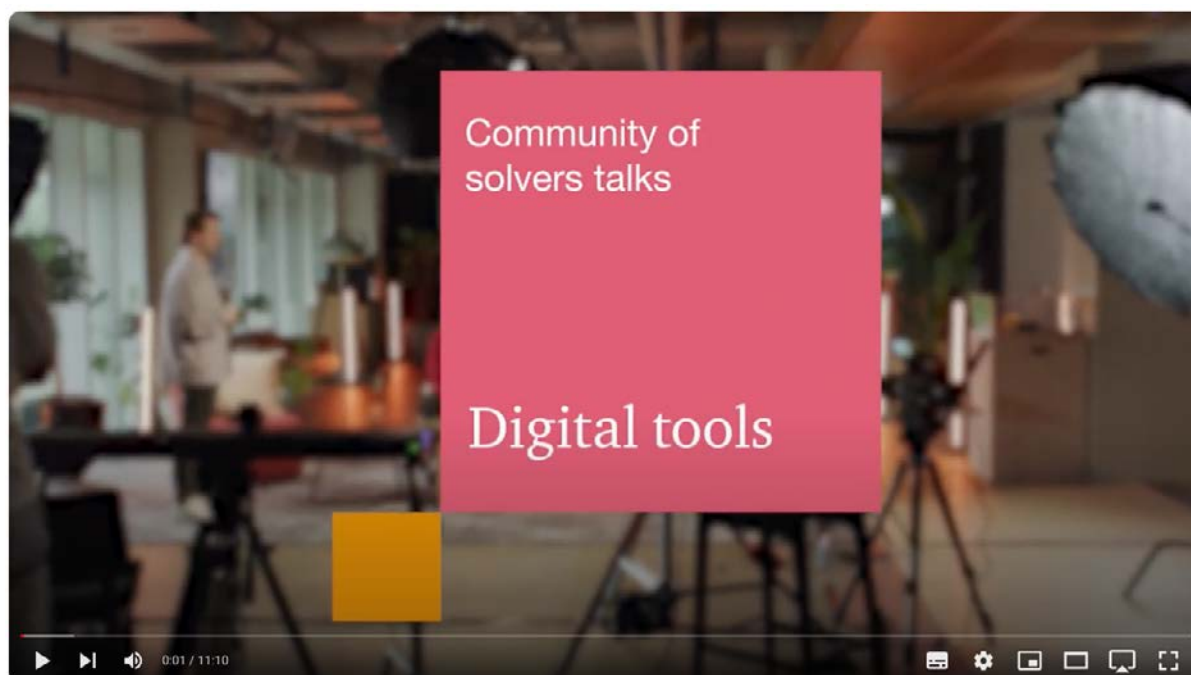
To further digitise our existing services, our Tomorrow 2.0 platform has developed a number of tools in collaboration with clients. Examples are a tool to collect, calculate and communicate information on the sustainability of a product and Responsible AI Simulation Experience. 

### Digitisation of our own processes and infrastructure

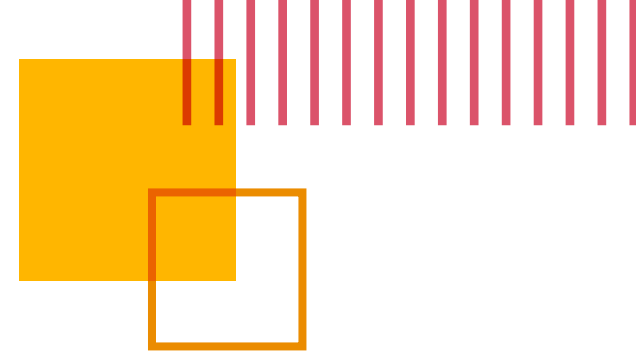
PwC is constantly working on the further digitisation and optimisation of its own processes in order to work more efficiently. The tightness of the labour market plays a role here, although we also see this as an opportunity to develop future-proof business models.

For instance we use Talenthubs and source out standard activities. This year we have invested in a service delivery centre in Egypt. By making use of these service delivery centres we also aim to provide a better balance of working hours and workload and offer more technical work to our own colleagues, making their job more interesting. 

Another area is the development of digital tools and platforms such as **Assisted writing, On demand, Connected Compliance, Sustainability Reporting Manager, Next Generation Audit** and **Junction** for use in our processes and in the service to our clients. 







A key aspect for our own digitisation is the knowledge and digital skills of our people. This is why we invest in training and upskilling to ensure that colleagues are up to speed and certified with the systems of our alliance partners.

Within Consulting we offer for example a Tech Traineeship course to recruits with a technical or business background and an affinity with technology. This nine-month programme focuses on professional and personal development, giving participants an opportunity to gain experience within our various tech fields such as SAP, Oracle, Workday, Experience Consulting, Salesforce, ServiceNow, Financial Services Tech and Public Sector Tech. After these nine months they can start working in a permanent position. Participants will also get the opportunity to obtain certifications from our technology alliance partners.

