



Annual Report

2022/2023



www.pwc.nl

A personal note from our chair

One of my privileges as chair of PwC Netherlands is that I get to speak to a wide variety of clients as well as other stakeholders. Convinced that there is much to learn from these discussions, especially when occasional differences of opinion occur, I always ask for feedback. In one such conversation a client told me how important it was that his consultant or auditor 'looked up as well as down'; i.e. that the focus was not just on getting the job done but taking into account and sharing what else is happening in the world and what might occur in the future. Because PwC conducts business with so many organisations around the world, and can monitor and recognise relevant developments, we have a clear capacity to 'look up'. And that's one of the ways we can help clients move forward.

The resilience of many organisations was challenged over the past year by rising energy costs and high inflation. But we are also all going through an energy transition, while technological developments such as artificial intelligence gather pace, the labour market remains tight, and businesses are faced with a plethora of new regulations. The demand for our services has resulted in a strong performance across all our businesses and industries with a revenue growth of 11.0%, exceeding € 1 billion for the first time in our history.

Most organisations see the necessity to transform. This is clearly shown in the meetings we have with clients and the research we carry out, including our annual CEO Survey. A key takeaway was that CEOs worldwide realise that their organisations will be unviable in ten years if they continue on their current path. This applies to us at PwC too. Clients come to us with different questions and expect solutions that go beyond what any single professional can provide. This has an immediate impact on our profession as auditors and (tax) consultants.

At the same time, it is also crucial for PwC to stay relevant and grow. We do so by being ambitious about the contributions we make to our clients, our colleagues and society. We are building on the strength of our leading positions in a number

of markets, including audit, deals and tax, and increasingly enhance these services through an ESG-focus, digitisation and cross-competence collaboration. Closer to home, we are investing in ways to make sure that working with us stays attractive to the next generation of colleagues while supporting those who have joined us with ongoing education. Our people are continuously upskilled on the latest developments in areas such as ESG reporting, new laws and regulations and technology.

Ambition and relevance are certainly part of our The New Equation strategy, aimed at helping clients build trust and realise sustained outcomes. We can only achieve this if we are seen as trustworthy ourselves. Recent events (the charring of confidential information by PwC Australia and possible unethical behaviour in taking online training assessments) show that becoming a purpose-led and values-driven organisation deserves our unabated attention.

As the new Board of Management, we increased our focus over the past year on PwC's clients and on our colleagues, who we refer to as a 'community of solvers'. We believe we can find better solutions if we look at issues from various perspectives and backgrounds. A crucial aspect herein is a culture in which the focus lies on helping clients develop and valuing each other for what we can contribute, while also being able to speak candidly to each other and our clients. Our internal survey into undesirable behaviour and how we can make behaviour a talking point among ourselves taught us that we still have further steps to take on this topic, which will be one of our priorities for the year ahead.

This Annual Report provides examples of how we work and how clients experience these efforts. It also reflects on our ambition to become increasingly visible in the contributions we make to resolving social issues. A good example is our study conducted into the development of productivity among large government organisations. By applying our knowledge this way we increase our relevance for society.

Providing the highest degree of quality will always be our raison d'être and is crucial to creating trust. Trust that we build among our own stakeholders and the trust we help our clients build for themselves. This is why it is vital that we have the best people, and attracting, developing and retaining talent will remain a major focal point. The results of the People Survey, our annual global employee survey, show we are on the right track. People explicitly choose to work for PwC due to our focus on personal development, attention to inclusivity and the valuable work undertaken. Nonetheless, as a learning organisation we can do even better. It is critical that we stay alert to the added value we ultimately offer to our clients, our colleagues and society as a whole.

I trust you will enjoy reading this Annual Report. Please contact me/us if you have any observations or questions or would like more information on matters addressed in this report.

On behalf of the Board of Management,

Agnes Koops-Aukes,
Chair



PwC at a glance 2022/2023



Strategic performance indicators

The progress we make on our strategy is measured by strategic performance indicators. For a comparison with last year, target setting and definitions refer to the chapter [Strategy Execution](#).

Client focused

Documented client listening

589

Client satisfaction

8.2

Revenue growth

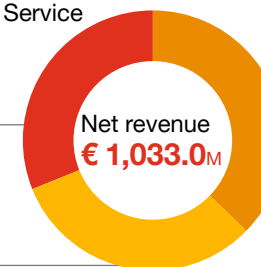
11.0%

Net revenue Lines of Service

Tax & Legal
€ 267.5M

Assurance
€ 393.6M

Advisory
€ 371.9M



Community of solvers



Employer of choice ranking

#8



#of headcount as at 30 June 2023

5,761

Average FTE 2022/2023

5,367



People engagement index

87%

Human-led, tech-powered



Worldwide partnership with Harvey (AI platform)



PwC Network wins:
AI services for the Next Generation Audit
Digital Innovation of the Year winner

High quality



compliance internal reviews

95%



of training hours total

589,464



Average training hours per FTE

110

Sustainable growth



% investment of revenue

5%

Environmental impact (tCO₂)

10,812

Reduction GHG emissions (compared to 2018/2019)

46%

Women in new partner/director appointments

25.0%/30.4%

Non-western in new partner/director appointments

13.3%/11.1%



Five-year summary of financial and operational performance

	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
Revenue Lines of Services					
Net revenue (€ million)	1,033.0	931.0	936.3	949.8	884.1
• Assurance	393.6	348.3	341.7	344.8	392.9
• Tax & Legal	267.5	287.8	308.1	305.2	247.3
• Advisory	371.9	294.9	286.4	299.4	242.9
• Other	0.0	0.0	0.1	0.4	1.0
Increase/decrease	+11.0%	-0.6%	-1.4%	+7.4%	+6.2%
Net revenue per FTE (€ x 1,000)	192.5	181.4	178.7	178.7	175.2
Increase/decrease	+6.1%	+1.5%	+0.0%	+2.0%	-0.9%
Results					
Operating profit (€ million)	192.6	233.6	203.3	167.4	167.2
• Assurance	55.4	52.1	60.7	37.8	46.3
• Tax & Legal	71.6	111.3	84.0	74.6	71.1
• Advisory	64.0	63.9	54.9	53.4	50.9
Increase/decrease	-17.6%	+14.9%	+21.4%	+0.1%	+2.7%
% investment of revenue	5%	5%	4%	5%	5%
Client listening					
Client satisfaction	8.2	8.2	8.1	8.2	8.1
Documented client listening	589	614	692	587	596
# of headcount as at 30 June					
Permanent employees	5,208	4,839	4,881	5,106	4,902
Temporary employees	553	485	417	459	535
Non-guaranteed hours employees	22	19	22	28	77
Workers who are not employees	587	584	391	416	519
Full-time employees	4,580	4,143	4,137	4,383	4,278
Part-time employees	1,181	1,181	1,161	1,182	1,159
Average number of FTEs					
Partners	5,367	5,132	5,252	5,315	5,045
Professional staff	288	284	281	282	278
Support staff	4,010	3,836	3,986	4,076	3,897
	1,069	1,012	985	957	870
People experience					
Global People Survey - People Engagement Index	87%	86%	83%	not available	84%*
Employer of choice	#8	not available	not available	not available	not available
High quality					
% compliant EQRs/ECRs	95%	97%	96%	99%	95%
Average training hours	110	107	108	115	114

Five-year summary of financial and operational performance (continued)

	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
Environmental impact					
Environmental impact (tCO ₂ e)	10,812	7,622	2,778	15,287	20,054
Reduction GHG emissions (% compared to 2018/2019)	46%	62%	86%	24%	not applicable
Equality					
% promoted female P/D of total promotions P/D	25.0/30.4%	34.8/37.0%	30.4/32.1%	25.0/42.4%	31.3/23.5%
% promoted non-western origin P/D of total promotions P/D	13.3/11.1%	10.0/8.3%	11.8/14.3%	0/3.4%	7.7/9.1%
Equal pay (male-female, Dutch-western/non-western)	2.2/2.8/3.5%	2.0/2.9/3.5%	2.0/1.8/3.6%	1.9/2.3/3.7%	1.6/1.3/3.2%
Governance					
Incidents of corruption	0	0	0	0	0
% compliance Update Annual Compliance training	88.7%	97.2%	98.7%	not available	not available



Who we are and what we do

With 364,000 people in 151 countries, PwC is a leading global service provider and in the Netherlands consists of three lines of service, namely Assurance [Ⓜ], Tax & Legal [Ⓜ] and Advisory [Ⓜ], supported by Firm Services [Ⓜ]. The Coöperatie PricewaterhouseCoopers Nederland U.A. (Coöperatie) and its group companies in The Netherlands, jointly referred to as PwC Netherlands (PwC NL), are members of a worldwide network of independent member firms that, among other things, ensures the quality of the service delivery of all PwC member firms. The increasing cross-border nature of our clients and the services we provide are leading to greater collaboration within the PwC Network at a regional and global level and far greater investment and innovative power as a network.

At PwC, we aim to contribute to building trust in society and solving important problems. That is our *purpose* and our reason for being. Our strategy is designed to fulfil that purpose by helping clients deliver trust and achieve sustained outcomes, by bringing together a wide diversity of people in unexpected combinations, and combining skills, expertise, perspectives, ingenuity and passion with the latest technology. Believing that challenges are best solved together, we work with other parties in our ecosystem, like our suppliers, clients, alliance partners and oversight bodies. Trust is a key component in this.

Strategy& is our global strategy consulting business uniquely positioned to help deliver an organisation's best future: one that is built on differentiation from the inside out and tailored exactly to the client. As a part of PwC, every day we're building the winning systems that are at the heart of growth. We combine our powerful foresight with this tangible know-how, technology, and scale to help organisations create a better, more transformative strategy from day one.

With over 5,700 people working for PwC NL spread across *thirteen locations*, we deliver sector-specific services and seek innovative solutions, not only for national and international organisations but also for public sector and civil society organisations.



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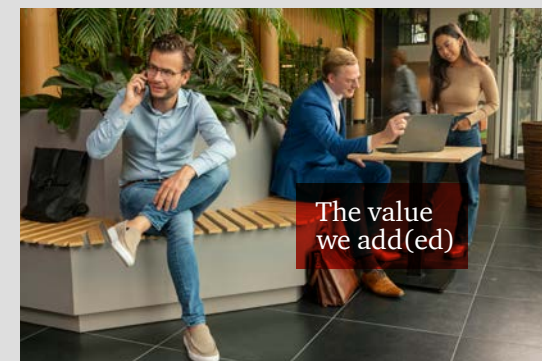
Content overview

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Pop-up window

Report of the Board of Management



Separate document





Report of the Board of Management

Strategic context

Annual Report

2022/2023



Finding the right balance

If anything has become clear over the past year it is that the world has become more unpredictable than ever. The challenges became more complex, as rising inflation and interest rates were added to the mix. The war in the Ukraine has shown no sign of relenting either. Together with several other developments leading to continued instability, unpredictable energy and raw material prices and a disrupted supply chain. We see increased environmental instability and disasters, such as high temperatures in Europe and several forest fires all over the world, the earthquake in Syria and Turkey and flooding at the border of Germany, Belgium and the Netherlands. Through it all a tight labour market remains a key concern for many organisations.



In this complex world, organisations are searching for the right balance between managing current challenges and investing in the future that have an effect both on the short and long term. This is also reflected in the latest annual CEO Survey that PwC conducts worldwide to discover the insights and expectations of executives. An important outcome this year was that CEOs realise they need to transform and invest in sustainability and digitisation to make their organisation future-proof.

Revisiting the megatrends

Five global shifts reshaping the world we live in

Almost a decade has passed since the PwC Network identified five ‘megatrends’ – deep and profound developments that are global in scope, have long-term effects, touch everyone on the planet and will shape our world for many years to come. It is now clear that these megatrends have transformed our world even faster than we predicted and made the challenges faced by our clients and society more complex. This is primarily due to the way the interaction between the trends has turbocharged both the speed and pervasiveness of change.

The megatrends are evolving and the way they manifest themselves today has shifted compared to ten years ago. We have now revisited these trends to understand how they have changed, the future they may create by 2030 and the questions they will ask of humanity.

The **megatrends** and their implications:



Climate change



Technological disruption



Demographic shifts



Fracturing world



Social instability



CEO Survey

CEOs recognise the need for transformation

CEOs throughout the world (45%) realise that their company will not be viable in ten years’ time unless they make changes. These were some of the key findings in PwC’s 26th [CEO Survey](#) (October 2022), our annual deep dive into the views of executives on the economy, their company and the environment in which they operate. We presented the results of the latest edition in January during the World Economic Forum in Davos. The survey covered 4,410 CEOs worldwide, 85 of them in the Netherlands.

It also showed a sharp fall in CEO optimism compared to the year before, when the COVID-19 pandemic was largely behind us and the invasion of Ukraine had yet to take place.

Labour market tightness high on the agenda

The tight labour market remains high on the executives’ agendas. They said that scarcity of employees is the main factor likely to impact their organisation’s profitability over the next ten years, more so than technological developments or the energy transition.

Preparing ‘green’ measures, not yet implementing

Climate change has dropped relatively on the agenda, but CEOs are still engaged. Short-term concerns revolve more around inflation, economic volatility and political instability. The survey results also reveal that while a large number of companies are already taking measures in areas such as CO₂ reduction and environmentally friendlier production methods, many are still in the preparation stage and have yet to be implemented.





Regaining trust

PwC helps Dutch tax authorities with betterment in handling after closure of FSV

The Dutch Tax and Customs Administration's Fraud Notification System (*Fraude Signalering Voorziening* or FSV) was closed in 2020 after failing to comply with European privacy legislation. Arjan Dikmans was given the challenging assignment of regaining the trust of the people registered in the FSV. Working on the programme together with PwC partner Selwyn Moons, Dikmans is clear about the importance of transparency.

Winning back trust

'The Dutch tax authority was given the assignment to explain to a very large number of people why they were registered in the FSV and what the effect could be,' is how Dikmans describes the run-up to the process. 'There was a list of 270,000 people,' adds Moons. 'The major task we had – and which the Dutch tax authorities worked on in parallel – was to look as honestly as possible at what happened to those people and the consequences of their registration. Based on that information, the Dutch tax authorities have been able to inform the people involved and start exploring how any damages can be met.'

Moons says that the overall intention was to win back trust. 'And, where possible, to accommodate people. Many different actions and activities were needed, including mapping out the effects of a registration.' Dikmans mentions an example of excessive oversight. 'According to our own rules you are allowed to audit someone for five years if their tax return is incorrect. If we followed this person for six years, therefore, they were under supervision for too long. We didn't comply with our own rules and that is what you call an effect.'

Transparent collaboration

According to Dikmans, the assignment to communicate transparently formed a solid foundation

for the collaboration between the Dutch tax authorities and PwC. 'PwC basically had two roles. Firstly, they were to perform the investigation into the effects on the citizens. They then had to help us translate the macro numbers from those reports down to an individual level. PwC grew from an external observer in the project into a partner. It felt to me like a very equal partnership and our goal was the same – to restore trust.'

Moons felt a similar degree of responsibility with this project. 'The subject is painful and has been continuously under scrutiny. It felt good to not only be watching from the sidelines during a process that took no less than three years. This might sound like a long time but it was exactly what was required to allow us to build on a story of trust where transparency and honesty were the norm.' 'There were also some tense moments,' adds Dikmans. 'Trust can only be regained if you are seen as trustworthy and that was my message to Selwyn too... It was vital that he was always open and transparent in his communication with us.'

Intensive communication

Once PwC had mapped out the possible effects it became clear that some 270,000 people were involved. 'Our job was then to identify who they were by contacting these people intensively,' continues

Dikmans, based on which they called in or submitted a GDPR request to the tax authorities.'

Another challenge according to Dikmans was the complicated wording by the Dutch tax authorities, especially bearing in mind that the Netherlands has around one and a half million functionally (lower) (il)literate people. 'While the idea that a language barrier might have led to registration in the FSV hasn't been proven, we suspect this played a role and that really concerned us.' As part of the project, therefore, Dikmans and his team put a lot of energy into the letters which were sent to the citizens. 'They are clarified with icons and visuals and written in layman's terms. I am convinced that a large number of people now understand the message.'

Trust gap

'When I look at the figures it is clear many of the people registered in the FSV were never aware of that fact,' Dikmans says as he looks back on the project. 'We still apologised to them all, which was very important from an integrity standpoint.'

The process of regaining trust and the communication with those involved made a big impression on Dikmans, and it is the people registered he remembers most. 'I feel honoured to have guided these people on this journey. Although not all problems are solved this way it was a privilege to work together with the PwC team and hundreds of colleagues daily on the programme in a spirit of openness and transparency. Whether I've helped close the trust gap with the general public is not up to me to say... That's for the citizens themselves.'



Trust can only be rebuilt if you yourself are seen as trustworthy.



At PwC we realise that finding the best solutions requires collaboration and the building of relationships with our clients and our stakeholders, and with each other. This is crucial if we are to provide high-quality services. Combining those relationships, knowledge and expertise with the right technology generates unprecedented opportunities. We arrive at better solutions when we look at how we can make things smarter from different backgrounds and angles. That is exactly what our people do and why we call them a community of solvers.

We cherish the power of our people, who are at the heart of PwC's global The New Equation strategy. This strategy makes our purpose concrete: helping clients build trust with their stakeholders and realise sustainable outcomes. It is achieved by leveraging on the passion and commitment of the different perspectives found within the community of solvers. The foundation for realising our strategic priorities consists of continuously striving and delivering high-

quality services and realising sustainable growth. In the *Strategy execution* chapter, progress on the strategic priorities and foundations is explained in five paragraphs (relevant to client and society, a community of solvers, human-led and tech-powered, trust as a foundation for quality, sustainable growth).

The three priorities of The New Equation

To bring our strategy further to life we have chosen three priorities:

Client focused

As a service provider we aim to be the first choice for our clients in helping them tackle the challenges that are important to them and their stakeholders. This requires a focus on our clients, their stakeholders, and an understanding of the broader context in which they operate. This focus also enables us to deliver high-quality services.

Community of solvers

We find valuable solutions when we look at what can be done smarter, better, and differently based on a wide range of backgrounds and perspectives. That is the power of our community of solvers. We encourage an inclusive and diverse collaborative culture, where people feel they can speak up, are valued and work with purpose. This helps our colleagues be authentic and use their expertise together. Such a culture also allows us to attract, develop and retain the best and most diverse talent.

Human-led, tech-powered

People and technology go hand in hand. We believe that combining human ingenuity with technology enables us to develop valuable solutions faster while at the same time building trust across the entire value chain. We make use of technology in our services, innovate our way of working and work together with (tech) alliance partners to make a difference for our clients.