### Outlook

Ongoing digitisation – such as the impact of generative AI – is having an increasing influence on PwC's business model too. Nonetheless, our people will remain the focus of digital transformation. A growth mindset and behavioural change are vital for sustained success. Just as we help clients adjust to continual change in a dynamic world, the same applies to PwC.

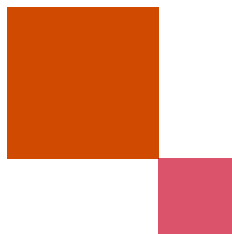


### AI services for the Next Generation Audit 2023 Digital Innovation of the Year winner

The PwC Network has won the award for the use of AI services in its Next Generation Audit (NGA) program. PwC NL is also involved in the development of the NGA. Various engagement teams provide input on developments and PwC NL is responsible for innovation in specific areas of the NGA.



*International Accounting  
Forum and Awards (IAFA) 2023*





# Moving on ahead

## Boels CFO on speeding up transformation

After a successful career with leading firms such as Shell, Jan Piet Valk took on the CFO role at Europe's second-largest tool and machine rental company Boels almost four years ago. A driven manager who always aims to make the most of each day, Valk is committed to the further development of the family firm and its people. In conversation with Ingeborg Smit, partner at PwC, he talks about the current transformation at Boels and how to get people onboard. 'Our CEO and shareholder Pierre Boels sees the world in three phases, namely becoming, being and ending. Our goal is to constantly remain in the "becoming phase" by always being future-oriented.'

### Close-knit team

Valk didn't rush into things after receiving the offer from CEO Pierre Boels to join the family business in Sittard. 'I really wondered whether, as CFO in a family business like Boels, my experiences could contribute enough to the decision-making and transformation that I felt was needed and where my expertise lies. As the second generation at the helm with over 40 years of service to the company, I thought Pierre might wish to keep hold of the reins himself. My concerns proved unjustified and we work very well as part of a close-knit team that makes all the key decisions together.'

### Boels and PwC

Ongoing innovation at Boels is important to Valk. In partnership with a team from PwC he has spent the past year further professionalising the firm's financial operations, including the integration of SAP S/4HANA as a new system. 'The company was using an outdated system and processes which took up too much time and incorporated the accounts of the 12 European countries in which Boels operates. With SAP S/4HANA, the entire process is largely automated and harmonised across the 12 countries. This means we work more efficiently, albeit in a different way than our people were used to.'

Smit, a specialist in technology consultancy at PwC, was often present in Sittard along with her team to support the Boels staff. 'The majority of people at Boels have a long history with the company and need to be introduced to a new way of working. This is quite a challenge as they've been doing things for years in a way that works for them. The SAP system standardises a number of financial processes; everything is new but also faster and more efficient. Nonetheless, in a family firm like Boels, you never forget that the core business is renting equipment and that a system like SAP S/4 HANA takes second place.'

'It was a wonderful experience to work with PwC,' adds Valk. 'We finally went live with SAP/4HANA in 12 countries on 1 April this year without any problems. The timing was exactly as agreed and a fine achievement by our organisation as well as the people from PwC who guided us through the process.'

### Leading with a focus on diversity

According to Valk, it is vital to know your staff well if a transformation is to succeed. 'You have to be aware that you are working with people who hold different views and reference points. No one is the same and everyone at Boels has a different background.'

As a manager that means you also have to look at what someone needs and delve into other cultures so that they feel comfortable with you.

'I always seek a good relationship with people and find it a pleasure taking them to the next level and working together. Although it sounds like a cliché to say that a game is not won by 11 individuals on the pitch, it really is true. You need to involve the entire company in the game and the outcome when you celebrate success. Everyone then feels included... And they are!'

Smit: 'Anyone can install a new system, but it still needs to be successfully integrated among staff. At Boels, employees have a say in what we change, are made to feel confident and are included in a different way of working. That's the success story at Boels.'

### The right perspective

According to Valk, it is also important to offer staff a good overall perspective on what is happening: 'I always tell my colleagues that transformation is not a threat but an opportunity as it will mean we spend less time on administrative tasks. The fact that we are increasingly automating and harmonising means we are working more efficiently and fewer people have to perform certain tasks. While the lower levels of our pyramid may then become smaller, Boels really does offer every opportunity to develop and progress higher up that pyramid.'

The ongoing growth of the company will always make that possible and ensure Boels remains a very attractive employer to both our people and new talent.'



At Boels, we  
always think in  
the becoming  
phase.



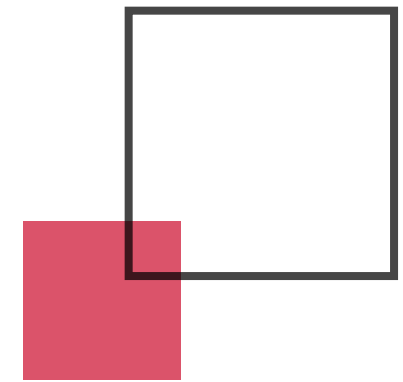




High quality

as a foundation for trust

The changing environment in which organisations operate, is creating uncertainty for organisations, its stakeholders and society at large. Increased uncertainty calls for trust. Trust in what matters is more essential than ever. We know that trust is not something that can be bought. As PwC, we contribute to building trust in society. In fulfilling our purpose, we have a public interest responsibility to support businesses in building trust for their stakeholders and, more broadly, society.





PwC has built stronger relationships with clients, employees and their communities by being accountable and transparent. Yet we also see trust being eroded every day by forces such as the online spread of misinformation, unethical business practices and high-profile instances of data loss or misuse. Technological developments such as AI force us to constantly ask ourselves what is real and what is not.

We aim to deliver high-quality services to clients and in doing so build credibility and show that we are trustworthy. We anticipate relevant developments and changing perceptions of risk. We know that an appropriate culture is an enabler for delivering high-

quality services. We aim to provide the best quality in every aspect of our work. In doing so we have high internal standards to adhere to, like our Network Standards.

Working together remains one of our most important values: together we are able to challenge each other and realise the best result. We work to earn and retain trust through every interaction, every experience, every relationship and every day. We build trust by improving the quality of our work and listening to our stakeholders. Being a trustworthy partner is crucial to do this. We believe that transparency contributes to creating trust. Communicating about what we do, and how we do it.

The measures that we have taken are preventative as well as detective in nature. They include, amongst others, evaluating our tone at the top, reassessing the effectiveness of the way that (mandatory) training is delivered (for example classroom, e-learning, assessments), addressing this topic in various communications with our people, and placing a more explicit emphasis on integrity when completing online training assessments. Other measures were taken to ensure our colleagues have sufficient time to finalise mandatory e-learning by stressing the importance of blocking and respecting dedicated learning time in their agendas and spreading the timing for completion of e-learning more evenly during the year. We also asked our colleagues to confirm that they acted in line with our values for the online training assessments, which was part of the mandatory annual compliance confirmation.

The Dutch Authority for the Financial Markets (AFM) requested that PwC NL and other audit firms investigate if, and to what extent, unethical behaviour in relation to online training assessments has taken place in the period 2017-2022. This investigation is expected to be completed by the end of 2023 and we will implement additional measures if needed.

#### Australia

In May 2023, a situation regarding the use of confidential Australian government information by the PwC Australian Tax practice came to light. Publications about this matter mentioned the involvement of other PwC member firms, including the Netherlands, therefore, an investigation by PwC NL was conducted. Based on the procedures performed no facts or circumstances were identified indicating the sharing of confidential (governmental) information with (former) colleagues of PwC NL. We will reflect on the lessons learned by PwC Australia and re-emphasise that unauthorised sharing and utilising confidential client information goes against everything PwC's values and code of conduct stand for.



### EQRs, ECRs and external reviews



#### Trust in our organisation

In the spring of 2022, PwC NL started taking measures in relation to potential unethical behaviour during the completion of online training assessments. This was in response to media coverage and information about issues at other PwC member firms and other audit firms worldwide.

#### Engagement Quality and Compliance Reviews (%)

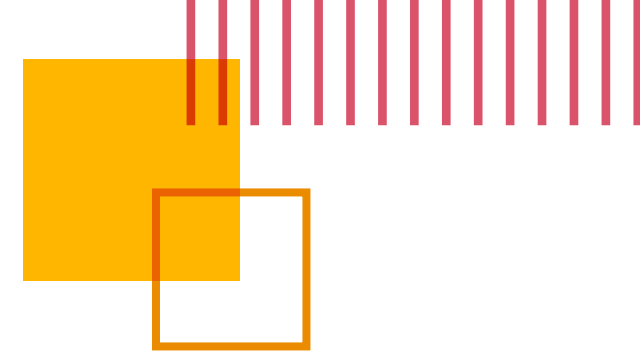
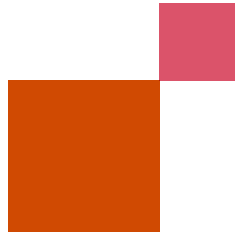


\*Compliant relates to the Quality Management Systems of each Line of Service.

■ 2022/2023  
■ 2021/2022







A key requirement for being able to realise a high-quality service delivery is having an appropriate culture from which those services are delivered. Our community of solvers is at the heart of this, Finding the best solutions requires collaboration and the building of relationships with our clients and our stakeholders, and with each other. Combining those relationships, knowledge and expertise with the right technology generates unprecedented opportunities.

The Engagement Quality Reviews and Engagement Compliance Reviews (ECR) are a relevant assessment for compliance with laws and regulations. The quality of our statutory audits is also assessed by oversight bodies.

In addition, we also annually assess compliance with the personal independence requirements. The outcome of the independence testing was a compliance rate of 86.5% (2021/2022: 88.5%; target 2022/2023: >85%).

Another primary pillar of PwC's high-quality service delivery is the technical training courses that our people follow. This year we have spent an average of 110 hours on training per FTE.