Community of solvers media campaign

A new marketing campaign was launched in the Netherlands in spring 2023 to strengthen our brand position and share the 'community of solvers' concept externally. It emphasises the unique nature of our multi-competence organisation, which enables us to bring together the right combination of human talent and technology to solve complex challenges.

We were visible with advertisements in national newspapers, online at social media and bannering and could be heard during commercial breaks on the main radio stations. The campaign placed our colleagues centre stage, using examples from the PwC practice to show how our 'solvers' help clients and society move forward.

We saw a follow-up on the first campaign flight with loading content on Economic Resilience and Cloud & Digital.



Community of solvers:
de beste oplossing
bedenk je samen

Voor complexe vraagstukken zit de oplossing vaak in onverwachte hoek. Daarom bekijkt de community of solvers uitbageren altijd van alle kanten. Met een groep experts vanuit verschillende invalshoeken. De bedrijfsuitdagingen van nu vragen daar gewoon om. En losgegeven, soms is die oplossing dan wel onorthodox. Maar wel altijd eenje die je vooruithelpt.

Lees er alles over op pwc.nl.

The New Equation.





What our stakeholders want

We engage continuously with our stakeholders: our colleagues, our clients and representatives of society at large, such as supervisory bodies, government, youth organisations, NGOs, professional and investor associations, politicians and academics. These dialogues help us understand what stakeholders expect from us and allow us to refine our strategy, our societal role and our work with clients.

Our stakeholders have given us three main messages over the past year:

Be a social organisation for everyone

Being a good reflection of society requires us to actively consider being a social organisation for everyone when attracting talent. In addition, PwC has many large organisations as clients, while the Netherlands is home to lots of small and medium-sized organisations too. Our stakeholders advise us to engage with these types of businesses more often and use PwC's knowledge and experience to help them improve their performance.



Have a positive impact on society and communicate it

PwC can fulfil its ambition to build trust by contributing to major social challenges. Our stakeholders tell us that it is through our services for clients that we can have the greatest impact on society and that we should communicate more about the positive impact we are having. In short, they say, be good and tell people about that.



Build for the future as a learning organisation

Our stakeholders encourage us to more frequently broaden our horizon beyond the short-term and become future-proof. They urge PwC to challenge the status quo, for instance by being constantly mindful of the pros and cons of the way PwC in the Netherlands is currently structured. A future-proof organisation sometimes requires a different mindset, courage and agility according to our stakeholders.



Value-creation process

Our value-creation process provides an overview of how we use trends and developments our clients and their stakeholders are facing, the expectations of our stakeholders and the analysis of material topics as inputs. Aiming to deliver sustained outcomes that make a difference, it is key that our strategy and reporting is focused on the sustainability topics that matter most. Our material topics represent our most significant impacts on the economy, environment and people, including human rights. They are regularly reviewed to ensure they reflect relevant developments within our organisation and across our value chain. While the potential impact on clients is not currently measured, this will be part of our work on compliance with the Corporate Sustainability Reporting Directive (CSRD).

In 2022/2023 we have updated our materiality assessment in accordance with the revised voluntary GRI standards and specifically 'GRI 3: Material Topics 2021'. We have also considered the, at that time, draft requirements from the European Sustainability Reporting Standards (ESRS) that apply under the CSRD.

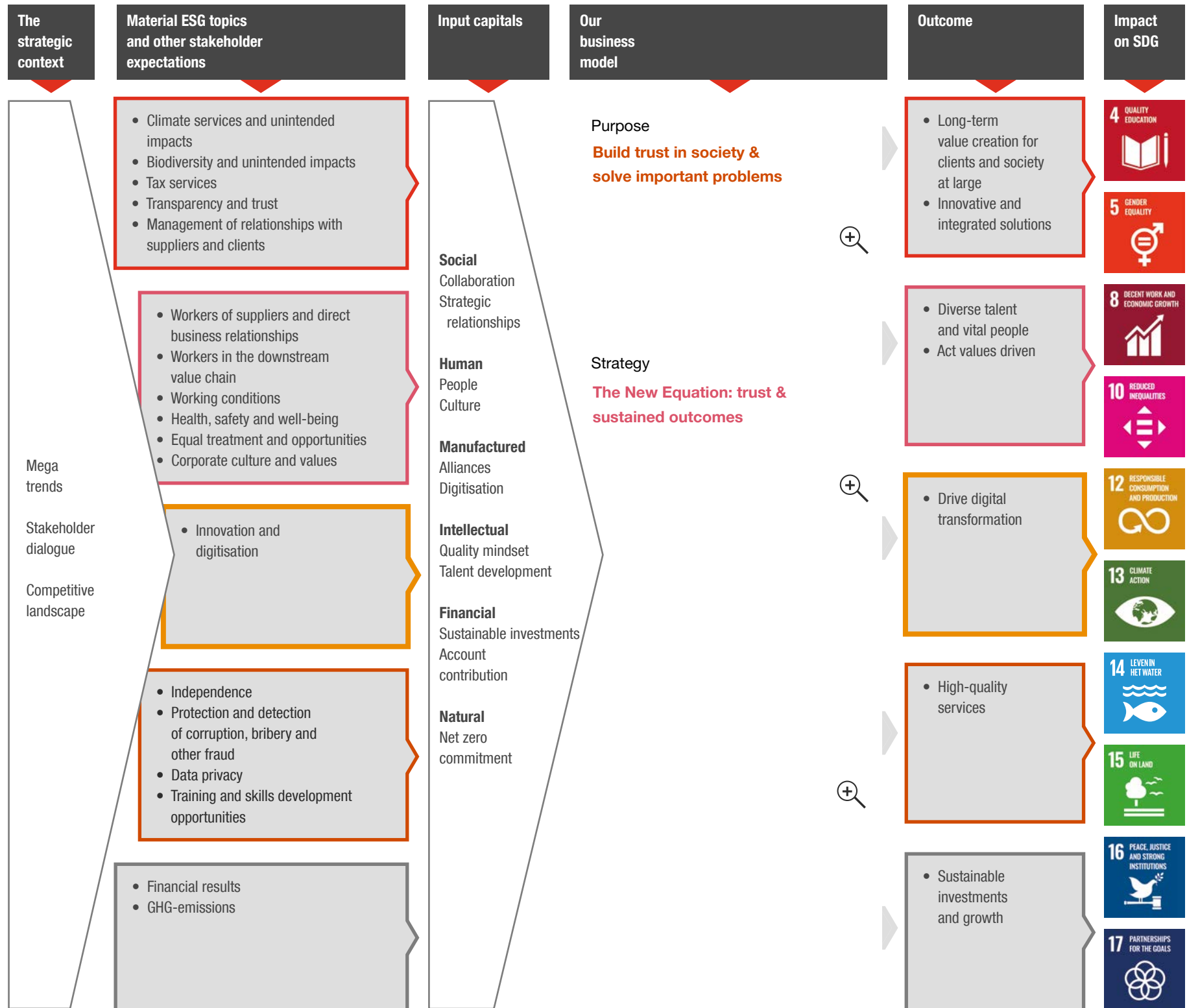
In our value-creation process we show how we link these to core capitals and translate them into our strategic priorities, with the ultimate goal of adding value to stakeholders. In the short-term, our efforts generate non-financial and financial output every year and we quantify progress via a set of KPIs related to these material themes.

Across our value chain, including how we work with suppliers and clients, PwC has an impact on the Sustainable Development Goals (SDGs) and creates value for stakeholders. We strive to generate long-term value by working with suppliers to have a positive impact on people and the environment. This includes embedding sustainability considerations in supplier selection and procurement processes and engaging in a continuous dialogue on how to have a positive impact together. The greatest impact in the short- and long-term comes from our service delivery to clients as we help them improve their organisations and solve the issues that matter.

Material topic	Main impact
ESRS and economic topics	Description of material impacts
Climate change	Impact on climate change of scope 1, 2 and 3 GHG emissions from operations Impact on climate change of dedicated climate services and unintended impacts from services
Biodiversity and ecosystems	Impact on biodiversity of dedicated climate services and unintended impacts from services
Own workforce	Impact on employees of working conditions provided Impact on employees' health, safety and wellbeing Impact on employees' right to equal treatment and opportunities Impact on employees of training and skills development opportunities
Workers in the value chain	Impact on rights of workers of suppliers and direct business relationships Impact on rights of workers in the downstream value chain of dedicated workforce services and unintended impacts from services
Business conduct	Impact on people and environment of corporate culture and values that promote responsible business Impact on people in the event of data privacy incidents Impact on society in the event of quality, including independence issues Impact on people and environment from management of relationships with suppliers and clients
Entity specific topics	Impact on society of sustainable tax services and unintended impacts from tax advice Impact on society of prevention and detection of corruption, bribery and other fraud by services Impact on people and environment of services that promote transparency and trust in society
Economic	Impact on the economy of innovation and digitisation of services



Value-creation process



We use SDG impact measurement to define and monitor our value creation, using the UN Sustainable Development Goals and targets. See page 34 for more detail.

To live our purpose we invest in partnerships and alliances

Collaborating is not just something we do with our colleagues, clients, stakeholders and amongst others technology alliance partners. We also invest in our partnerships, for instance with Boijmans van Beuningen and World Press Photo.



In addition we have *partnerships and alliances* with a number of organisations active in the area of social entrepreneurship, the environment or other sustainability topics (like *equality of opportunity*).

Next to that we have a community programme in which we strive to contribute to society by sharing our knowledge and skills – pro bono and in working hours – with impact-first organisations. Making our services available in this way has the greatest impact for these organisations. We also share our knowledge and skills with our partners and learn from them in return.

A total of 42,275 hours were spent on our partnerships and impact-first organisations in 2022/2023 (2021/2022: 35,725 hours), including on the themes of climate and equality of opportunity. See an overview of the 12,125 pro-bono hours and organisations we have supported below.



Community Programme 2022/2023 - At a glance



Partnerships and other initiatives

4,529 pro-bono hours
7 organisations

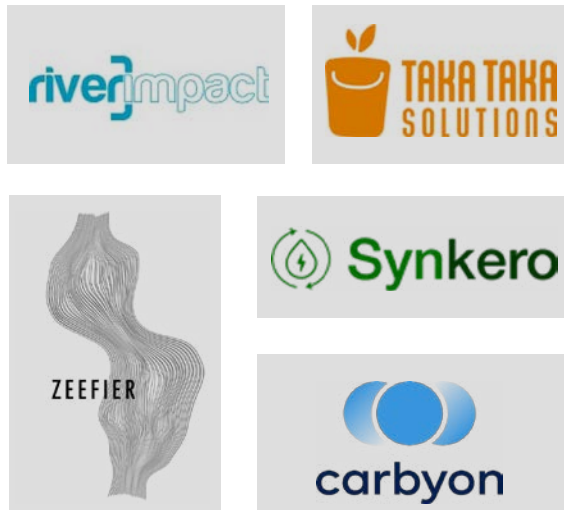
Partnerships

Support Turkey and Syria
Accelerator initiative
Brainshakes



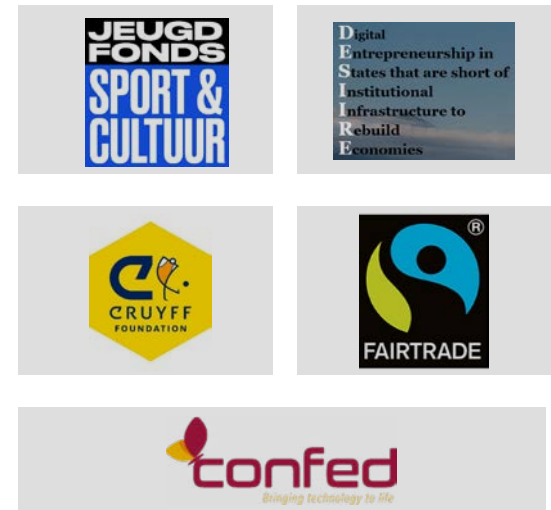
Climate Change

3,641 pro-bono hours
19 organisations



Equality of Opportunity

3,955 pro-bono hours
31 organisations



PwC photo contest 2023

PwC has been a proud partner of World Press Photo since 2019, an organisation which strives to unite the world with stories that matter. Our goals with this partnership include showing that PwC also operates at the heart of society, that we listen to what's going on, are aware of the problems in society and keep up with our constantly changing world. The response moving forward is to adapt services further to what society needs from us.

Our second photography contest this summer was organised in cooperation with World Press Photo. One of the reasons we repeated this contest is that the combination of being able to work with a photo camera (tech) and capturing one's story (human-led) provides new insights. And new insights are what propel us forward.

A photo with a story

The overall theme was 'Human solutions – community of solvers'. Colleagues could submit a 'photo with a story' matching one of these four themes:

- Inclusion & diversity
- ESG
- Human-led, tech-powered
- Well-being

The submitted images showcased the diversity of human experience, breathtaking vistas of nature, ingenious compositions and unexpected perspectives. Taken together the photos perfectly illustrate how PwC people view the world through multiple lenses, with a particular focus on solving the challenges of our times. The story behind each image was pivotal to the selection process, with one overall winner chosen.

Finalists Photo Contest 2023

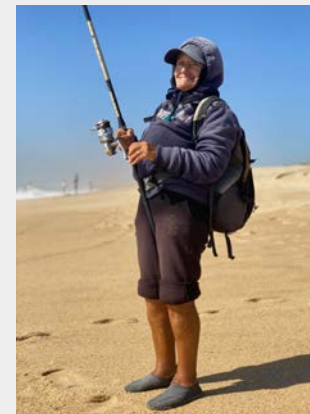


Maike Sips - ESG
Overall winner

Makes you wonder...
In this picture you can see the beautiful island of 'Pulau Tambarat', which is part of the Banyak archipelago near Sumatra, Indonesia. The ocean was so clear, the sky so blue and the beach so soft. But what is that palm tree doing in the ocean? The coastline of the island is full of dead palm trees. Due to the rising ocean level, the island shrinks every year and the palms die from the rising salt water. That makes you wonder...



IJsbrand van der Kloet - HL&TP



Denise Kors - I&D



Carla Potgieter - I&D



Bart van de Leur - ESG



Sophie Hammermann - Well-being



Report of the Board of Management

Strategy execution

Annual Report

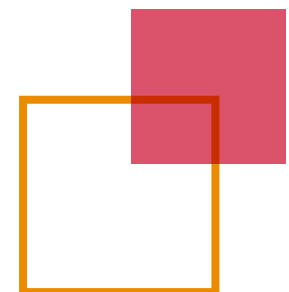
2022/2023





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.



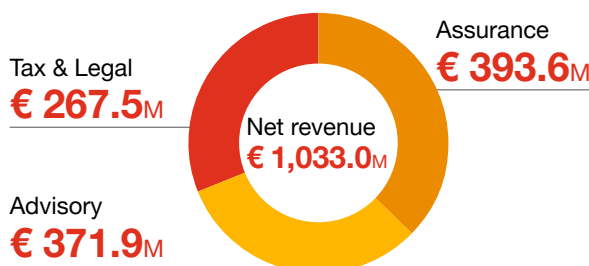
We aspire to be the most trusted and relevant professional service firm in the Netherlands. To stay relevant and grow, we build on the strength of our leading positions in a number of markets, including in audit, deals and tax, and increasingly enhance these services, through digitisation and x-competence 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.

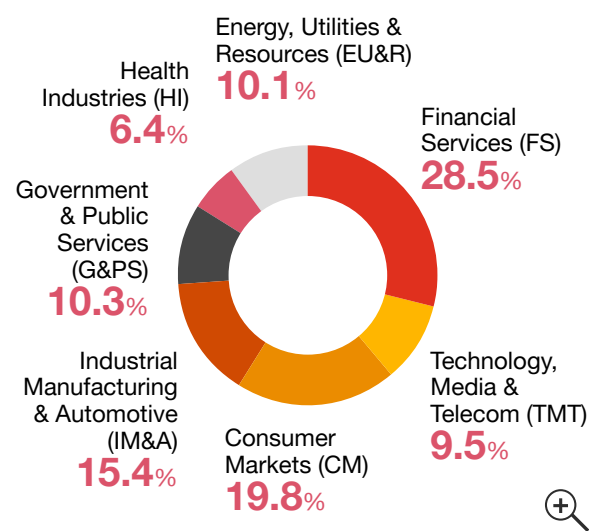


Revenue growth
11.0%

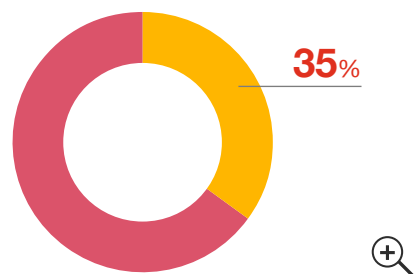
Net revenue Lines of Service



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.'

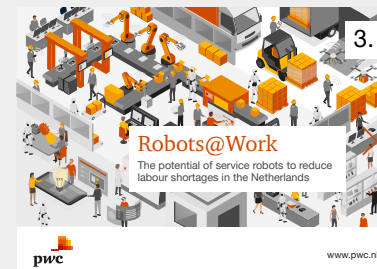


Media presence

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.