### Investments in quality

We continue to invest in high-quality service delivery, for instance by further expanding our worldwide Business Operating Systems over the past year. Modules for the acceptance of clients and for knowing your client (KYC) were implemented, improving the process and management of risks. We also invested in a centre of excellence for independence. We are continuously implementing improvements to our Quality Management Systems as well to ensure compliance with laws and regulations and to anticipate the outcomes of internal and external reviews and root cause analyses performed.



PwC pays a great deal of attention to the quality of its data. Reliable data is a prerequisite for our high-quality service delivery. The quality of data is determined by the way our colleagues enter data, which records are being kept and how the data is secured. We invest in keeping our information secure by the roll-out of initiatives from the worldwide network on this topic.

### Outlook

Enhancing high quality in our service delivery is an ongoing process and we will continue to invest in quality and the necessary transformation of culture and behaviour. We will also take steps in our client and engagement acceptance and continuation process over the coming year by including a broader set of ESG topics.



**Independence testing**



**Average training hours per FTE**  
**110**



**# of incidents reported to the AFM**  
**3**







Sustainable

growth

Financial means are required if we are to enable sustainable investments and to successfully deliver on our purpose and strategy. That is why PwC strives for profitable growth. Sustainable growth is also about non-financial information, about achieving our goals in the field of ESG (e.g. diversity, integrity). Because we can only achieve financial growth if we practise what we preach. It is important that we have a diverse organisation and pay colleagues equally regardless of gender or cultural background. We encourage equality of opportunity by increasing awareness both internally and externally. And we work on making our operations more sustainable. We have made a worldwide commitment to achieve net zero greenhouse gas (GHG) emissions with 2030 goals.







### We measure our impact on SDGs

PwC's SDG Impact Measurement (IM) framework helps us to understand and be transparent about our impact on society. It supports our value-creation process by quantifying our impact along the lines of the SDGs with the overarching aim of contributing to our purpose. The SDG IM framework covers the SDGs that we consider the most material with an extra emphasis on the following four SDGs that correspond with our most relevant areas of impact: SDG5 Gender equality, SDG8 Decent work and economic growth, SDG10 Reduce inequalities and SDG13 Climate action. Long-term ambitions and short-term targets have been set for these four SDGs. SDG5 and SDG10 reflect our ambition to create an inclusive working environment in which differences are valued. SDG8 reflects our role in accelerating inclusive and sustainable economic growth. SDG13 reflects our ambition to have a positive environmental impact with our operations.





Measuring and monitoring our contribution towards achieving the SDGs is of strategic importance to us because we want to deliver on our purpose. Having insights into how our operations and services contribute to the SDGs, either positive, negative or neutral, helps us to understand where we need to steer our business activities. Based on the results of last year's impact measurement, areas for improvement have been identified and discussed with the Board of Management and the respective departments. As a result, some of the indicators (e.g. training equality) have been monitored more frequently.

The framework currently covers the direct impact of our operations. In 2022/2023 we have made progress in developing a framework for insights on our impact through our value chain. In the coming year we will further develop and refine this, and align it with the CSRD and the relevant indicators of our value chain. With this client framework we want to gain insight into the impact of our services.

### Refined framework and new indicators

We have aligned our material SDGs with our material topics to ensure we focus on our most significant impacts. Overall, our ambitions for 2030 and targets for 2024 did not change, apart from formulating higher ambitions for SDG5. The changes in indicators are explained in the in-depth details [The value we add\(ed\)](#).

### Our ambitions and targets

SDG	Ambition for 2030	Target for 2026	Target for 2024
	Achieve gender balance and equality of opportunity	Yearly target of 35/30% intake and 35/25% promotion of female directors and partners, respectively.	
	Achieve sustainable growth within the boundaries of social and environmental systems	We will measure and report insights of our impact through our client work. This will also be part of implementing CSRD for our own organisation.	
	Achieve an inclusive and diverse culture and equality of opportunity irrespective of age, disability, cultural background, sexual orientation or other status	Yearly target of 15% intake and 15% promotion of non-western origin directors and partners.	
	Achieve a positive environmental impact across our value chain	<ul style="list-style-type: none"> <li>• 2025: zero waste and a fossil-free car fleet</li> <li>• 2024/2025: 30% less motorised mobility (50% less in 2030)</li> <li>• 2024/2025: 50% science-based targets coverage with suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain a minimum of 25% reduction of pre-COVID-19 mobility.</li> <li>• A near-term science-based emissions reduction from our operations of 40% by 2024, taking 2018/2019 as a baseline year.</li> </ul>



### SDG IM results

The figure below provides insights into our relative performance across SDGs in 2022/2023.

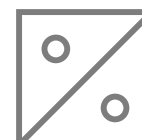
The green bars represent the percentage of indicators for which we have a positive contribution to achieving an SDG. The grey and red bars represent our neutral and negative contributions, respectively. The framework also contains (black) bars that are related to KPIs for which no threshold is defined. Examples are scores from our annual GPS on topics like thought leadership and our pro-bono services, and KPIs related to cultural backgrounds of support staff. Rather than displaying an annual impact, these indicators demonstrate how that impact develops over a number of years.

Our approach uses the most ambitious thresholds, preferably based on legislation or objective external sources. Only when PwC targets are more ambitious do we use our own targets as thresholds. The SDG IM targets are more ambitious than our overall PwC targets in a few cases such as gender equality. We strive for a 50% gender balance by 2030, which is a more ambitious threshold than the target set internally. Our approach and more detailed results from the SDG IM are set out on pages 7-11 of [The value we add\(ed\)](#). The external auditor provided assurance on the outcomes of the SDG IM.

### Financial results

Financial performance was solid for all our services in these challenging times. Inflation has been high while at the same time unemployment is low, making it harder to find the right people. We see an increase in demand for our services and have been able to grow despite the sale of the Global Mobility practice in April 2022. The economy was slowing down but the net revenue of our Lines of Service increased by 11.0% to € 1,033.0 million (2021/2022: € 931.0 million). Advisory and Assurance increased revenue, benefiting from a higher demand for our services. The operating profit decreased by 17.6% to € 192.6 million (2021/2022: € 233.6 million), mainly due to a one-off result from the sale of the Global Mobility practice in the latter.

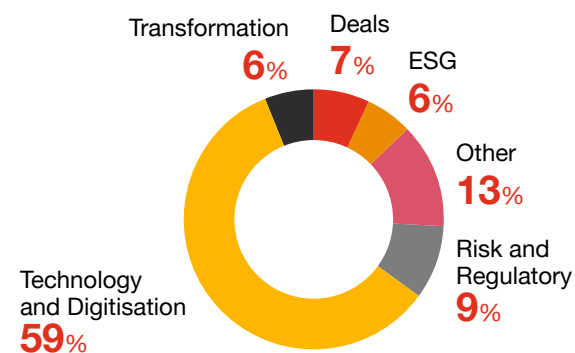
As a result of the growth in headcount in all Lines of Service, our costs have also increased. The pace of growth in the staff base is in line with the growth of our business. It also reflects our quality agenda. Related indirect expenses such as social event costs, mobility and training courses have also risen. The level of these costs is comparable with the pre-COVID-19 period and therefore impacts the profitability when compared to recent years.



### Investment as a % of revenue



### Investments per category



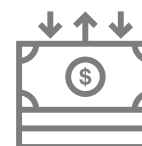
### Assurance



### Advisory



### Tax & Legal



### Cash flows and financing





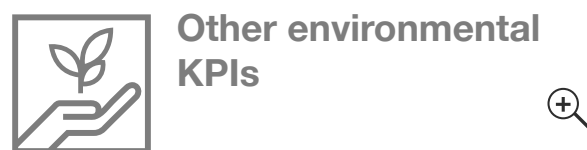
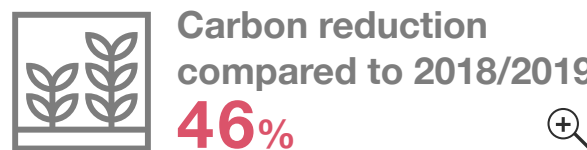


## Environmental impact

PwC has been monetising its CO<sub>2</sub> emissions since 2017/2018 as a next step in taking responsibility for protecting the environment. In calculating the cost of our carbon footprint, we apply a rate of € 100 per tonne of CO<sub>2</sub>. This money is used to take measures to reduce our negative environmental impact and invest in sustainable innovations and carbon credit programmes.

While we see an increase in mobility in 2022/2023, it is still below pre-pandemic levels. We are well on track for our 2025 fossil-free lease fleet ambition with over 60% of lease cars currently being electric and the petrol and diesel lease car option discontinued (electric lease vehicles are now the only available option). We have switched lease car providers this year enabling colleagues to benefit from increased flexibility and various short- and long-term lease options. The switch to a new 'Mobility as a Service' provider will also help us manage our land mobility emissions by making it easier and more accessible to use public transport and shared mobility.

We have implemented our Network Travel Principles to reduce travel by selecting event and meeting locations on their expected environmental impact



and reducing the frequency of in-person meetings. The flights we do take are fully compensated for with Sustainable Aviation Fuels, but this also raises a dilemma: as demand outpaces supply, prices of Sustainable Aviation Fuels are at an all-time-high. All our remaining emissions are compensated via our global offsetting programme.

Following the solar panel installation at the Utrecht office, solar panels have been successfully placed in Rotterdam and Amsterdam to increase the onsite generation of renewable electricity. Meanwhile, the 10 R circular economy framework was implemented during the renovation of the Plaza in the Amsterdam office. This includes the refurbishment of old and used materials as far as possible, repurposing various items into new and fitting carbon-negative carpet tiles.

In addition, we have a commitment worldwide to have 50% of our spend via suppliers with a near-term SBTi

**1** Definitions scope 1 indicators

**2** Definitions scope 2 indicators

**3** Definitions scope 3 indicators

**Definitions other environmental indicators**

target by 2025. This means that we prefer to purchase from organisations who also have near-term SBTi net zero objectives.

Overall, we are on track to achieve our net zero commitment.