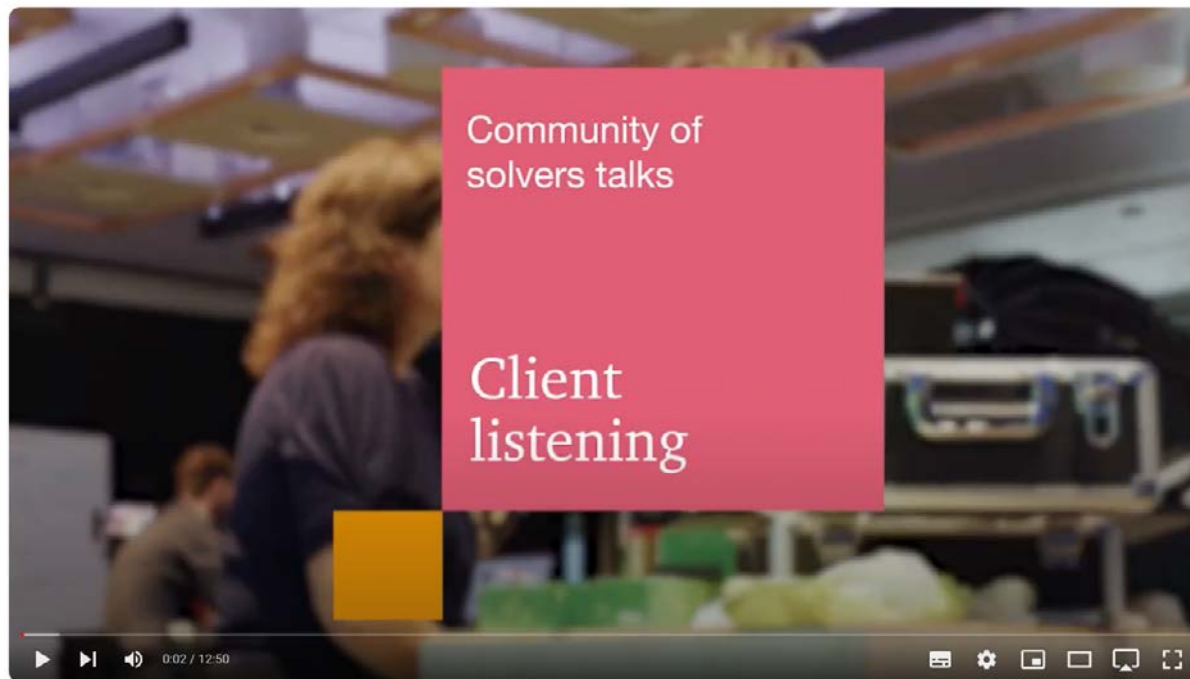
Documented client listening

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

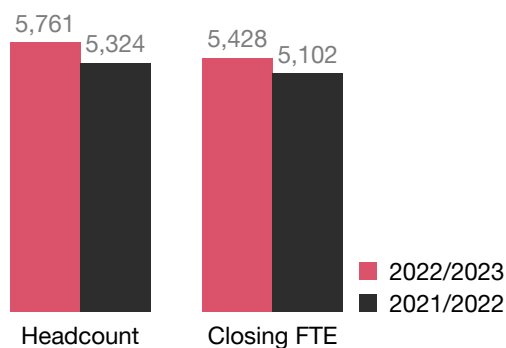
A strong community requires a safe, inclusive and collaborative culture. An environment where people can speak up, feel valued and work with purpose. From that perspective, we do not just look at quotas on gender and cultural diversity. The key challenge for us is to bring together the right capabilities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



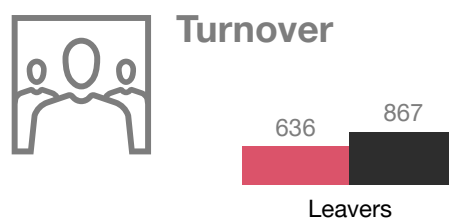
Safely engaging in conversation about what is not going well

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.

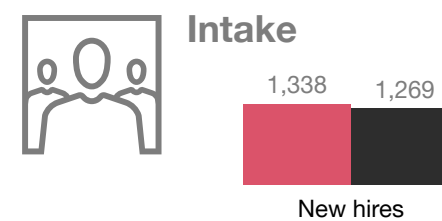
Turnover



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

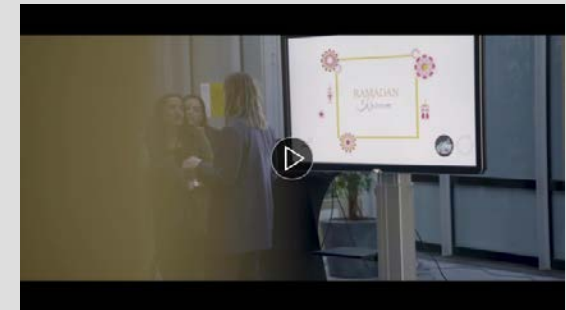


Our challenges:

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





People Engagement Index
87%



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 CO₂ 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.

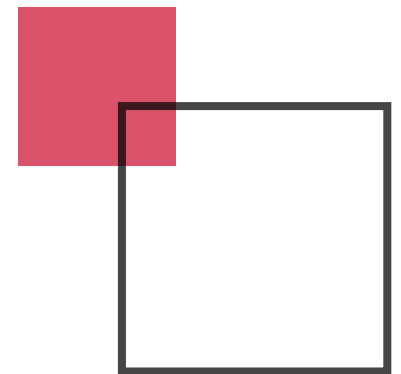




Human-led,

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

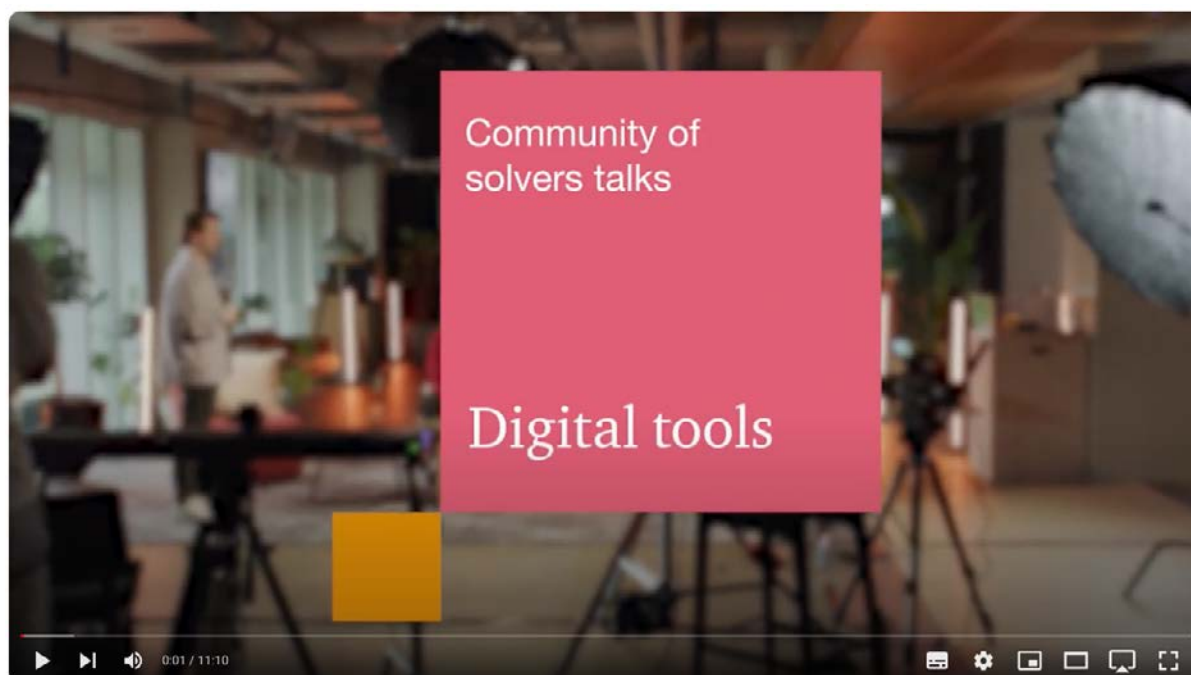
To further digitise our existing services, our Tomorrow 2.0 platform has developed a number of tools in collaboration with clients. Examples are a tool to collect, calculate and communicate information on the sustainability of a product and Responsible AI Simulation Experience. 

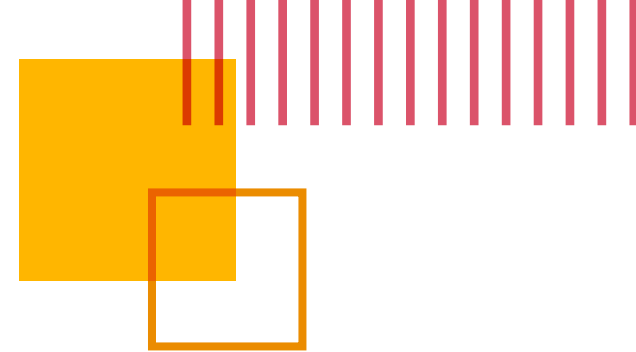
Digitisation of our own processes and infrastructure

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.

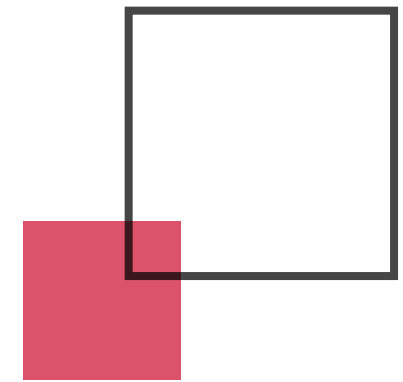




High quality

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-learnings, 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-learnings by stressing the importance of blocking and respecting dedicated learning time in their agendas and spreading the timing for completion of e-learnings 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.



EQRs, ECRs and external reviews

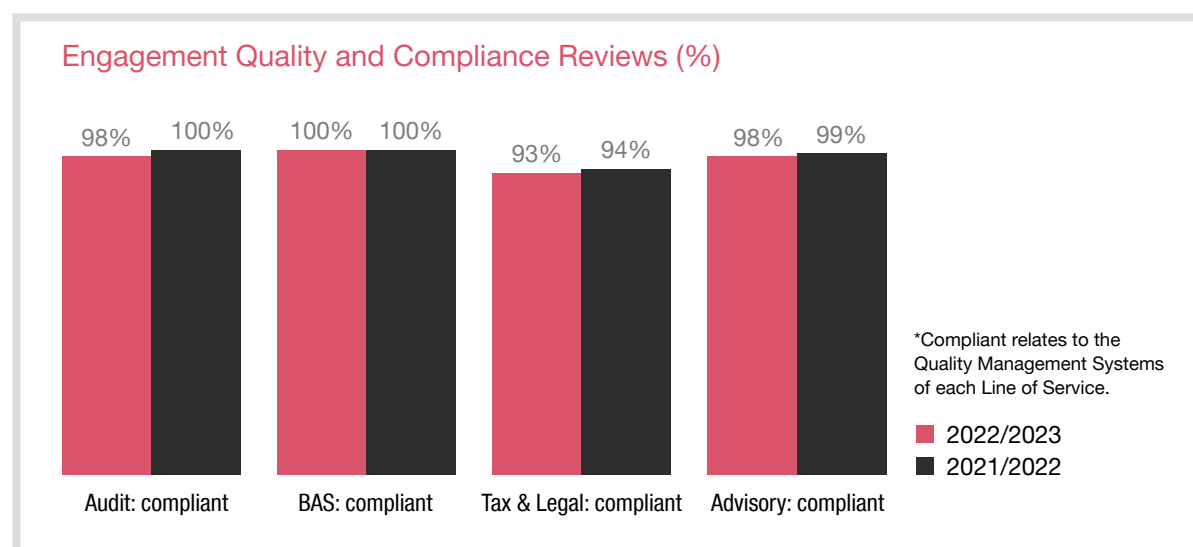


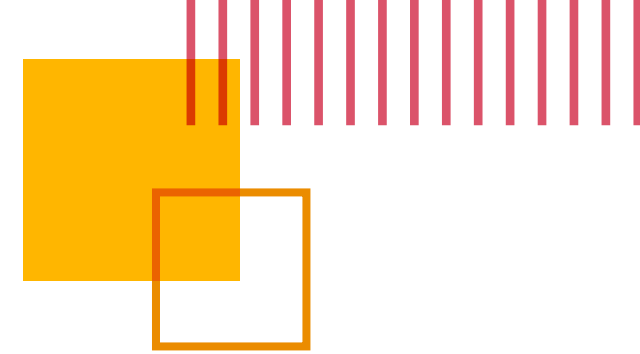
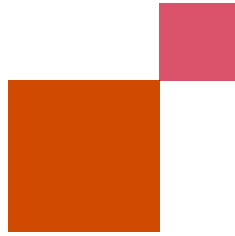
Trust in our organisation

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.

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.





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"> • 2025: zero waste and a fossil-free car fleet • 2024/2025: 30% less motorised mobility (50% less in 2030) • 2024/2025: 50% science-based targets coverage with suppliers 	<ul style="list-style-type: none"> • Maintain a minimum of 25% reduction of pre-COVID-19 mobility. • A near-term science-based emissions reduction from our operations of 40% by 2024, taking 2018/2019 as a baseline year.



SDG IM results

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

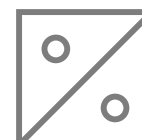
The green bars represent the percentage of indicators for which we have a positive contribution to achieving an SDG. The grey and red bars represent our neutral and negative contributions, respectively. The framework also contains (black) bars that are related to KPIs for which no threshold is defined. 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.

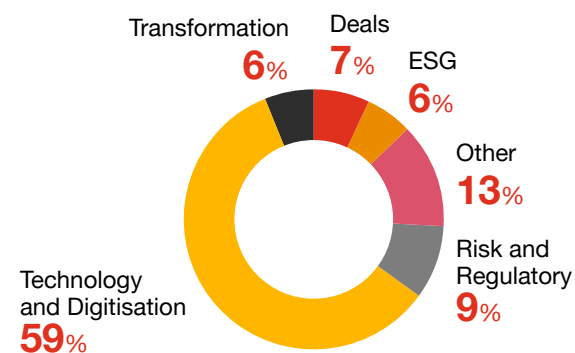
As a result of the growth in headcount in all Lines of Service, our costs have also increased. The pace of growth in the staff base is in line with the growth of our business. It also reflects our quality agenda. Related indirect expenses such as social event costs, mobility and training courses have 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



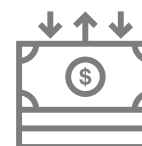
Assurance



Advisory



Tax & Legal



Cash flows and financing



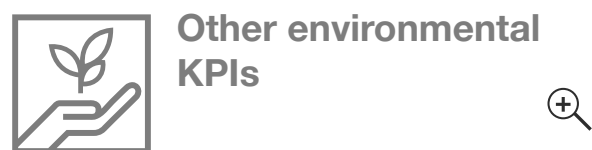
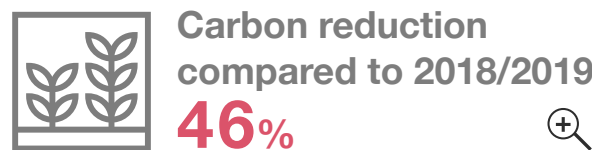


Environmental impact

PwC has been monetising its CO₂ 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 CO₂. 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%

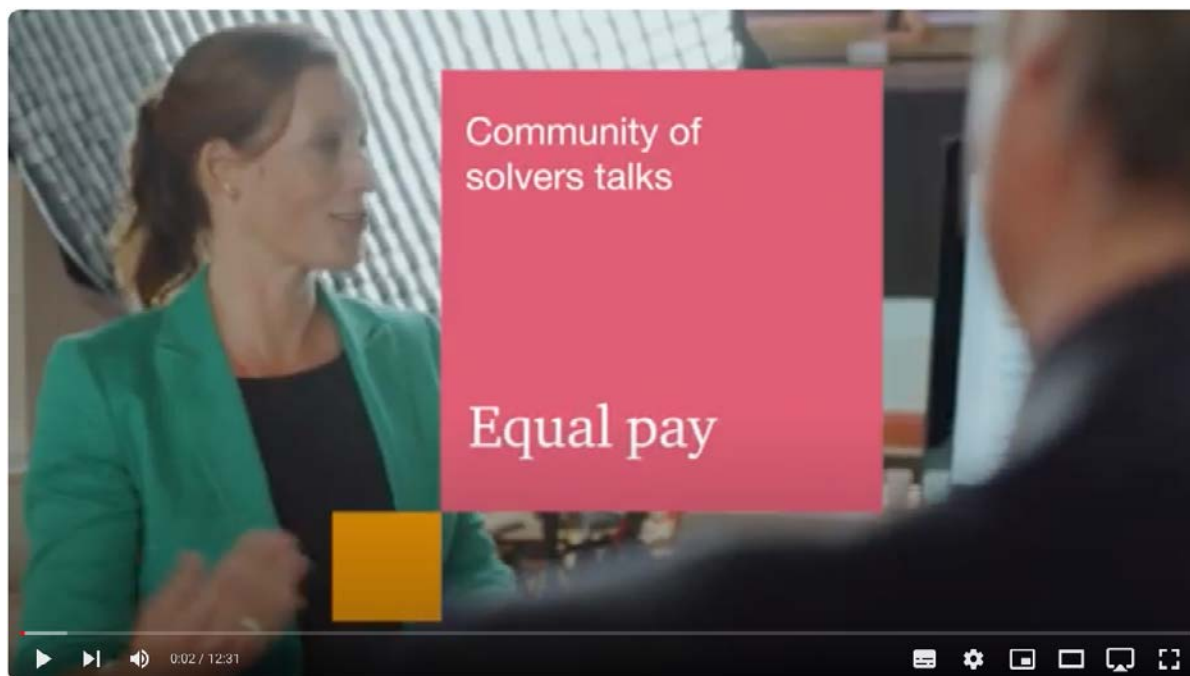
Non-western in new partner/director appointments
13.3/11.1%



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





Report of the Board of Management

Governance

Annual Report

2022/2023



Corporate Governance

Corporate Governance Code

Where applicable, PwC NL voluntarily applies the Dutch Corporate Governance Code. We believe that compliance to this code contributes to confidence in good and responsible management and integration into society. Moreover, with long-term value creation as a principle, it is in line with our own ambitions (see pages 32-34).

Board of Management

As of 1 July 2022, the Board of Management consists of:



Agnes Koops-Aukes, chair, CEO



Maarten van de Pol, CFO, COO,
Corporate Sustainability



Janet Visbeen, Tax & Legal
Line of Service and Human Capital



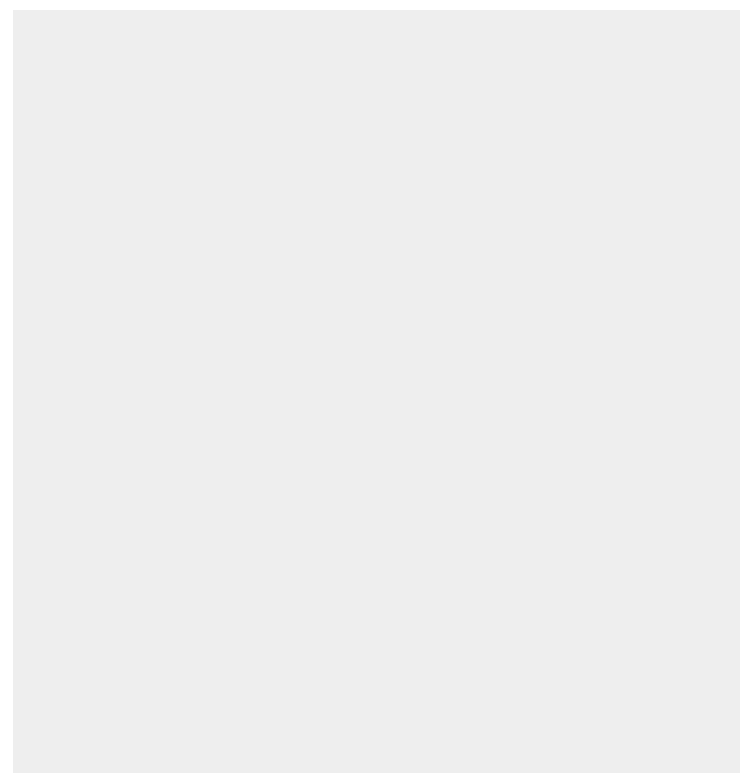
Veronique Roos-Emonds,
Advisory Line of Service and Markets



Wytse van der Molen, Assurance
Line of Service and Risk & Quality



Résumés of PwC NLs' Board of Management members





The members of the Board of Management who are responsible for the Assurance, Tax & Legal and Advisory Lines of Service chair the respective boards.