## Social impact

Our strategy is designed to build trust and deliver sustained outcomes for a new tomorrow. To live up to our purpose relates not only to 'what we do', but also to 'how we do things'. If we want to add value to our clients and society at large we need to be perceptible of their needs. This requires an outside-in perspective and looking at problems through different lenses. By bringing together a great diversity of people in unexpected combinations, and combining their different perspectives, ingenuity, and passion with the latest technology. Helping our people develop the skills needed to value diversity and think, act and lead inclusively allows us to realise the full potential of our community. This helps to increase inclusion and diversity in the entire organisation, starting at entry level positions, throughout our Subtop, Board of Management and Supervisory Board.

Our 'inclusion first' approach is key in our I&D strategy ([see our I&D policy](#)), which is built on inclusive systems and behaviours.

- **Systems:** We are expanding our development of inclusive processes, policies, interventions and systems that support equality of opportunity at all levels and help all our people fulfil their career potential.
- **Behaviours:** We are fostering a community of inclusive solvers equipped with the human skills and behaviours that enable us to value differences, harness the power of diversity and be more effective in building trust and delivering sustained outcomes.

We have committed ourselves to attaining a diverse workforce in 2030 that better mirrors the wider societies in which we do business. We have set a diversity ambition for our population from a gender and ethnic perspective, detailed by yearly aspirational



goals for inflow, promotion and outflow. We yearly monitor progress on our yearly aspirational goals to determine whether we are on the right track.

### What we achieved in 2022/2023 on inclusion and diversity

- We believe in the power of intersectionality. Therefore, we organised sessions to bring our I&D networks (Shine, Ability, Women, Connected Cultures and Young PwC) closer together. There is a mutual desire to work more closely together, which we will do by aligning their yearly plans better.
- We continued our Seeds of PwC programme. In partnership with the Foundation for Refugee Students UAF (University Asylum Fund), we offer a seven-month traineeship to resident permit holders, to contribute to their integration in Dutch society.
- We started a collaboration with Motopp. An organisation that supports and educates status holders and helps us to get in touch with diverse profiles. We started with 4 status holders within Assurance who follow a 15-month programme with the aim of offering a contract as a result.
- In order to learn from others and share good practices, we attended several external I&D-related events organised by our external partners such as the Talent to the Top, Workplace Pride, Stichting voor vluchteling-studenten UAF, Agora, etc.
- For the fourth time since its initiation, we participated in the Social Economic Council's national Diversity Day initiative. Internally we rebranded this to Inclusion & Diversity Day and organised a webcast on inclusive leadership.
- We are in the process of implementing the new CBS classification of our population by origin, aligned with PwC's objectives to monitor progress of our diversity targets.
- The PwC I&D platform brings together our senior leaders to share best practices and learn from each other in order to contribute to an inclusive and diverse environment.



### Human rights statement

PwC has a responsibility to ensure its business respects international human rights, and this is key to living our purpose. We recognise the ILO's Declaration on Fundamental Principles and Rights at Work and particularly endorse the UN Guiding Principles on Business and Human Rights. The PwC Network has been a signatory to the UN Global Compact since 2002 and we are deeply committed to the UNGC's Ten Principles for responsible business practices, remaining steadfast in delivering positive societal and environmental outcomes. By embedding the Ten Principles across PwC's operations, we hope to continue using our scale, knowledge and skills to make a difference for our broader stakeholders. We value our membership and look forward to continuing to work together to make sure business is a force for good in society. In addition, the Sustainable Development Goals (SDGs) are integrated in our Dutch firm's business strategy. Our policy commitments on human rights are governed by comprehensive policies: (i) our Global Human Rights Statement, (ii) the PwC Code of Conduct; Global Third Party Code of Conduct, and (iii) the PwC NL Corporate Sustainability Policy.





- We raised cultural awareness and celebrated various events of cultural significance such as Iftar, Keti Koti and Diwali. This was clearly appreciated by our people.
- We continued upskilling our workforce by offering training courses on inclusive behaviour and having dialogue sessions with teams throughout the firm.

We strive to embed human rights further in our strategy each and every day with the help of our employees and clients. This is part of the CSRD gap analysis we are carrying out (see outlook on page 39).



## Diversity



## Partner/director appointments

Women in new partner/director appointments  
**25.0/30.4%**

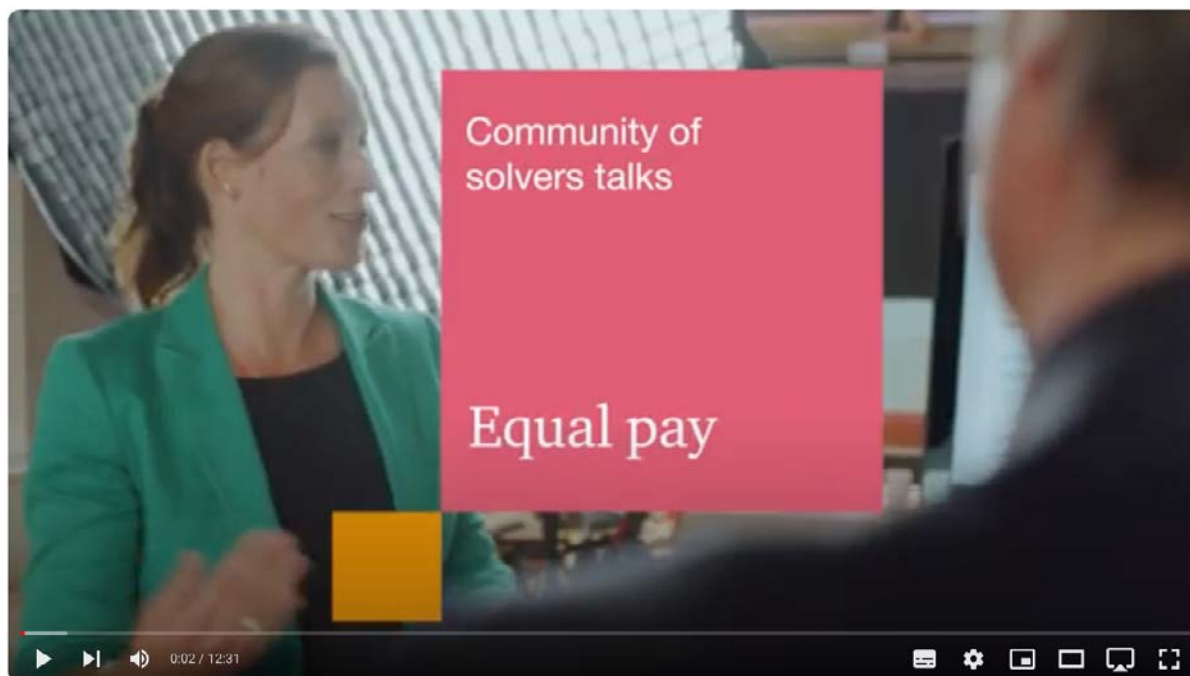
Non-western in new partner/director appointments  
**13.3/11.1%**



## Promotions



Turnover  
**12.6%**



### Annual analysis confirms equal pay for fixed salaries, homework to do for variable pay

A key indicator of an inclusive culture is the extent to which people receive equal pay for equal work. In 2020/2021, we committed ourselves to the external and independent certification process on gender conducted by the Swiss Equal Salary Foundation. The EQUAL-SALARY certification allows organisations to verify and communicate that they pay women and men fairly. It is a practical and scientific solution to being transparent while preserving confidentiality. We obtained the certification in May 2021 and retained it last year after our first monitoring audit in October 2022. This official certification is valid for three years, with annual monitoring reviews required to show our ongoing commitment to a fair and non-discriminatory wage policy. At the time of writing we are in the midst of the second review.

### Internal evaluation

In addition to this external analysis we also examined internally the salaries and bonuses paid to all people, including partners and support staff. Equality is important to us and in line with SDG10. This analysis was conducted for both gender and cultural background and followed the PwC Global reporting guidelines.



## Equal pay



## Pay gaps



## Valuing and caring for colleagues

We put the well-being of our colleagues first in both good times and challenging ones. The market asks a lot and most of us have considerable workloads. This can make it hard to create time and space to have a dialogue with each other, yet that is essential in order to stay connected to colleagues, including talking about more than just work.



### Well-being



## Business conduct

PwC has a *Global Code of Conduct* that concisely and clearly sets out what we stand for and what is expected of us. It is based on our values and provides guidance to colleagues as to how they should behave and conduct themselves in a variety of circumstances and situations.

The *Code of Conduct* will be updated, including more attention to social safety.

Compliance with the Code of Conduct is not voluntary. It is an integral part of all our contracts, whether it is our employment contracts, the engagement letter for clients or the supplier conditions for our suppliers.

The Code of Conduct is a mandatory element of our training and development programmes. Every new colleague needs to follow an e-learning, which specifically addresses the handling of dilemmas. Every year an annual ethics and compliance training is mandatory for all colleagues, which also includes Code of Conduct aspects.

### Network standards and policies

PwC NL as a member firm of the worldwide network agrees to standards and policies, amongst others:

- **Quality:** We establish business processes that promote and facilitate high-quality service delivery and comply with applicable PwC Network standards and requirements. These include having processes in place to enable firms to provide high-quality services in a manner that meets relevant stakeholder expectations, and member firms only accepting clients and undertaking engagements that are consistent with PwC's Network Risk Management Policies (NRMP).
- **Enterprise risk management:** We establish an enterprise risk management programme consisting of an enterprise-wide risk assessment that identifies and prioritises the components of enterprise-level risk, and develop action plans to address identified risks.
- **People:** We put in place an appropriate strategy, policies, processes and systems to attract, retain and develop a diverse group of people.
- **Ethics and Compliance:** PwC NL implements the systems, policies and procedures necessary to comply with our ethics and compliance standards, as detailed below:
  - **Ethics and business conduct:** We embed a strong culture of ethics and business conduct in our people and in the way they conduct their business.
  - **Anti-money laundering:** We implement systems, policies and procedures to mitigate the risk of being directly or indirectly involved in money laundering, terrorist financing or financial crime more broadly.
  - **Antitrust and fair competition:** We compete in the marketplace in accordance with the principles of fair and vigorous competition. Each firm shall not disclose any competitively sensitive or confidential business information to any competitor or enter into any agreement with a competitor that might limit competition.
  - **Anti-corruption:** We establish systems, policies and procedures for the prevention of bribery and corruption, in compliance with all applicable laws and regulations.
  - **Information protection:** We have appropriate technologies, systems, policies and procedures in place to protect the confidentiality, integrity and availability of information in our possession (in line with local information protection measures).
  - **Taxes paid by member firms and their partners:** We require partners to organise and conduct their tax affairs in a manner consistent with the *PwC's Global Tax Code of Conduct* and that lives up to PwC's reputation and expectations. In addition to the network standards and policies we have a specific *PwC NL Tax Strategy*.
  - **Sanctions laws:** We implement policies and procedures to prevent being involved with clients or activities that may violate applicable sanctions, laws and regulations.
  - **Insider trading:** We establish systems, policies and procedures for the prevention of insider trading, in compliance with all applicable laws and regulations.
- **Internal audit:** We have an appropriate level of internal audit coverage over key audit risks including, but not limited to, operational, information technology and compliance risks.





## Ethics Helpline, complaints and notification & whistleblower procedures

Being a respectful workplace is essential to creating a culture that empowers and facilitates colleagues to speak up and raise concerns or questions. The Ethics Helpline is in place to support this, offering a safe, secure and confidential environment for colleagues to report online or by phone (anonymous) complaints or situations involving behaviour that is not in line with our Code of Conduct and values or to ask questions or raise concerns.

Besides this helpline our employees and partners can also report via other channels, namely our confidential counsellors (both internal and external), the Complaints Committee and the Business Conduct Committee. The Code of Conduct provides a [complaints procedure](#) (covering complaints in the personal area) and a notification and whistleblower procedure (covering suspicions of professional misconduct).

PwC has reviewed and updated both procedures in line with the Dutch Whistleblower Protection Act, which was adopted earlier this year.

Complaints in the personal area cover, for instance, intimidation, bullying, aggressive behaviour or discrimination, and are dealt with by the Complaints Committee. Notifications of suspected professional misconduct (for instance improper acceptance of gifts or deliberate mis-invoicing) are dealt with by the Business Conduct Committee. Depending on the nature and severity of the case, sanctions vary from a written warning or reprimand to suspension and dismissal for employees or, for partners, to termination of the accession agreement. The Complaints Committee and the Business Conduct Committee submit (possible) proposals for measures to the Business Conduct Leader and the Board of Management, respectively.

Those who may or do have complaints in the personal area or who suspect professional misconduct can confide in one of 23 confidential internal counsellors within our organisation. There are also external counsellors available. The counsellors look into how issues that arise in the workplace can be resolved and can provide guidance to those contemplating filing a complaint.

## Complaints from external parties

External parties can also file a complaint or make a report via the Ethics Helpline. Information on how to do this is set out on our [website](#).

## Reports

The Business Conduct Leader within PwC NL is responsible for driving an ethical culture and monitoring the ethical policy within PwC NL. Three times a year, the Business Conduct Leader compiles integrated Code of Conduct reports (including summary results reports from counsellors, the Complaints Commission and the Business Conduct Commission), which are discussed with the Board of Management and annually with the Supervisory Board.

## Going concern

As part of the preparation of the financial statements, the Board of Management assessed the going concern assumption based on the available financial information, including the 2023/2024 budget and other forward-looking data. The assessment included areas such as cashflow, solvency and financial performance metrics. Based on the results, the Board of Management expects PwC NL to be able to continue as a going concern in the coming twelve months. This is confirmed by the Board of Management in the Statement by the Board of Management on page 49 of this report.

## Outlook

Because we can only achieve financial growth if we practise what we preach, we remain focused on our goals in the field of ESG (e.g. diversity, integrity, safe organisation). We are carrying out a Corporate Sustainability Reporting Directive (CSRD) gap analysis to gain insights into the technical and organisational gaps in our CSRD reporting to be even more transparent. We aim to adopt the CSRD in 2023/2024, requiring us to organise ESG reporting in a more structured manner, data management and reporting will become more demanding and detail-oriented.

Our enhanced level of ambition, financial and non-financial, is reflected in the investments and initiatives we are undertaking, which we expect to translate into higher revenues. A risk to us realising our financial ambitions is the tight labour market and the way inflation is leading to higher costs. Our ambition is reflected, amongst others, by investments in new capabilities, new hires, upskilling and an enhanced collaboration with alliance partners. We continue to review our own operations with a view to 'making life easier', increasing quality and driving efficiencies. This includes reengineering, scaling-back or in some instances stopping certain activities altogether as well as considering further outsourcing opportunities.

The result should be sustainable growth and a financially healthy organisation, one which is able to make the investments required for long-term relevance and competitiveness, and to ensure that PwC remains an attractive place to work for colleagues.



## Business conduct