Balanced male/female ratio in Board of Management, Supervisory Board and Subtop

In compliance with Dutch legislation contained in the ‘Wet ingroeiquote and streefcijfers’, we formulated gender diversity targets for our Board of Management, Supervisory Board, and Subtop (the members of our three Line of Service Boards).

Our objective is to have 30% females in our Board of Management. As of 1 July 2022, our Board of Management consists of three women and two men (60% female).

Our objective is to have 30% females in our Supervisory Board. During the financial year 2022/2023 the board consisted of one woman and four men (20% female) due to the resignation of two members in the first half of 2022. The recruitment process for new (female) Supervisory Board members was ongoing during the financial year 2022/2023. As of 1 July 2023, the board consists of three women and three men (50% female).

Profiles of the Supervisory Board members are included in the Report of the Supervisory Board on page 53.

Our objective is to have 31% females in the Subtop. As of 1 July 2022, they consisted of four women and nine men (30% female). The Line of Service Board members are appointed for four years with their term ending in the financial year 2026.

Allocation of responsibilities within the Board of Management

The members of the Board of Management each have their own individual portfolio with specific focus areas. The allocation of responsibilities among members of the Board of Management reflects their task to manage and supervise the various Lines of Service and market segments as well as functional tasks such as Finance, Human Capital, IT, Risk & Quality, Markets and Corporate Sustainability.

Avoiding conflicts of interest

No member of the Board of Management takes part in discussions or decision-making processes that may give rise to a conflict of interest between themselves and PwC. If no board resolution can be adopted in

such cases, the resolution shall be adopted by the Supervisory Board. To the best of our knowledge, no transactions involving any potential or real conflict of interest took place in 2022/2023.

Coöperatie PricewaterhouseCoopers Nederland U.A. governance bodies

The following bodies constitute the key elements of the governance structure of PwC NL:

- Board of Management
- Supervisory Board and its committees (see the Report of the Supervisory Board, pages 50-56)
- General Meeting
- Partners’ Council

Remuneration

For remuneration-related items and the application of our Remuneration Policy during the year, see the integrated Remuneration Report in the appendix of this Annual Report on pages 103-106.

Other bodies

Click here for more information on other bodies important for governance in our organisation.



Bodies	Main powers and activities	Appointment by	Members 2022/2023
Board of Management	<ul style="list-style-type: none"> Responsible for performance of the company and managing the company, guided by interests of the company and the enterprise connected with it. Ensuring that the company acts in accordance with the objectives defined in its Articles of Association. Responsible for i) defining the long-term goals and strategy of the company, ii) preparation and execution of general policies, and iii) identifying and analysing risks associated with the strategy and business activities of the company. Developing policies and procedures around risks that are consistent with the company's strategy and risk appetite. Ensuring that the company is in good standing and in full compliance with all relevant legislation, rules, standards and procedures. Responsible for preparation of the company's financial budget and annual plans. 	<p>The chair of the Board of Management is appointed by the General Meeting on the basis of a proposal from the Supervisory Board with due respect for the provision of the Wta and Bta.</p> <p>Appointment is for a term of up to four years, with eligibility for reappointment for one additional term of up to four years.</p> <p>The chair of the Board of Management appoints the remaining members of the Board of Management.</p>	<p>Members during the financial year 2022/2023:</p> <ul style="list-style-type: none"> - Agnes Koops-Aukes (chair) - Maarten van de Pol - Janet Visbeen - Veronique Roos-Emonds - Wytse van der Molen <p>All members qualify as policymakers of PricewaterhouseCoopers Accountants N.V. within the meaning of the Wta.</p>
Supervisory Board	<ul style="list-style-type: none"> Supervises the Board of Management and the overall business affairs of the company and the enterprise connected with it, and advises the Board of Management on strategic topics. Has a role in specific decisions regarding PricewaterhouseCoopers Accountants N.V., which holds a licence as an audit firm granted by the AFM in line with legislation regarding audit firms in the Netherlands. Has four committees from among its members: Audit Committee, Public Interest Committee, Remuneration Committee and Selection and Appointment Committee. Their task is to assist and advise the Supervisory Board in fulfilling its responsibilities. The tasks and procedures of the Supervisory Board and its committees are outlined in their charters, which can be found on the PwC website. 	<p>The members of the Supervisory Board are appointed by the General Meeting of Coöperatie PricewaterhouseCoopers Nederland U.A. on the basis of a proposal submitted by the Supervisory Board on the advice of its Selection and Appointment Committee.</p> <p>Members of the Supervisory Board are appointed for a term of up to four years, with eligibility for reappointment for one additional term of up to four years.</p>	<p>Members during the financial year 2022/2023:</p> <ul style="list-style-type: none"> - Chris Buijink (chair) - Frits Oldenburg - Jan Sijbrand - Naomi Ellemers - René van Schooten <p>Member as of 1 July 2023:</p> <ul style="list-style-type: none"> - Chris Buijink (chair) - Baukje Dreimüller - Floor Rink - Jan Sijbrand - René van Schooten - Saskia Vlaar <p>All members qualify as policymakers of PricewaterhouseCoopers Accountants N.V.</p>
General Meeting	<ul style="list-style-type: none"> Approves Board of Management resolutions regarding entering into new association agreements with partners. Appoints the chair of the Board of Management and all members of the Supervisory Board. Adopts the annual financial statements of the Coöperatie and approves the budget and the overall strategy of PwC NL. Appoints the external auditor nominated by the Supervisory Board. Amends the Articles of Association. 	Not applicable	All members of Coöperatie PricewaterhouseCoopers Nederland U.A. (the operating companies of the individual partners).
Partners' Council	Represents the collective interests of the members of Coöperatie and provides advice to the members on matters that are presented. The Partners' Council may also provide advice to the Board of Management of Coöperatie, either upon request or at its own initiative, may mediate between the partner concerned and the respective Board, in cases of internal dispute.	The members of the Partners' Council are appointed by members of Coöperatie for a term of up to four years, with eligibility for reappointment for one additional term of up to four years.	<p>Members during the financial year 2022/2023:</p> <ul style="list-style-type: none"> - Jeroen Elink Schuurman (chair) - Hans Dullaert - Jacobina Brinkman - Martijn van Kessel - Paul Nillesen - Sander Gerritsen - Shana Laurie de Hernandez - Willem Schouten <p>Members as of 1 July 2023:</p> <ul style="list-style-type: none"> - Jeroen Elink Schuurman (chair) - Joukje Janssen - Martijn van Kessel - Paul Nillesen - Sander Gerritsen - Shana Laurie de Hernandez - Willem Schouten - Wilmer Kloosterziel



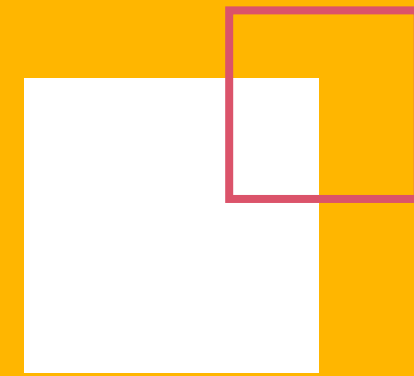
Report of the Board of Management

Risk management

Annual Report

2022/2023





Success in achieving our strategic objectives depends largely on our ability to respond to the complex and competitive environment in which we work. Key complicating factors currently include the war in Ukraine and compliance with EU sanctions, high inflation, the tight labour market, rapid technological developments and stringent scrutiny by supervisory bodies. As our objective is to identify and act upon risks in a timely manner, we monitor developments and trends as they evolve in society in general, in the business environment in which we operate and within our organisation. We believe this will contribute to the long-term success of our business.

Risk management is the process of identifying, assessing and controlling risks to our business and is focused on continuous improvement. Quality and integrity require an organisation that is keen to learn. Our approach to risk management is based on the 'plan, do, check and act' cycle (PDCA). Our risk strategy is founded in the Network Standards provided by the PwC Network.

The responsibility for identifying and managing risks lies with the Lines of Service boards and, ultimately, the Board of Management with supervision from our Supervisory Board. A safe and respectful work environment and commitment to our values and ethical behaviour are part of PwC's Code of Conduct and therefore our risk culture. The tone at the top is key in that risk culture.

We use the Three-Lines Model to set the roles and responsibilities related to managing risks:

1. The first line establishes and maintains appropriate processes for the management of operations and risk and internal control. It ensures compliance with legal, regulatory and ethical expectations.
2. Operating from an independent position, the second line provides complementary expertise, support, monitoring and challenge related to the management of risk.

3. The third line provides independent and objective assurance and advice to (senior) management on the adequacy and effectiveness of governance and risk management (including internal controls). The third line is provided by Internal Audit.

Our risk appetite describes the extent to which we are accepting risks in realising our strategic objectives. Considering the societal impact of our services, we follow a prudent approach with a low to moderate risk appetite.

In our services to clients we have Quality Management Systems (QMSs) in place per Line of Service (Assurance, Tax & Legal and Advisory). As we aim for high quality, the operational processes used to provide clients with services also entail a variety of risk management policies. This differs per LoS as each has its own specific requirements and procedures due to the difference in service delivery, legislation, regulatory requirements and professional standards. A detailed description of Assurance's QMS is provided in the Transparency Report. For Tax & Legal the QMS specifies the expected key activities in quality requirements. The Advisory QMS is also ISO 9001:2015-certified.

Monitoring and reviewing the QMS is embedded in our operations. Compliance with the Network Risk Management Policies is assessed through Engagement Quality Reviews (EQRs) and Engagement Compliance Reviews (ECRs). The PwC Network executes Quality Management Reviews (QMRs) for the Assurance LoS. The Compliance Officer has a legally delegated supervisory responsibility regarding auditor compliance with laws and regulations and regarding the operation of the QMS of LoS Assurance. PwC NL has extended this monitoring role for the Compliance Office to include all Lines of Service. The Internal Audit Department (IAD) periodically reviews the design and operational effectiveness of QMSs, carrying out a risk-specific programme of audits.

A fraud risk analysis has been carried out annually for PwC NL. Fraud risks are structurally present in our business. We implement a range of measures to mitigate these risks, which include having clear core values, policies and procedures, training etc. Key areas to fraud risks are related to payments, purchases, (non-)financial reporting, and management override of controls.

Overview of main risks

At least once per year we assess our risk with regard to our The New Equation strategy and our risk appetite. The main strategic risks are included in the table below where we set out the main risks identified, and the most relevant mitigation and actions being taken to prevent or mitigate any occurrence and/or impact. The risks were scored based on an assessment of impact should the risks occur and the likelihood that this will happen. In the assessment of impact the perspectives financial, client, reputation, compliance/legal and people were involved. The risks scored overall medium to high.

In addition, we have linked the material topics (see page 11) to the risks in the table on the next page. This provides insight onto which sustainable matters are related to these risks. In the event one of the main risks actually materialises, this is not expected to lead to any doubt about the organisation continuing on a going-concern basis 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.

Strategic priority	Risk	Risk description	Risk appetite	Mitigation and actions	Related material topics
Client focused	Societal risks and trust	Failure to anticipate, understand and respond to market and societal expectations and concerns, or to engage in the broader societal agenda, which will erode trust in our profession and in our business and will put the relevance and value of PwC at risk.	Medium	We engage with stakeholders via the stakeholder dialogues and with clients via client dialogues. We also have constructive dialogues with professional bodies and standard setters like the NBA, NOB, Kwartiermakers and members of parliament and institutions like VNO/NCW. We actively participate in the media by sharing thought leadership knowledge and views.	Entity specific topics
	Regulations and/or public policy	Failure to constructively engage stakeholder groups in support of our purpose, which will constrain our ability to influence the regulatory agenda and increase the risk of regulatory change that would hamper our ability to operate in a sustainable way. Failure to comply with independence, legal, ethical or professional requirements and to manage and maintain our data securely.	Medium	We engage with stakeholders via the stakeholder dialogues. We also have constructive dialogues with professional bodies and standard setters like the NBA, NOB, Kwartiermakers and members of parliament and institutions like VNO/NCW. And we participate in NBA's 'Stuurgroep Publiek Belang' and the European Contact Group. Our policies and procedures are designed to help PwC comply with independence, legal, ethical or professional requirements. We also foster a culture in which compliance matters are fuelled by the tone at the top. We are rolling out the Data Responsibility Program and initiatives to enhance the data quality.	Entity specific topics
	Climate	Failure to anticipate, understand and respond to the impact of climate change on the business and to prepare for its implications, including (i) the impact of physical risks and related disruption, (ii) the impact of transitional risks on certain clients, sectors, economies and on our services, and (iii) failure to meet PwC's commitments related to climate.	Medium	We have a PwC Corporate Sustainability policy. We have an initiative to include ESG risk factors in the client and engagement acceptance in a structured way. We are preparing to implement the new CSRD legislation in our way of working.	Climate change Biodiversity and ecosystems
	Technology-enabled disruption	Failure to prepare for and respond to disruption, including bringing new services and solutions to the market with speed and agility.	Medium	Roll-out of the go-to-market strategy of strategic technology initiatives. We identify and engage with potential alliance partners. We also foster a culture in which innovation is supported and fuelled by the tone at the top.	Economic
Community of solvers	Purpose, values and behaviours	Failure to embed our purpose in our strategy and to ensure values and behaviours that support our purpose and our strategy are embedded consistently in our business model and in our decision-making, which will both prevent the achievement of our strategy and result in reputational risk.	Low	We have onboarding programmes for all new joiners in which our purpose, values and behaviours have the spotlight. We focus on a purpose-led and values-driven culture throughout PwC and demonstrate that with an adequate tone at the top in leadership messages.	Business conduct
	Network mutuality/alignment	Failure to act collaboratively as member firms given pressures caused by conflicting regional and national priorities in the external environment. Failure to act together as PwC NL given pressures caused by conflicting LoS priorities.	Low	All PwC Europe, PwC EMEA and PwC Global Leadership teams focus on cooperation and common interest. We set a culture for PwC NL of a one-firm focus through industry focus and go-to-market initiatives.	Business conduct

Strategic priority	Risk	Risk description	Risk appetite	Mitigation and actions	Related material topics
Community of solvers	People	Failure to attract, retain and train appropriate talent in order to realise opportunities and meet clients' changing needs and anticipate diversity (background, skills, gender etc.) and workforce-related changes such as automation, and coach/train the appropriate talent to develop future leaders.	Low	We are in the process of modernising our working conditions policies including learner pathways and differentiated career paths. We have established Young Boards for each LoS and for PwC NL level to reflect on a variety of topics, including talent management.	Own workforce Workers in the value chain
Human-led, tech-powered	Technology resilience and availability	Failure to manage critical system availability, impacting the ability to service clients and manage the business.	Low	We roll out the Business Operating Solutions driven by Global and implement a robust IT governance.	Economic
	Information and cybersecurity	Failure to manage the security of firm or other third-party information, causing legal breaches and reputational damage.	Low	We have PwC policies with regard to information security. The Network Information Security (NIS) organisation is in place that is solely focused on the security of our information systems. We are also upskilling our technology and security staff.	Business conduct
High quality	Client and service quality	A significant failure in client/engagement acceptance or continuance, or service delivery quality resulting in reputational damage.	Low	Each LoS has a Quality Management System (QMS). For LoS Assurance the QMS is in line with ISQM1 requirements, which aims to ensure that PwC complies with laws and regulations for the execution of audits. In addition, the QMS of PwC Advisory has an ISO 9001 certification. The PwC KYC policy ensures that our client acceptance and continuance is a robust process with involvement from leadership in accepting high-risk clients. We have a continuous process of impact assessments of quality findings, root-cause analysis leading to quality initiatives. We respond to significant failures through internal investigations.	Entity specific topics
	Significant matters	Failure to respond appropriately, with expertise and speed to significant adverse matters and major claims with actual or potential negative impact on the reputation of PwC NL. The adverse impact can be financial, security-related, technological and/or reputational.	Low	We respond to significant adverse matters and major claims through our Troublesome Practice Matters team. We also have insurance arrangements in place.	Entity specific topics
Sustainable growth	Investment	Failure to ensure sufficient investment in future growth areas and reinvestment in existing services.	Medium	We focus on possible acquisitions and monitor business cases based on a network policy regarding minimum investment requirements. There is also a Global Strategic Development Fund (SDF) to drive investments centrally.	Economic
	Resilience of member firms	Failure to withstand an economic, regulatory or political shock, or complete adequate contingency planning.	Medium	We coordinate such events through the network like PwC Europe, PwC EMEA and PwC Global leadership teams.	Business conduct Entity specific topics
	Black and Green Swan events	Failure to prepare for events with implications in terms of immediate/disaster response, reputational damage or potential macroeconomic impact such as regulatory change, inflation, environmental events of macroeconomic disruption created by events such as a pandemic.	Medium	We have policies and procedures such as the business continuity plan and crisis management policies.	Business conduct Entity specific topics



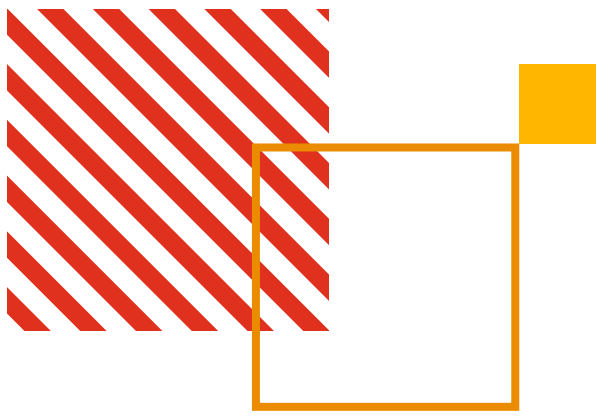
Report of the Board of Management

Statement by the Board of Management

Annual Report

2022/2023





The Board of Management is responsible for the preparation of the financial statements in accordance with applicable reporting standards. The responsibility includes selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The Board of Management also prepared the Report of the Board of Management in which we endeavour to present a fair view of the development and performance of our business. It contains a selection of the main developments in the financial year and is not limitative.

Our organisation has internal risk management and control systems that are suitable for the organisation and ensure we are in compliance with applicable laws and regulations. As a PwC member firm, we must comply with the PwC Network Standards and the Network Risk Management Policies (as described on page 45 of this annual report). We have also implemented measures to prevent fraud and corruption within our organisation. The objective of the aforementioned systems is to manage, rather than eliminate, the risk of failure to achieve our business objectives and the risk of material errors to the financial reporting. Accordingly, these systems can only provide reasonable, not absolute, assurance.

Our organisation has identified the main risks it faces. And these can be found on pages 46-47 of this annual report. Developments that are currently unknown to the Board of Management or considered to be unlikely may change the future risk profile of the organisation.

The Board of Management monitors the operation of the internal risk management and control systems, making improvements where necessary. The results of these monitoring activities have been shared with the Audit Committee, Supervisory Board and PwC NL's external auditor.

With reference to best practice 1.4.3 of the Dutch Corporate Governance Code the Board of Management confirms that to the best of our knowledge:

- No material failings in the effectiveness of the organisation's internal risk management and control systems have been identified.
- The organisation's internal risk management and control systems are aimed at providing reasonable assurance that the financial reporting, as included in the financial statements, does not contain any errors of material importance.
- There is under the current circumstances a reasonable expectation that the organisation will be able to continue in operation and meet its liabilities for at least twelve months as from the date hereof, making it appropriate to adopt the going concern basis in preparing the financial statement.
- There are no material risks or uncertainties that could reasonably be expected to have a material adverse effect on the continuity of the organisation's business in the coming twelve months as from the date hereof.

Looking ahead

Against the background of the developments laid out in this report, we are confident that our future-focused strategy, The New Equation, addresses the two fundamental and interconnected needs every organisation faces – the need to build trust across a broader range of stakeholders and the need to deliver sustained outcomes.

With our long history of building trust, our multidisciplinary model, our investment in technology and the diverse talent of our colleagues, PwC is uniquely positioned to deliver solutions which help companies, organisations and governments meet their needs.

Amsterdam, 4 October 2023

The Board of Management:
Agnes Koops-Aukes (statutory director)
Maarten van de Pol*
Janet Visbeen*
Veronique Roos-Emonds*
Wytse van der Molen*

*Authorised executive director





Report of the Supervisory Board

Annual Report

2022/2023



A personal note from Chris Buijink, chair of the Supervisory Board

The new Board of Management started the year under review with a keen ambition and commitment to strengthening the market position of PwC and increasing its social relevance. PwC's client portfolio, contribution to the public debate, financial results, the progress made on the net zero commitment, the growth in employee numbers and the results of the people survey - these are just some of the factors which allow us to say that 2022/2023 has been a good year for PwC.

Trust is essential for the long-term success of PwC: the trust of our clients and trust from all stakeholders. The need to enhance this trust has been shown by media reports on how individuals within the audit sector shared answers during e-learnings, the critical review by the Dutch Authority for the Financial Markets (AFM) regarding fraud risk analysis by audit teams, and the reflections of the *Kwartiermakers toekomst accountancysector* on the progress of cultural renewal. The unauthorised sharing of confidential government information by PwC Australia – actions which are in complete opposition to the purpose and values of PwC – can also be mentioned in this context. Let us be clear: trust is not something that can be bought; trust has to be earned through continuous improvement. And this fact is high on the agenda of both the Supervisory Board and the Board of Management.

While PwC has made significant strides in recent years in terms of culture and social orientation, more is required to ensure sustainable success. In addition to being a learning organisation, PwC needs to have a solid position in society and the market along with a strong PwC network of member firms if the organisation is to genuinely make a difference. It is our role as the Supervisory Board to encourage the Board of Management to make strategic decisions and critically monitor delivery of the strategy. This report outlines how we have pursued this over the past financial year.



The report also reflects on the values we have defined for ourselves as a Supervisory Board and our composition. Naomi Ellemers and Frits Oldenburg stepped down at the end of the year having completed their second term on the Board. Involved from the moment the Supervisory Board was first founded in 2015 within PwC NL, both have been of enormous value to the development of our internal supervision activities. We are very grateful to Naomi and Frits for their impressive insights and steadfast commitment over the years.

After a careful recruitment and selection process, we were delighted when Baukje Dreimüller, Floor Rink and Saskia Vlaar were appointed new members of the Supervisory Board and took up their roles on 1 July 2023. With this new composition in place, we look forward to continuing to encourage, challenge and inspire the Board of Management as it further strengthens PwC's market position and contribution to society over the coming year.

Finally, I would like to thank my board colleagues and everyone within PwC for their dedication and major contributions to the achievements of PwC in the financial year 2022/2023.

Chris Buijink, chair of the Supervisory Board



Key discussion themes in 2022/2023



Making strategic choices

The Board of Management took a clear position at the beginning of the financial year to strive for a stronger PwC. This is based on the organisation's stated aims of delivering quality and solid results, being 'client focused', a 'community of solvers' and 'human-led, tech-powered'. The Board of Management is taking further steps to ensure PwC has a positive lasting impact on society and unleashes its full potential. The Supervisory Board is fully in line with this approach and continually challenges the board to turn ambitions into visible plans and make concrete choices. In its discussions with the Board of Management about the business plan for the coming years and approval of the budget (including for Assurance), the Supervisory Board asked the board to **focus on the long term, invest in the focus areas of PwC and attract, develop and retain talent.**

High quality as a foundation for trust

Quality will always be a major recurring theme in our supervision. **Whether it's about the societal responsibility of auditors, ethical behaviour or the management of internal departments,** a lack of quality inevitably has an effect on trust. That said, we must also recognise that things can sometimes go wrong, which is why we want PwC to be a learning organisation and show this in practice. Such an approach requires an open culture, one in which the purpose and values of PwC are the compass. We welcome the fact that the Board of Management pays a lot of attention to ensuring a tone at the top that fits within an open culture. A good example is being transparent both internally and externally about the survey into transgressive behaviour and the steps taken to have an open conversation about behaviour in a hierarchical organisation.

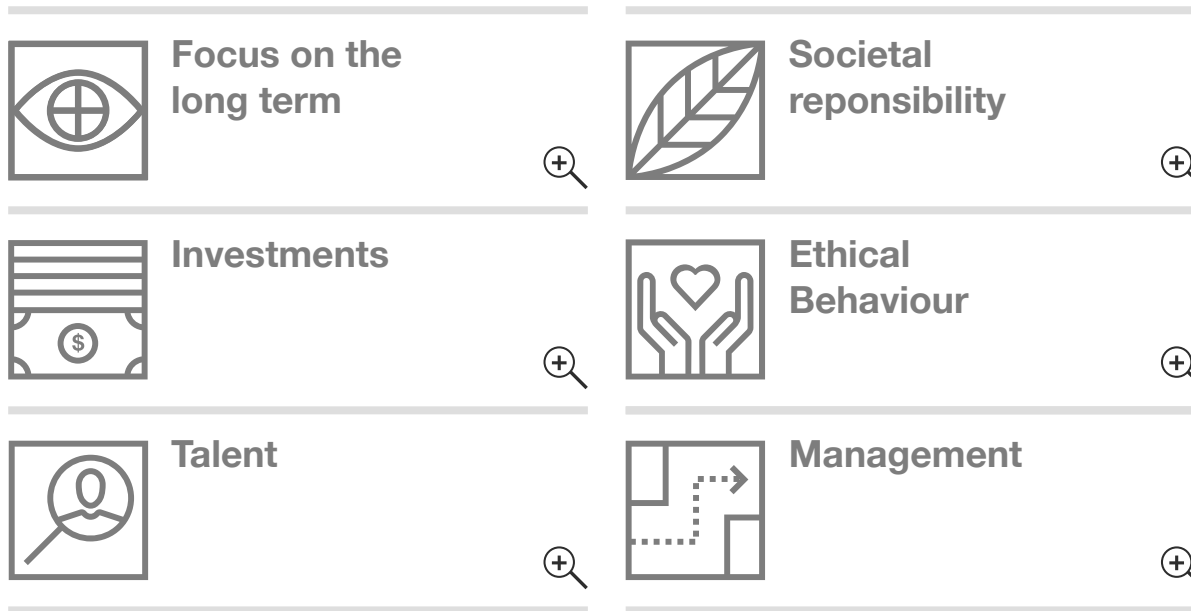
Strategy monitoring and financial & risk reporting

We monitor progress with respect to the strategic agenda via quarterly reports that provide an insight into what is going well and which areas need extra priority. Periodic financial reports enable us to follow the development of the results compared to the budget and the previous year's performance. In discussions on these reports we requested a greater focus on clients in terms of time spent, and cost developments.

The Supervisory Board continues to monitor the risk approach of the Board of Management and the internal control mechanisms. Factors influencing our views include the Enterprise Risk Management process and the results of the PwC Network Standards review, along with reports from the Internal Auditor and the Compliance Officer and their personal explanations. These were the background to our observation that the engagement management and financial information system within PwC that had been replaced in the previous year had yet to attain the desired level. We urged the Board of Management to solve these issues as quickly as possible.

Relations with the external auditor

The Supervisory Board asked our external auditor BDO to audit the financial statements and other information within this Annual Report. BDO also audits the Transparency Report. The audit plan, the results of the interim audit (BDO management letter) and the audit report were discussed extensively in meetings of the Audit Committee in the presence of the external auditor. The Supervisory Board also engages with the external auditor in a private session without the Board of Management being present. In our conversations with the external auditor we specifically considered the financial position of PwC NL and the IT organisation. The performance of BDO was evaluated as positive by the Audit Committee, leading to the company being nominated by the Supervisory Board and reappointed by the general meeting as external auditor for the next three years.



Composition of the Supervisory Board

With **Naomi Ellemers** and **Frits Oldenburg** coming to the end of their time on the Supervisory Board, the year under review was also characterised by the recruitment and selection of new members. In doing so we paid close attention to the desired profile as well as the composition of and distinctive competences within the board. After a careful search and selection process, we were delighted with the appointment of Baukje Dreimüller, Floor Rink and Saskia Vlaar as new members starting on 1 July 2023. With their respective legal (corporate) background, cultural and behavioural expertise, and wide experience in the area of digital transformations, the trio brings a fresh perspective to the Supervisory Board. We are also very pleased that Jan Sijbrand made himself available for a second term and he was reappointed by the General Meeting for an additional term of four years.

There are now six board members, a figure we believe is currently appropriate. The composition is sufficiently diverse for Supervisory Board members to be able to act independently and critically with respect to each other, the Board of Management and PwC, while also complementing each other in who they are and the experience they bring to the table. The onboarding of the new board members will be a key focus for the coming year.

All Supervisory Board members qualify as independent within the meaning of the Supervisory Board Regulations and the Dutch Corporate Governance Code. Supervisory Board members are obliged to inform the chair of the Supervisory Board before they accept any additional positions and to report any potential conflict of interest. No conflicts of interest occurred in the year under review that required a Supervisory Board member to abstain from attending a meeting or adopting a decision.



Chris Buijink, chair



Baukje Dreimüller



Floor Rink



Jan Sijbrand



René van Schooten



Saskia Vlaar



Core values and self evaluation of the Supervisory Board

The Supervisory Board formulated three core values to guide its activities and elaborated on them in the 2021/2022 Supervisory Board report. These core values played a significant role in the self-evaluation of the Supervisory Board, serving as a living framework for reflecting on attitude, intention and conduct. The most important findings are as follows:

Critical and engaged

The involvement of the Supervisory Board in the wider organisation is extensive. We spend a considerable amount of time on conversations with partners. Next to that we especially focused on other function levels in the organisation: directors, (senior) managers and (senior) associates. These orientation sessions give us useful functional insights and bring depth to the supervision of the Board of Management.

Furthermore, the contacts with the Lines of Service boards were strengthened this year by joining the meetings of the Tax & Legal Board and Advisory Board. As usual we also invited members of the Assurance Board to the meeting of the Public Interest Committee. All these conversations saw us asking critical questions as a relative outsider to properly understand what is happening in the organisation, act as a sounding board and bring an outside view in.

Open and keen to learn

The Supervisory Board is transparent in its actions, among individual members and towards the management. We listen to feedback and in that context have taken on a more pronounced role during the General Meeting. It is vital within a partnership like PwC that the partners have a clear insight into the work and priorities of the Supervisory Board, and that the Supervisory Board ascertains what is going on in the partnership. This is a topic of conversation with the Board of Management and also with the Partners' Council. PwC Netherlands is part of a global network and it is crucial that the Supervisory Board closely follows developments within the network. We do so via the Board of Management and through active participation in the Global Governance Forum of PwC with the Global Board and the Network Leadership Team.

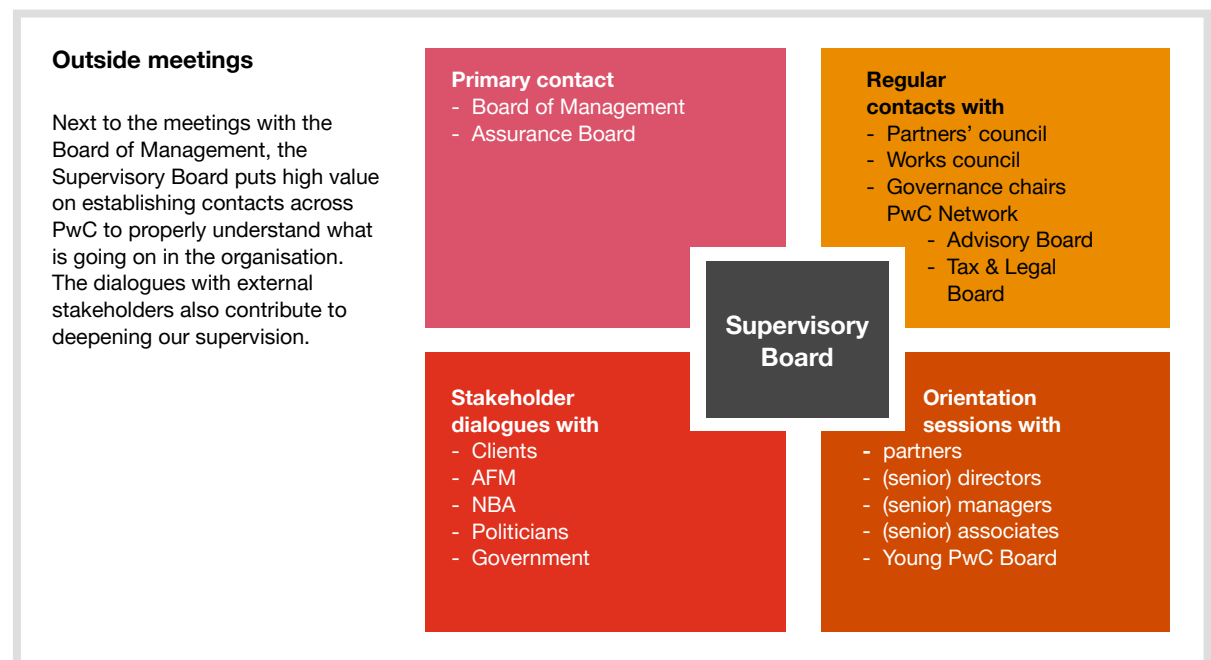
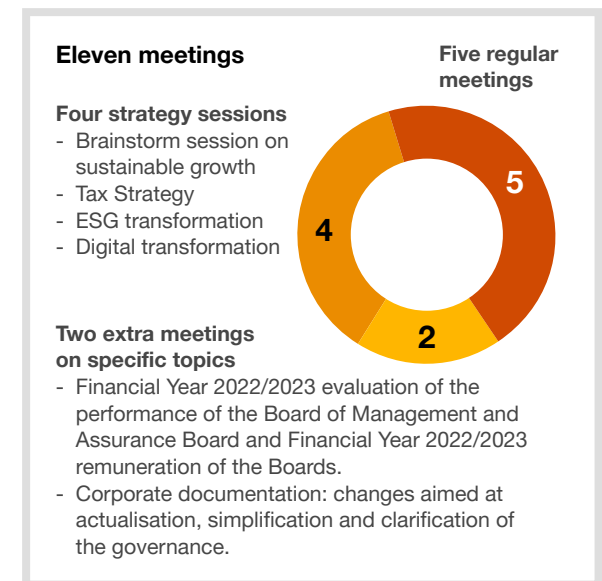
As you would expect, the Supervisory Board aims for quality in all its dealings and its own performance. Over the past year we have dived deeper into sustainability and technology/AI issues and decided to include these themes in the year ahead too as part of our ongoing education. This will support us in our ability to properly judge relevant developments.

Respectful and challenging

A lively dialogue is enjoyed with the Board of Management. In keeping with last year's self-evaluation, this dialogue is based on to-the-point information provided by the Board of Management and consists of more extensive discussions of long-term strategic subjects. The Supervisory Board will continue to be proactive and, where necessary, ask critical questions in order to thoroughly understand the subjects at hand.

We value the performance of the Management Board and the Assurance Board as policymakers of PricewaterhouseCoopers Accountants N.V. in line with the Dutch Audit Firms Supervision Act (Wta), as well as the way they take on the challenges of today's and tomorrow's business. They have an ambitious and open mindset and are making good progress on the topics raised by the Supervisory Board.

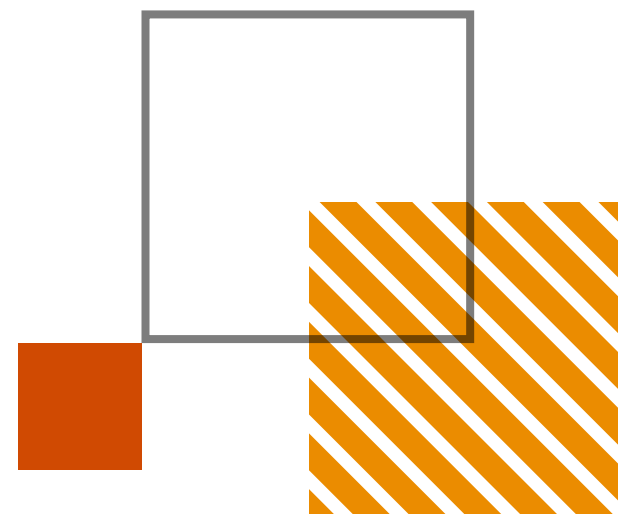
These include having a greater focus on clients in terms of time spent, the support and development of partners, and the management of internal departments. More information on the performance evaluation of the board and the individual board members can be found in the Remuneration Report on page 103.



Supervisory Board committees

The Supervisory Board has four committees, namely the Public Interest Committee, the Audit Committee, the Remuneration Committee and the Selection and Appointment Committee. These committees have an advisory role within the Supervisory Board.

The separate committee reports show the composition and focus of each of the committees, together with a summary of the key matters on the committees' agendas.



Report of the Public Interest Committee

Members 2022/2023:
All members of the Supervisory Board are members of the Public Interest Committee. The committee is chaired by Jan Sijbrand

Focuses on the societal aspects relevant to PwC, including the public interest to safeguard the quality of statutory audits, and regulatory affairs.

Each meeting is attended by the chair of the Board of Management, the chair of the Assurance Board and the member of the Assurance Board responsible for risk and quality, the Compliance Officer, Deputy Compliance Officer and Public Affairs manager.

The committee meets regularly with other members of the Assurance Board.

An overview of key issues discussed by the Public Interest Committee in 2022/2023 can be found in its contribution to the Transparency Report by PricewaterhouseCoopers Accountants N.V. (see [PwC NL website](#)). Other discussion topics relevant this past year are:

- The audit firm's quality management system and the design and operational effectiveness in relation to the quality objectives. This includes the quality indicator reporting that monitors the progress being made with respect to the objectives.
- Developments of societal interest within PwC's practice, such as the risk procedures for PwC Advisory assignments in the public sector and the update of the tax strategy applicable to PwC NL and tax services to clients.
- Developments relating to the audit profession, including market developments, the proposed Future of the Accountancy Sector Act in the Netherlands and the dialogue on the legal anchoring of an In-Control statement (*Verklaring omtrent risicobeheersing*) for organisations, as well as progress reports of the *Kwartiermakers toekomst accountancysector*.
- Internal and external reviews, such as the results of the thematic review carried out in 2023 by the AFM of the fraud risk assessments of audit firms, as well as (the follow-up to) the results of the Public Company Accounting Oversight Board (PCAOB) inspection carried out in 2021.
- Evaluation of the external auditors' improvement plans and signing authority, based on the file reviews.
- Discussions between PwC and the AFM regarding the audit firm, including incidents notified to the AFM and the AFM publication on incident reporting.
- The future of the audit profession within PwC, including signing capacity, investments in next-generation data platforms and IT audits.
- Updates on the stakeholder dialogue and PwC publications with societal impact.

Report of the Selection and Appointment Committee

Members 2022/2023:
Chris Buijink (chair)
Naomi Ellemers
Frits Oldenburg

Focuses on partner and director admissions, succession within the Supervisory Board and Board of Management, performance evaluations of the Board of Management and Assurance Board, and human capital strategy and developments.

Chair of the Board of Management is primary contact person.

Meets regularly with members of the Board of Management responsible for Human Capital, the HC director and the Business Conduct Leader.

Overview of key issues discussed by the Selection and Appointment Committee in 2022/2023:

- Evaluation of the selection of the partner and director candidates before appointment as external auditors within Assurance, including the selection process itself.
- Improvement plans and signing authority of external auditors after shortcomings were identified, including evaluation thereof and decisions about dismissal. There were no cases of suspension or dismissal of external auditors in this financial year.
- Goal setting and performance evaluation of the members of the Board of Management and the members of the Assurance Board in their role as policymakers under the Wta, plus the Internal Auditor and Compliance Officer.
- Succession within the Supervisory Board and Board of Management, including preparation for nominations of Supervisory Board members for appointment by the General Meeting and the evaluation of the Territory Senior Partner selection protocol timeline.
- Ambitions and action plans regarding inclusion and diversity within PwC.
- Human Capital strategy and developments such as talent acquisition, workload, culture, safe working environment and the People Surveys.
- Ethics and business conduct, including a safe working environment, complaints, notification and whistleblowing procedures.
- Partner affairs, including the process relating to evaluation, mapping, goal setting and the development of partners.

Report of the Audit Committee

Members
2022/2023:
René van Schooten
(chair)
Frits Oldenburg
Jan Sijbrand

Focuses on finance and reporting, internal and external audits, risk and IT (security).

CFO of the Board of Management is primary contact.

Meets regularly with those responsible for internal audit, risk and finance, IT/information security and the Assurance Board member responsible for finance.

Holds private discussion each year with external auditor (not attended by CFO and Internal Auditor).

Overview of key issues discussed by the Audit Committee in 2022/2023:

- Periodic financial management reports and forecasts, the results and the draft annual financial statements.
- The enterprise risk management process and the In-Control Statement by the Board of Management, which give insight into the design and operational effectiveness of the internal risk management and control systems. With regards to the analyses of the material risks, the Audit Committee advised making more explicit choices, focusing on the top ten risks and classifying 'Societal risks and trust' and 'Investment' as a higher risk.
- The external auditor's management letter and report, as well as discussions with the external auditor about the audit plan and approach. The effectiveness of the audit process was evaluated during the private discussion between the Audit Committee and external auditor. The audit committee has advised the Supervisory Board to nominate BDO for reappointment as external auditor for the next three years.
- The business planning cycle and the budget, including the budget for Assurance.
- The internal audit charter, together with the internal audit year plan and internal audit reports. The (effectiveness of the) internal audit processes were evaluated via in-depth discussions of internal audit reports, as well as regular (private) meetings between the chair of the Audit Committee and the internal auditor prior to meetings of the Audit Committee.
- Technology updates, including information security and data protection updates, as well as updates on engagement management & financial information system within PwC that was replaced last year.
- The financing of PwC NL and an analysis of the desired level of own capital, which will result in an increase of own capital by raising the members' capital contribution as of next year.
- Updates on the risks and effects of the war in Ukraine for PwC's service offerings and the client acceptance and continuation process (KYC).
- The tax policy of PwC and the tax control framework.
- Investments in the focus areas of PwC, the M&A pipeline and new PwC partnerships.

Report of the Remuneration Committee

Members
2022/2023:
Naomi Ellemers
(chair)
Chris Buijink
Jan Sijbrand

Focuses on remuneration of members of the Board of Management and Assurance Board, and of partners/directors and staff.

Chair of the Board of Management is primary contact.

Meets regularly with the chair of the Partners' Council.

Overview of key issues discussed by the Remuneration Committee in 2022/2023:

- Remuneration policies and conditions of employment for staff and directors, including equal pay and the mobility policy.
- Updates to the remuneration policy for partners and the process relating to their performance evaluation and remuneration, particularly in the area of quality outcomes and quality behaviours.
- The evaluation and remuneration of assurance partners/directors who act as external auditors, in terms of quality.
- Updates to the remuneration policy and the proposed remuneration of members of the Board of Management and Assurance Board.
- Updates to the remuneration policy for the Supervisory Board.
- Pay ratios within PwC NL.
- The Remuneration Committee's Remuneration Report, as adopted by the Supervisory Board, is included as an appendix to this Annual Report 2022/2023 (pages 103-106).

Remuneration Report

The Remuneration Report, included on pages 103-106, is an integral part of the Report of the Supervisory Board.

Annual Report

After discussing the Annual Report and financial statements, the Supervisory Board concluded that these present a fair view and have been prepared on a basis that is consistent with the previous year.

Amsterdam, 4 October 2023

The Supervisory Board:

Chris Buijink (chair)
Baukje Dreimüller
Floor Rink
Jan Sijbrand
René van Schooten
Saskia Vlaar





Financial statements

Coöperatie
PricewaterhouseCoopers
Nederland U.A.

Annual Report

2022/2023



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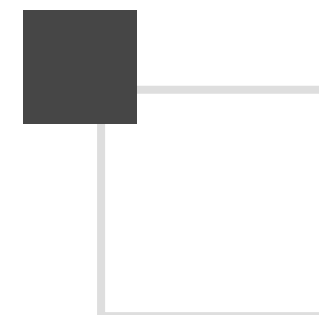
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1. Consolidated financial statements

1.1. Consolidated balance sheet at 30 June 2023 (before appropriation of result) (in € x 1,000)

		30 June 2023	30 June 2022
Fixed assets			
Intangible fixed assets	[1]		
Software		76	147
Goodwill		2,739	3,773
		2,815	3,920
Tangible fixed assets	[2]		
Leasehold improvements		11,597	11,915
Office furniture		7,143	8,108
Office equipment		13,240	10,817
Fixed assets under construction		1,782	341
		33,762	31,181
Financial fixed assets	[3]		
Participating interests		1	1
Other participations		3,568	5,937
Deferred tax assets (non-current)		197	890
Other receivables		18,731	18,230
		22,497	25,058
Current assets			
Work in progress	[4]	68,420	77,578
Receivables			
Receivables from clients	[5]	225,603	186,681
Receivables from other participations	[6]	3,340	54
Deferred tax assets (current)	[3]	818	657
Taxes and social security charges		240	-
Other receivables	[7]	9,850	10,574
Prepayments and accrued income	[8]	17,710	20,157
		257,561	218,123
Cash and cash equivalents	[9]	135,895	173,059
Total		520,950	528,919

[.] The numbers in square brackets refer to the corresponding numbers in the notes.

		30 June 2023	30 June 2022
Equity and liabilities			
Group equity	[10]	94,402	88,318
Provisions	[11]	11,183	12,277
Long-term liabilities			
Other loans and liabilities	[12]	1,039	1,612
Accrued expenses and deferred income	[13]	45	1,091
		1,084	2,703
Current liabilities			
Liabilities to suppliers	[14]	28,352	25,505
Liabilities to members of Coöperatie PricewaterhouseCoopers Nederland U.A.	[15]	201,764	220,227
Taxes and social security charges	[16]	54,439	53,467
Other liabilities	[17]	94,701	100,693
Accrued expenses and deferred income	[18]	35,025	25,729
		414,281	425,621
Total		520,950	528,919

[.] The numbers in square brackets refer to the corresponding numbers in the notes.

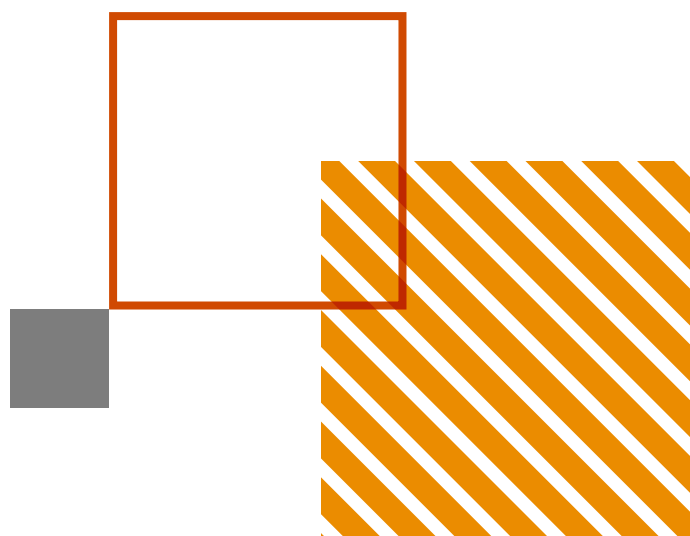


1.2. Consolidated profit and loss account for the year ended 30 June 2023 (in € x 1,000)*

		2022/2023	2021/2022
Net revenue	[19]	1,037,730	394,872
Other revenue	[20]	1,181	33,061
Total revenue		1,038,911	427,933
Cost of work contracted-out and other external costs	[21]	145,949	34,480
Salaries		358,454	90,034
Social security charges		54,163	11,790
Pension contributions		28,908	6,911
Amortisation and depreciation of fixed assets	[22]	9,654	2,834
Travel costs and other personnel costs	[23]	135,136	27,459
Other operating costs	[24]	114,025	23,807
Total operating costs		846,289	197,315
Operating profit		192,622	230,618
Interest and other financial income	[25]	3,146	1,410
Interest and other financial expenses	[26]	-849	-956
Profit before tax		194,919	231,072
Corporate income tax	[27]	-2,800	-10,459
Results of participating interests		-	-
Profit after tax before management fee		192,119	220,613
Management fee members of Coöperatie PricewaterhouseCoopers Nederland U.A.	[28]	-182,198	-189,095
Profit after tax		9,921	31,518

[.] The numbers in square brackets refer to the corresponding numbers in the notes.

* In paragraph 1.8 (page 81), the profit and loss account for the current year is compared with the pro forma profit and loss account for the period 1 July 2021 to 30 June 2022.



1.3. Consolidated statement of cash flows for the year ended 30 June 2023 (in € x 1,000)

		30 June 2023	30 June 2022
Cash flow from operating activities			
Operating profit		192,622	230,618
Adjustments for:			
Other revenue		-	-33,061
Amortisation, depreciation and impairments	[22]	10,726	2,834
Movements in provisions	[11]	-1,094	-1,064
Movement in accrued expenses and deferred income (non-current)	[12]	-1,046	-
		8,586	-31,291
Changes in working capital			
Receivables	[5-8]	-39,037	-30,183
Work in progress	[4]	9,158	-29,539
Current liabilities	[14-18]	-2,219	-100,057
		-32,098	-159,779
Cash flow from business operations		169,110	39,548
Interest paid	[26]	-849	-956
Interest received	[25]	3,146	1,410
Corporate income tax		-11,629	-2,465
		-9,332	-2,011
Management fee Coöperatie PricewaterhouseCoopers Nederland U.A.	[28]	-182,198	-189,095
Cash flow from operating activities		-22,420	-151,558
Cash flow from investing activities			
Additions to intangible fixed assets	[1]	-353	-
Disposals of intangible fixed assets	[1]	28	257
Additions to tangible fixed assets	[2]	-12,283	-2,754
Disposals of tangible fixed assets	[2]	406	2,962
Additions to financial fixed assets	[3]	-6,373	-430
Disposals of financial fixed assets	[3]	8,241	-
Acquisitions of group companies and disposal of activities		-	173,557
		-10,334	173,592
Cash flow from financing activities			
Additions to members capital	[33]	9,737	3,800
Repayment on members capital	[33]	-6,587	-4,600
Paid members compensation	[34]	-6,987	-6,877
Other loans and liabilities	[12]	-573	1,071
		-4,410	-6,606
Net cash flow		-37,164	15,428
Cash and cash equivalents - opening		173,059	157,631
Net cash flow		-37,164	15,428
Cash and cash equivalents - closing		135,895	173,059



1.4. Notes to the consolidated financial statements

Activities

The activities of Coöperatie PricewaterhouseCoopers Nederland U.A. ('the Company') and those of its subsidiaries comprise Assurance, Tax & Legal and Advisory services. These activities are further described in the Report of the Board of Management. The Company is registered at the Chamber of Commerce under number 34344598.

Group relationships

The reshaping of the PwC Europe cooperation was completed last year. Until 24 March 2022, the Company held the sole priority share in Holding PricewaterhouseCoopers Nederland B.V. ('Holding PwC NL'). On 24 March 2022, 100% of the ordinary shares in Holding PwC NL, as held by PwC Europe SE Wirtschaftsprüfungs-gesellschaft, were transferred to the Company and the sole priority share was withdrawn. As a consequence, the Company was required to prepare consolidated financial statements from 24 March 2022 onwards. For practical reasons, consolidation of Holding PwC NL was effected on 1 April 2022.

The private limited liability companies owned by the professional practitioners (the 'partner BVs') have each entered into an association agreement with the Company and, until 30 June 2023, Holding PwC NL, under which the partner BV makes the professional practitioner available to practice one of the professions described under 'Activities' in return for a management fee.

General accounting policies

The consolidated financial statements are prepared in accordance with the requirements of Part 9, Book 2 of the Dutch Civil Code and Dutch Accounting Standards ('Richtlijnen voor de jaarverslaggeving') as published by the Dutch Accounting Standards Board. Where no specific accounting policy is noted, assets and liabilities are carried at the historical cost at which they were acquired or incurred, respectively.

Principles of consolidation

The consolidated financial statements include the financial statements of the Company and of those group companies in which, directly or indirectly, it has a shareholding of more than one half of the voting rights or can otherwise exercise control. Together, these are referred to in the financial statements as 'the Group'. Intercompany transactions and profits, and balances between group companies and other consolidated entities, are eliminated to the extent that the results have not yet been realised through transactions with third parties. The accounting policies of group companies and other consolidated entities have been changed where necessary, to correspond with the prevailing group accounting policies.

The entities included in the consolidation for the period from 1 July 2022 to 30 June 2023 are:

- Coöperatie PricewaterhouseCoopers Nederland U.A., Amsterdam (100%);
- PwC Business Solutions Holding (NL) B.V., Amsterdam (100%);
- Holding PricewaterhouseCoopers Nederland B.V., Amsterdam (100%);
- PricewaterhouseCoopers B.V., Amsterdam (100%);
- PricewaterhouseCoopers Accountants N.V., Amsterdam (100%);
- PricewaterhouseCoopers Advisory N.V., Amsterdam (100%);
- PricewaterhouseCoopers Belastingadviseurs N.V., Amsterdam (100%);
- PricewaterhouseCoopers Certification B.V., Amsterdam (100%);
- PricewaterhouseCoopers Compliance Services B.V., Amsterdam (100%);
- PricewaterhouseCoopers Deelnemingen B.V., Amsterdam (100%);
- PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V., Amsterdam (100%);
- PwC Strategy& (Netherlands) B.V., Amsterdam (100%);
- PricewaterhouseCoopers Academy Netherlands VOF, Amsterdam (100%);
- PricewaterhouseCoopers Consulting Services Holding B.V., Amsterdam (100%);
- PricewaterhouseCoopers Consulting Services B.V. in liquidation, Amsterdam (100%);
- PricewaterhouseCoopers Consulting Services NL B.V. in liquidation, Amsterdam (100%).

Fiscal unity

As of 1 July 2022, all the abovementioned consolidated entities form a fiscal unity for corporate income tax purposes with Coöperatie PricewaterhouseCoopers Nederland U.A.

Except for PricewaterhouseCoopers Academy Netherlands VOF and PricewaterhouseCoopers Deelnemingen B.V., all of the abovementioned consolidated entities form a fiscal unity for value-added tax purposes with Coöperatie PricewaterhouseCoopers Nederland U.A.

Acquisitions of group companies

The results and identifiable assets and liabilities of acquired entities are recognised in the consolidated financial statements from the date of acquisition, being the date on which control is obtained.

The purchase price is the monetary amount, or equivalent, agreed for the acquisition of the acquired entity plus any costs directly attributable to the acquisition. Where the acquisition cost exceeds the net fair value of the identifiable assets and liabilities, the excess is recognised as goodwill under intangible fixed assets.

Estimates

In applying accounting policies and financial reporting requirements, the Board of Management needs to make judgements and estimates that may be critical to the amounts reported in the financial statements. The most significant estimates, uncertainties and judgements are considered to be the valuation of work in progress and receivables and the measurement of provisions.

Where necessary to provide the insight required by Article 2:362, clause 1 of the Dutch Civil Code, the nature of these judgements and estimates, and details of the underlying assumptions, are provided in the note disclosures for the relevant balance sheet items.

Related parties

Related parties are defined as those legal entities that can be controlled, jointly controlled or significantly influenced by the Company and those legal entities that can control the Company. The director under the Articles of Association, the authorised executive directors, the members of the Supervisory Board of the Company and the close relatives of these board members are also defined as related parties.

The nature and extent of transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions, together with any other information necessary to provide sufficient insight.

Accounting policies for assets and liabilities

General

The principles used for valuation and determination of the result are based on the going-concern assumption. Unless otherwise indicated, all amounts in the consolidated financial statements are reported in thousands of euros. Amounts followed by 'm' are in millions of euros.

In the interests of transparency regarding amounts payable to the professional practitioners and as further described in the management fee policy in the 'Accounting policies for the profit and loss account', the Company has decided to deviate from the prescribed reporting formats ('Besluit modellen jaarrekening') by including the management fee as the final line item prior to Profit after tax.

Comparison with prior year

The Group's financial year runs from 1 July to 30 June. As disclosed in the paragraph 'Group relationships', the Company prepares consolidated financial statements from 1 April 2022. The comparative figures in the profit and loss account reflect the period 1 April 2022 to 30 June 2022. The profit and loss account for the current year reflects the period 1 July 2022 to 30 June 2023. In paragraph 1.8 Additional disclosures to the profit and loss account, the profit and loss account for the current year is compared with the pro forma profit and loss account for the period 1 July 2021 to 30 June 2022.

In the interests of improved insight an adjustment has been made to the comparative figures. This concerns the receivables from other participations. The comparative amount of receivables from other participations € 54 has been reclassified from receivables from clients € 251, other receivables € 806 and other liabilities (€ 1,003).

Foreign currencies

The financial statements are presented in euro, which is both the functional and the presentation currency of the Company. Foreign currency transactions in the reporting period are converted at the exchange rates prevailing on the transaction dates. Monetary amounts denominated in foreign currencies are converted into the functional currency at the exchange rates prevailing at the balance sheet date. Resulting exchange differences are taken to the profit and loss account, except where hedge accounting is applied. Non-monetary assets carried at acquisition cost in a foreign currency are converted using the exchange rates prevailing on the transaction dates.

Financial instruments

Primary financial instruments comprise other financial interests, receivables, cash and cash equivalents, other loans, liabilities to suppliers and liabilities to members of Coöperatie. The accounting policies for these items are set out individually below.

Derivatives are initially recognised in the balance sheet at fair value. The subsequent measurement of derivative financial instruments depends on whether or not the instrument is quoted in an open market. If the underlying object of the derivative financial instrument is listed on a stock exchange, it is measured at fair value and changes in value are recognised in the profit and loss account (if no hedge accounting is applied). If the object is not listed on a stock exchange, it will be stated at cost or current value, if lower. Insofar as the fair value as determined at the balance sheet date is lower than the cost price of the derivative, the difference is recognised in the profit and loss account (if no hedge accounting is applied).

Software

Software is carried at acquisition cost less accumulated depreciation and impairment provisions. Software is depreciated on a straight-line basis over its expected useful life.

Goodwill

Goodwill is determined as the excess of the acquisition cost over the fair value of identifiable assets and liabilities acquired less accumulated amortisation and impairment provisions. Goodwill is amortised on a straight-line basis over its expected useful life.

Tangible fixed assets

Tangible fixed assets are carried at acquisition cost less accumulated depreciation determined on a straight-line basis over their expected useful lives and taking account of any residual values. Assets under construction are not depreciated.





Impairment of fixed assets

At each balance sheet date, the Company assesses whether there is any indication of asset impairment and, where there are such indications, the recoverable amount of the asset is determined, calculated as the higher of the fair value less costs to sell and the value in use. An asset is deemed to be impaired if its carrying amount, or the carrying amount of the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment is recognised as an expense in the profit and loss account.

Financial fixed assets

Participating interests over which significant influence is exercised are carried at net asset value, determined using the same accounting policies as used in these financial statements. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence. Participating interests acquired are recognised initially at the fair value of the identifiable assets and liabilities on acquisition and subsequently on the basis of the accounting policies used for these financial statements using this initial value as a basis. If the measurement of a participating interest based on net asset value is negative, it will be stated at nil. If and insofar as the Company can be held fully or partially liable for the debts of the participation or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Other participations are carried at the lower of acquisition cost and, where there are indications of impairment, the best estimate of their recoverable amount.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations and the accounting policies used in these financial statements, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses. The calculation of deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law. Deferred income tax is recognised at nominal value.

Other receivables presented under financial fixed assets include loans. These receivables are initially measured at fair value and subsequently carried at amortised cost. Impairments are deducted from amortised cost and expensed in the profit and loss account.

The amount of an impairment loss incurred on financial assets stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed on initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss will be reversed. This reversal will not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had

the impairment not been recognised at the date the impairment is reversed. The amount of the reversal will be recognised through profit or loss.

Work in progress

Work in progress comprises services delivered but not yet invoiced and is carried at the amounts expected to be recovered from clients. Where the net amount of work performed, provisions and invoiced amounts on any individual project is negative, this net amount is recognised under other liabilities.

Receivables

Receivables are recognised initially at the fair value of the service provided and subsequently at amortised cost, which for current receivables is the nominal amount, net of provisions for doubtful debts.

Other receivables all mature within one year.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances and deposits with maturities of less than twelve months. Bank overdrafts are included in payables to credit institutions in current liabilities. Cash and cash equivalents are carried at their nominal amounts.

Provisions

Provisions are recognised for legally enforceable or constructive obligations that exist at the balance sheet date, and for which it is probable that an outflow of resources will be required, and a reliable estimate can be made.

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as at the balance sheet date. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation, unless the time value of money is not material. Where the effect of the time value of money is not material, provisions are measured at nominal value. If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

Personnel provisions relate to long-term disability benefit top-ups, long-service entitlements and severance pay. The provisions for long-service entitlements are carried at present value using a discount rate of 3.25% (30 June 2022: 2.2%) and taking account of staff turnover probability. The provision for long-term unemployment benefit top-ups is carried at its present value using a discount rate of 3.25% (30 June 2022: 2.2%).

The provision for severance pay and other provisions are carried at the nominal amounts of the expected cost of settlement. Other provisions are measured at present value and include provisions for office vacancy, restoration obligations at the end of rental contracts and professional liability. Restoration obligations at the end of rental contracts are provided evenly over the rental period.





Accrued expenses and deferred income (non-current)

Non-current accrued expenses and deferred income include incentives received in connection with the rent of a number of office premises. These amounts are long-term in nature and are recognised as income on a straight-line basis over the term of the rental contracts.

Non-current liabilities

Liabilities are recognised initially at fair value, increased by transaction costs directly attributable to the assumption of the liability, and subsequently at amortised cost. The difference between the carrying amount and the ultimate repayment is charged to income as interest expense over the term of the liability based on the effective interest rate.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are measured at the amortised cost. Bonus and untaken leave entitlements are carried at the amounts required for monetary settlement. The liability recognised for bonuses reflects a best estimate of the expenditure necessary to settle the obligation. This is usually the nominal value. Other current liabilities all mature within one year.

Operating leases

The Group has lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of or incurred by the Group. The lease contracts are recognised as operational leases. Lease payments are recorded on a straight-line basis in the consolidated profit and loss account for the duration of the contract, taking account of reimbursements received from the lessor.

Accounting policies for the profit and loss account

General

Profit after tax represents the difference between the recoverable value of services rendered and the costs and other charges incurred during the year. Losses are recognised as and when they occur and to the extent that they can be reliably estimated.

Net revenue

Net revenue is measured as the fair value of consideration received or receivable for satisfying performance obligations contained in contracts with clients, including expenses and disbursements net of discounts but excluding value-added tax. Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal will not be required when uncertainties regarding the level of the variable consideration are subsequently resolved. Revenue is recognised when, or as, the Group satisfies performance obligations by transferring control of services to clients. This occurs as follows for the Group's various contract types:

- Time-and-materials contracts are recognised as services are provided at the fee rate agreed with the client where there is an enforceable right to payment for performance completed to date.

- Fixed-fee contracts are recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided where there is an enforceable right to payment for performance completed to date. This is determined based on actual inputs of time and expenses relative to total expected inputs.
- Performance-fee contracts are recognised when the right to consideration arises on having met the relevant performance-related elements.
- Contingent-fee contracts, over and above any agreed minimum fee, are recognised when the contingent event occurs and the Group has become entitled to the revenue.
- Licence-fee contracts that provide a right to use the Group's intellectual property ('IP'), as it exists at the date the licence is granted, are recognised when the licence agreement is entered into and the licensee is able to use and benefit from the licence. Licence-fee contracts that provide a right of access to the Group's IP, as it exists throughout the licence period, are recognised over time to reflect the pattern in which the benefits of access transfer to the client over the licence period.

Where contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on its stand-alone sale price. Where these are not directly observable, they are estimated based on the expected cost-plus margin. Adjustments are made to allocate discounts proportionately relative to the stand-alone sale price of each performance obligation.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit and loss account in the period in which the circumstances that give rise to the revision become known.

For time-and-materials, fixed-fee and licence-fee contracts, fees are usually billed on account based on a payment schedule. For performance-fee and contingent-fee contracts, fees are usually billed and paid when entitlement to the revenue has been established. If the revenue recognised by the Group exceeds the amounts billed, work in progress [current asset] is recognised. If the amounts billed exceed the revenue recognised, work in progress [other liabilities] is recognised. The Group's standard payment terms require settlement of invoices within 14 days of receipt.

The Group does not adjust the transaction price for the time value of money as it does not have any contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

Other revenue

Other revenue includes revenue generated from non-core business-related activities.

Cost of work contracted-out and other external costs

Cost of work contracted-out and other external costs are allocated to the period concerned and directly relate to engagements.



Operating costs

Operating costs are recognised at historical cost on an accrual basis.

Salaries and social security charges

Salaries and wages (including bonuses and holiday allowances) and social security charges are recognised in the profit and loss account when they are due.

Pension contributions

The Group has a number of pension schemes. For all schemes, the contributions are based on salary for the year in question (defined contribution schemes) and are payable to insurance companies or pension funds. Contributions are recognised when they become due. Under the schemes, the Group has no further legal or constructive obligation should a funding deficit arise at the insurance company or pension fund.

The Group pays contributions based on (legal) requirements, a contractual or voluntary basis to pension funds and insurance companies. Contributions are recognised as employee cost when they are due. If contributions already paid exceed the contribution payable to the pension provider, the excess is recognised as a prepayment if these lead to a refund or reduction of future payments. Contributions due but not yet paid are presented as liabilities.

Amortisation and depreciation of intangible and tangible fixed assets

Intangible fixed assets, including goodwill, are amortised over their estimated useful lives from the date they are available for use. The effects of any changes in estimated useful economic lives are reflected prospectively in future amortisation charges.

Depreciation of tangible fixed assets is based on acquisition cost and is charged to the profit and loss account on a straight-line basis reflecting the estimated useful lives of the assets and their expected residual values.

Gains and losses from the occasional sale of intangible and tangible fixed assets are included in amortisation and depreciation.

Interest income and expenses

Interest income and expenses, including transaction costs relating to loans received, are recognised evenly over the periods to which they relate based on the effective interest rate inherent in the underlying assets and liabilities.

Exchange differences

Exchange differences arising on settlement or conversion of monetary items in foreign currency are recognised in the profit and loss account in the year in which they arise, unless hedge accounting is applied.

Dividends receivable

Dividends from other participations and securities are recognised when the Group becomes entitled to receive them.

Corporate income tax

Corporate income tax on the result is calculated based on the result of the Group before tax reduced by the management fee and taking account non-deductible costs and temporary differences. Corporate income tax on management fees is levied on the partner BVs as the ultimate recipients of the management fees.

Management fee

The members of the Company are entitled to a management fee under the association agreements with the partner BVs of the professional practitioners (which are the members of the Company) and under the financial arrangements with the partners. The Company charges this management fee to Holding PwC NL.

Segment information

As the Group's operations are performed primarily through three Lines of Service (Assurance, Tax & Legal and Advisory) and one central support service line (Other), segment information is provided along these lines.

Basis of preparation of the consolidated statement of cash flow

General

The cash flow statement is prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies are translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group corporation is recognised as cash used in investing activities where it has been settled in cash. Any cash at banks and in hand in the acquired group corporation has been deducted from the purchase consideration.

Working capital

Working capital represents the aggregate amount of receivables and work in progress net of current liabilities excluding amounts owed to credit institutions.

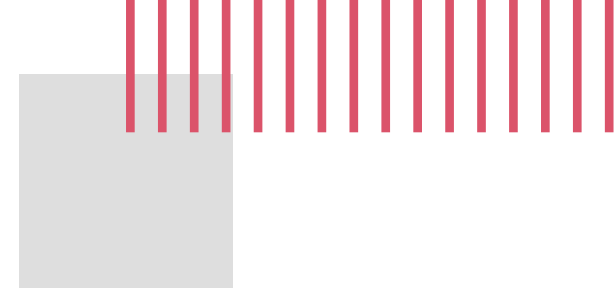
1.5. Notes to the consolidated balance sheet at 30 June 2023 (in € x 1,000 unless otherwise stated)

[1] Intangible fixed assets

The movements are as follows:

			2022/2023	2021/2022
	Software	Goodwill	Total	Total
Balance as at 1 July				
At cost	165	4,146	4,311	-
Accumulated amortisation	-18	-373	-391	-
Carrying amount	147	3,773	3,920	-
Movements				
New consolidation	-	-	-	4,568
Disposals	-	-28	-28	-
Remeasurement	-	353	353	257
Amortisation	-71	-1,359	-1,430	-391
	-71	-1,034	-1,105	4,434
Balance at 30 June				
At cost	165	4,471	4,636	4,825
Accumulated amortisation	-89	-1,732	-1,821	-391
Carrying amount	76	2,739	2,815	4,434
Amortisation percentages	20-45	10-35		

Goodwill on the acquisition of PricewaterhouseCoopers Technology Consulting (Netherlands) B.V. is amortised on a straight-line basis over four years. During the period from 5 June 2019 to 30 June 2024, the Company will share 30% in the revenues and costs of PricewaterhouseCoopers Technology Consulting Belgium B.V. In addition, 70% of the balance of income and expenses of the corresponding Dutch activities with PwC Belgium, Germany and Switzerland is settled during the same period. The receivable or debt arising from this right and this obligation are included in the balance sheet under other receivables, other loans and liabilities and goodwill. As a result, the original goodwill was adjusted by € 353 in this year and this has been recognised as 'Remeasurement' in the above statement of movements.



[2] Tangible fixed assets

The movements are as follows:

					2022/2023	2021/2022
	Leasehold improvements	Office furniture	Office equipment	Fixed assets under construction	Total	Total
Balance as at 1 July						
At cost	12,535	8,339	12,228	341	33,443	-
Accumulated depreciation	-620	-231	-1,411	-	-2,262	-
Carrying amount	11,915	8,108	10,817	341	31,181	-
Movements						
Additions	2,026	511	7,964	1,782	12,283	2,569
New consolidation	-	-	-	-	-	34,017
Disposals	-	-	-416	-341	-757	-3,143
Accumulated depreciation on disposals	-	-	351	-	351	181
Depreciation	-2,344	-1,476	-5,476	-	-9,296	-2,443
	-318	-965	2,423	1,441	2,581	31,181
Balance at 30 June						
At cost	14,561	8,850	19,776	1,782	44,969	33,443
Accumulated depreciation	-2,964	-1,707	-6,536	-	-11,207	-2,262
Carrying amount	11,597	7,143	13,240	1,782	33,762	31,181
Depreciation percentages	10-20	10-20	13-45			

Depreciation of leasehold improvements is based on the remaining term of the rental contracts adjusted, where necessary, for any early termination of rental contracts.

[3] Financial fixed assets

The movements are as follows:

					2022/2023	2021/2022
	Participating interests	Other participations	Deferred tax assets	Other receivables	Total	Total
Balance as at 1 July						
	1	5,937	890	18,230	25,058	57,768
Additions	-	380	-	5,993	6,373	2,650
New consolidation	-	-	-	-	-	13,625
Disposals/repayment	-	-2,749	-	-5,417	-8,166	-48,340
Movement to the profit and loss account	-	-	-693	-75	-768	-645
Balance at 30 June	1	3,568	197	18,731	22,497	25,058

Participating interests

The number of shareholders in PwC Digital Technology Services B.V. changed during the year. As a result of this change, the Company's share in issued capital increased from 20% to 25%. In addition to the change in shareholders, the number of board members appointed changed from three to four. Two of these board members are now members of the Company, whereas last year one board member was a member of the Company. We evaluated the classification and measurement as a result of the changes related to this other participation, and concluded that significant influence exists. This other participation has accordingly been reclassified to participating interests and is carried at net asset value. The comparative figures have been adjusted.

Other participations

Other participations include a number of participations, primarily participations in other PwC network entities that operate for the benefit of the global PwC network. None of these interests are held for trading.

The Group holds the following participations:

Name and location	Share in issued capital %
PwC Business Solutions B.V., Amsterdam	19.90
PricewaterhouseCoopers Europe GmbH, Frankfurt am Main	16.67
Lifeguard Finance B.V., Amsterdam	16.35
PricewaterhouseCoopers Services B.V., Rotterdam	12.50
PricewaterhouseCoopers IT Services Ltd., London	11.10
Scorius Holding B.V., Haarlem	10.00
L & F Holdings Limited, Bermuda	7.14
PwC Service Delivery Centre (Egypt) Holdings No. 1 Limited, London	5.00
S&H (Guernsey) Ltd., Guernsey	3.00
PwC Strategy& Parent (UK) Ltd., London	2.40

PwC Network Holdings Pte Ltd., Singapore liquidated its assets and repaid the shareholders with a final payment. This participation was valued at nil at 30 June 2022 and therefore the amount of the final payment (€ 0.5 m) is recognised in the profit and loss account. On 11 May 2023 one of the group companies (PricewaterhouseCoopers Belastingadviseurs N.V.) acquired 10% of the shares in Scorius Holding B.V., a consultancy firm that provides an integrated service to its clients on all talent management questions and develops (in-house) applications to provide clients with insights based on data. In 2022/2023 a group company of the Company acquired a 5% shareholding in PwC Service Delivery Centre (Egypt) Holdings No. 1 Limited for \$ 50 (€ 47).

Deferred tax assets

Deferred tax assets relate to temporary tax differences of € 1.0 m (30 June 2022: € 1.5 m) arising mainly on differences in depreciation periods for tangible fixed assets and on the timing of recognition of office vacancy costs. An amount of € 0.8 m (30 June 2022: € 0.7 m) of the deferred taxes balance is expected to be recoverable within one year and is presented under current assets.

Other receivables

Other receivables consist of five receivables (30 June 2022: four). The fair value of other receivables does not differ materially from the carrying amount.

The first receivable is a Floating Rate Subordinated Unsecured Loan Note of € 1.7 m provided to Lifeguard Finance B.V. The receivable is subordinated to all other creditors of Lifeguard Finance B.V. Interest is payable semi-annually at the end of February and August and is set at the end of August each year at six-month Euribor plus 0.75%. For the period from 28 February 2023 to 31 August 2023, interest has been set at 0.75%. The principal, together with any unpaid interest, is repayable in full on 31 December 2026.

The second receivable concerns a loan note of \$ 2.8 m (€ 2.5 m) provided to PwC Business Solutions B.V. The interest for the loan is set at 12-month LIBOR plus 0.75%. The loan was repaid in full with accrued interest during the year.

The third receivable concerns a loan of € 3.5 m granted to a related party, which gives an annual compensation based on the results of the related party and will be due for repayment no later than 2048. An impairment of € 3.5 m has been recognised in relation to this receivable as a consequence of lower expected repayments.

The fourth receivable concerns loan notes of € 11.8 m (30 June 2022: € 13.6 m) provided to PwC Digital Technology Services B.V. at 30 June 2022. During the year loan notes for in total € 1.1 m were granted and € 2.9 m was repaid. Interest of 3.5% is payable annually. The principal, together with any unpaid interest, is repayable in full on 31 December 2032.

The fifth receivable is a loan granted to a third party for a total amount of € 1.5 m. Interest of 4% is payable annually. The principal, together with any unpaid interest, is repayable in full on 17 August 2027.

The sixth receivable concerns a loan note of \$ 3.5 m (€ 3.4 m) granted to PwC Business Solutions B.V. The interest for the loan is set at 5.2% and is payable annually. The principal, together with any unpaid interest, is repayable on 30 June 2035.

[4] Work in progress

Work in progress at 30 June 2023 is stated net of on account billings amounting to € 107 m (30 June 2022: € 161 m).

[5] Receivables from clients

Receivables are due within one year and are not interest-bearing. A provision for doubtful debts of € 5.8 m was carried at 30 June 2023 (30 June 2022: € 6.1 m). The fair value of the receivables from clients approximates the carrying amount, given the current nature of the receivables from clients and the fact that provisions for doubtful debts have been recognised where necessary.

[6] Receivables from other participations

Receivables from other participations are due within one year and are not interest-bearing.

[7] Other receivables

Other receivables are as follows:

	30 June 2023	30 June 2022
Receivables from personnel	553	569
Stichting Verrekenfonds	630	192
Other	8,667	9,813
Total	9,850	10,574

All other receivables have a maturity of less than one year.

[8] Prepayments and accrued income

Prepayments and accrued income, all due within one year, are as follows:

	30 June 2023	30 June 2022
Prepaid rental costs	5,777	4,525
Accrued income	3,563	2,354
Prepaid car lease cost	1,912	1,252
Prepaid insurance premiums	40	6,213
Other	6,418	5,813
Total	17,710	20,157

[9] Cash and cash equivalents

€ 2.9 m (30 June 2022: € 3.2 m) of the cash and cash equivalents was not freely available. This relates to lease and other obligations of the Company.

[10] Group equity

Disclosures regarding shareholders' equity are provided in the notes to the company financial statements. A consolidated statement of comprehensive income is not presented, as there is no difference between profit after tax and comprehensive income (2021/2022: the same).

[11] Provisions

The movements are as follows:

			2022/2023	2021/2022
	Personnel	Other	Total	Total
Balance as at 1 July	4,662	7,615	12,277	16
Additions	847	4,115	4,962	681
New consolidation	-	-	-	13,322
Utilisation	-561	-107	-668	-1,667
Releases	-	-5,388	-5,388	-75
Balance at 30 June	4,948	6,235	11,183	12,277

Approximately € 10.2 m (30 June 2022: € 10.6 m) of the provisions is long-term in nature.

Personnel provisions include amounts for long-term disability benefit top-ups, long-service entitlements and severance pay.

In 2021/2022 other provisions included an office vacancy provision of € 2.4 m. During 2022/2023 this amount was released in full. Other provisions include a provision for obligations to restore leased premises at the end of the lease period of € 1.5 m (2021/2022: € 1.3 m); this provision is recognised evenly over the lease period.

Other provisions also include professional liability provisions of € 4.1 m (30 June 2022: € 3.3 m) relating to work performed until the balance sheet date. Releases relate primarily to changes in the estimated costs of outstanding claims. All of the claims are disputed, and provisions have been formed for any loss still expected to be incurred by the Group in relation to ongoing claims. The Group is insured against any such claims. While the outcome of these disputes cannot be predicted with certainty, legal advice and other information received indicate that they will have no significant effect on the financial position of the Group.

[12] Other loans and liabilities

PricewaterhouseCoopers Enterprise Advisory BV has provided PricewaterhouseCoopers Advisory N.V. a loan. This loan will be repaid in four instalments. The last instalment is due on 30 September 2024. The interest rate is set at 3.5%. No security has been provided.

The remaining amount of the loan at 30 June 2023 is € 277 (30 June 2022: € 415), of which € 144 is short-term (30 June 2022: € 148).

The remainder of the other loans and liabilities concerns the obligation as disclosed under [1] Intangible fixed assets. The amount at 30 June 2023 is € 761 (30 June 2022: € 1,198), of which € 437 is short-term (30 June 2022: € 803).

[13] Accrued expenses and deferred income (non-current)

Non-current accrued expenses and deferred income include the long-term element of incentives received under a number of office lease agreements released to the profit and loss account over the duration of the related rental contracts. The portion to be released to the profit and loss account in 2023/2024 is included in short-term accrued expenses and deferred income in current liabilities.

The deferred rental incentives are released as follows:

	30 June 2023	30 June 2022
From 1-5 years	45	1,091
Carrying amount	45	1,091

[14] Liabilities to suppliers

Liabilities to suppliers are all due within one year.

[15] Liabilities to members of Coöperatie PricewaterhouseCoopers Nederland U.A.

The liability to members of Coöperatie PricewaterhouseCoopers Nederland U.A. has a remaining term of less than one year and is interest-bearing. The average interest rate for 2022/2023 was 0.41% (2021/2022: 0.26%).

Part of this debt is an amount withheld as a clawback from the profit share of partners who are auditors in public practice for 2022/2023. The clawback withholding is remitted to Foundation Measure 3.5. The remittance of the deduction for 2022/2023 takes place after the balance sheet date. For more detailed information on the clawback scheme we refer to page 104.



[16] Taxes and social security charges

Taxes and social security charges, all due within one year, are as follows:

	30 June 2023	30 June 2022
Value-added tax	37,154	30,182
Wage tax and social security charges	17,285	14,164
Corporation tax	-	9,121
Total	54,439	53,467

[17] Other liabilities

Other liabilities are as follows:

	30 June 2023	30 June 2022
Work in progress for which on account billings exceed the project revenue earned	39,726	47,988
Bonuses payable	29,451	27,865
Accrued leave entitlements and holiday allowances	24,601	23,738
Other	923	1,102
Total	94,701	100,693

Work in progress at 30 June 2023 is stated net of on account billings amounting to € 94 m (30 June 2022: € 145 m).

All other liabilities fall due in less than one year. The fair value of the other liabilities approximates the book value due to their short-term character.

[18] Accrued expenses and deferred income (current)

Accrued expenses and deferred income comprise accruals for invoices to be received and the current portion of incentives received under a number of office lease agreements.

	30 June 2023	30 June 2022
Invoices to be received	32,611	21,534
Current portion of incentives received under lease agreements for office premises	1,046	2,159
Other	1,368	2,036
Total	35,025	25,729



Off-balance sheet liabilities and commitments

- PricewaterhouseCoopers B.V. stands surety for the annual Group profit-linked periodic benefit payments administered by Stichting Verrekenfonds, for the beneficiaries of one of the legal predecessors of the legacy firm Coopers & Lybrand. In 2022/2023, the payments amounted to € 0.4 m (2021/2022: € 0.4 m). The payments are due for the lifetimes of the individual beneficiaries.
- Guarantees provided in relation to lease and other obligations amount to € 2.5 m at 30 June 2023 (€ 3.2 m at 30 June 2022), with the longest-running guarantee expiring on 30 September 2029.
- PricewaterhouseCoopers B.V. has undertaken to indemnify a third party for 2.4% of certain liabilities that that party may incur under an agreement to fund supplementary payments of non-Dutch pensions.
- PricewaterhouseCoopers Deelnemingen B.V. has undertaken to bear 2.4% of the damages certain third parties may suffer in relation to their responsibilities in a certain non-Dutch Retirement Medical Trust.
- PricewaterhouseCoopers Deelnemingen B.V. entered into a loan agreement with PwC Digital Technology Services B.V. of € 15.3 m. At 30 June 2023, an amount of € 11.8 m had been drawn down (30 June 2022: € 13.6 m).
- PricewaterhouseCoopers B.V. entered into a loan agreement with a third party of € 2.0 m. At 30 June 2023, an amount of € 1.5 m had been drawn down (30 June 2022: € nil).
- Upon request PwC Deelnemingen B.V. is obliged to provide additional funding to PwC Service Delivery Centre (Egypt) Holding No. 1 Limited for a maximum amount of USD 450. At 30 June 2023 no additional funding was provided.
- During the year PricewaterhouseCoopers Deelnemingen B.V. entered into a loan agreement with PwC Business Solutions B.V. of \$ 25.4 m for the development and roll-out of a new global audit methodology system. The interest rate is set at 5.2%. At 30 June 2023, an amount of € 3.4 m had been drawn down.

The Group has long-term rental contracts (offices and cars), other operating lease obligations (office equipment) and facility services insourcing obligations totalling € 207 m (30 June 2022: € 215 m).

These obligations mature as follows:

in € millions	30 June 2023	30 June 2022
< 1 year	62	58
From 1-5 years	124	119
> 5 years	21	38
Total obligations	207	215

1.6. Notes to the consolidated profit and loss account for the year ended 30 June 2023 (in € x 1,000)

The comparative figures apply for the period 1 April 2022 to 30 June 2022. The management fee represents the results of Holding PwC NL as charged by the Company to Holding PwC NL for the period 1 July 2021 to 1 April 2022.

[19] Net revenue

Net revenue consists of the operations performed primarily through the three Lines of Service (Assurance, Tax & Legal and Advisory).

	2022/2023	2021/2022
Assurance	393,592	100,884
Advisory	371,890	80,349
Tax & Legal	267,496	68,134
Charged costs	4,493	5,943
Management fee Holding PricewaterhouseCoopers Nederland B.V.	-	133,232
Car and expense reimbursement	-	5,629
Turnover Partner Advies Groep	-	1,000
Other	259	-299
Total	1,037,730	394,872

Net revenue is earned primarily in the Netherlands. In addition to work performed, revenue includes the charging of costs incurred (particularly travel costs) to clients. In 2022/2023 there are no amounts reported for Management fee Holding PricewaterhouseCoopers Nederland B.V., Car and expense reimbursements and Turnover Partner Advies Groep due to the consolidation at the level of the Company.

[20] Other revenue

In 2022/2023 the final part of retained holdbacks on the proceeds of the divestment of the business activity Global Mobility, Immigration and Expat Payroll business (GM) was paid to a group company (PricewaterhouseCoopers Belastingadviseurs N.V.).

[21] Cost of work contracted-out and other external costs

These relate to third-party services, including those from other members of the PwC network, and out-of-pocket expenses directly attributable to engagements.

[22] Amortisation and depreciation of fixed assets

The amortisation and depreciation of fixed assets is as follows:

	2022/2023	2021/2022
Amortisation of intangible fixed assets	1,430	391
Depreciation of tangible fixed assets	9,296	2,443
	10,726	2,834
Result on disposals	-1,072	-
Total	9,654	2,834

[23] Travel costs and other personnel costs

Travel costs and other personnel costs are as follows:

	2022/2023	2021/2022
Travel costs	57,258	12,888
Other personnel costs	77,878	14,571
Total	135,136	27,459

A part of the travel costs in particular is reimbursed by clients. The other personnel costs consist, among others, of costs for temporary staff, education, non-salary related benefits for personnel, personnel-related activities and costs related to well-being.

[24] Other operating costs

Other operating costs are as follows:

	2022/2023	2021/2022
Occupancy costs	32,944	8,216
Technology	32,300	4,021
Sales and business development	8,623	-374
External consultants' fees	6,457	2,640
Early-retirement benefits	800	554
Car and expense reimbursements	-	5,629
Other costs	32,901	3,121
Total	114,025	23,807

Other costs include membership contributions to PricewaterhouseCoopers International Ltd., insurances and other costs related to professional liability. In 2022/2023 there is no amount reported for Car and expense reimbursements due to the consolidation at the level of the Company.

Operating leases

The Group charged € 46.8 m (2021/2022 pro rata € 11.5 m) to the profit and loss account for operating lease costs during the year, relating to office premises and the leased car fleet and parking space.

[25] Interest and other financial income

Interest and other financial income are as follows:

	2022/2023	2021/2022
Foreign currency results	526	539
Dividends	13	-
Other interest income	2,607	871
Total	3,146	1,410

[26] Interest and other financial expenses

Interest and other financial expenses are as follows:

	2022/2023	2021/2022
Interest paid to members of the Company	639	420
Other interest expenses	210	536
Total	849	956

[27] Corporate income tax

Corporate income tax is as follows:

	2022/2023	2021/2022
Profit before tax	194,919	231,072
Management fee Coöperatie PricewaterhouseCoopers Nederland U.A.	-182,198	-189,095
Book/tax differences		
- Non-deductible items	1,490	2,607
- Temporary differences	-2,007	-2,769
Taxable profit	12,204	41,815
Tax thereon	2,985	8,955
Adjustments relating to prior year deferred tax	532	645
Correction of previous years	-717	859
Corporate income tax	2,800	10,459
Effective tax rate	1.4%	4.5%
Applicable tax rate	25.8%	25.4%

Corporate income tax on the management fees is levied at the level of the members of the Company (the partner BVs). Permanent differences include non-deductible amortisation of goodwill. Temporary differences relate primarily to different rates for the amortisation and depreciation of assets.

Corporate income tax paid and received is included in one aggregate net amount in the statement of cash flow.

[28] Management fee Coöperatie PricewaterhouseCoopers Nederland U.A.

The Company charges a management fee to Holding PwC NL (until 30 June 2023) for making available the professional practitioners who are associated with the members of the Company.

The aggregate remuneration accruing from the Dutch PwC entities to the members of the Company, is as follows:

	2022/2023	2021/2022
Management fee payable by the Company to its members	182,198	189,095
Return on capital contributions paid to members of Coöperatie*	9,921	6,924
	192,119	196,019
Average number of partners (FTE)	288	284
Average management fee per partner**	668.1	690.3
Allocation of net profit to capital and reserve accounts (per partner)*	-	86.4

* After adoption of the financial statements.

** Includes return on members' capital contributions as part of the profit appropriation.

In addition to their management fee, the members of the Company also receive car and expense allowances, amounting to € 8.6 m (2021/2022: € 7.7 m), and interest on their current accounts, amounting to € 0.6 m (2021/2022: € 0.4 m). These interest expenses are recognised as an expense by the Company.



1.7. Other notes (in € x 1,000, unless otherwise stated)

External auditor's fees

The following fees were charged to and borne by the Group for work done during the year by the auditor and the auditor's firm as defined in Section 1 (1 a and e) of the Audit Firms Supervision Act. The fees charged in 2021/2022 are pro rata fees that refer to the Group.

	2022/2023	2021/2022
Audit of the financial statements	464	90
Tax advisory services	-	-
Other audit engagements	102	7
Other non-audit services	9	-
Total	575	97

Financial instruments and risk management

Foreign exchange risk

The Group operates primarily within the European Union. Foreign exchange risks arise mainly on positions and transactions in US dollars. The Board of Management's policy is to hedge foreign exchange positions and not to take speculative positions. The Group uses both primary and derivative financial instruments for hedging purposes.

Any significant foreign exchange risk relating to future cash flows from operating activities in foreign currencies is hedged by means of currency forward contracts under terms determined by the timing of the underlying receivables and obligations. Gains and losses on instruments used to hedge off-balance sheet positions are deferred until the hedged positions are recognised. There were no contracts outstanding at 30 June 2023.

At 30 June 2023, receivables in US dollars and other currencies amounted to € 7.5 m (30 June 2022: € 8.6 m) and € 3.5 m (30 June 2022: € 2.8 m) respectively. Liabilities in US dollars and other currencies amounted to € 6.0 m (30 June 2022: € 7.8 m) and € 3.2 m (30 June 2022: € 4.4 m) respectively.

Interest-rate and cash flow risk

Interest-rate risk for the Group relates primarily to the loan of € 1.7 m receivable from Lifeguard Finance B.V., with interest receivable semi-annually at six-month Euribor plus 0.75% at the end of August each year (for the period from 28 February 2023 to 31 August 2023: 0.75%).

Interest-rate risk on financial assets and liabilities is not hedged.

Credit risk

The Group is exposed to the risk of counterparty default, though this risk is limited due to the large number and diversity of the Group's receivables. There is concentration of credit risk only as a result of the limited geographical spread of receivables concentrated in the Netherlands. Credit risk is further mitigated by the application of client acceptance and credit control procedures.

Liquidity risk

Liquidity risk is mitigated by the fact that cash flow from operating activities generates sufficient liquidity to meet ongoing obligations. Furthermore, the Group has access to revolving credit facilities with one large Dutch bank of € 25 m in total (last year: two banks and € 50 m). There were no credit facilities outstanding at 30 June 2023.

Fair value

The carrying amounts of financial instruments under receivables and liabilities carried at amortised cost do not differ significantly from fair values.



1.8. Additional disclosures to the profit and loss account (in € x 1,000 unless otherwise stated)

Full year profit and loss account for the year ended 30 June 2023

The profit and loss account reflects the consolidated financial performance of the Company for the year ended 30 June 2023. To enable comparison and insight the comparative figures reflect the financial performance of the Company in the situation that consolidation had applied for that entire fiscal year.

		2022/2023	2021/2022
Net revenue	[a]	1,037,730	936,681
Other revenue	[b]	1,181	33,861
Total revenue		1,038,911	970,542
Cost of work contracted-out and other external costs		145,949	107,890
Salaries		358,454	325,874
Social security charges		54,163	43,256
Pension contributions		28,908	27,135
Amortisation and depreciation of fixed assets	[c]	9,654	10,692
Travel costs and other personnel costs	[d]	135,136	110,139
Other operating costs	[e]	114,025	111,938
Total operating costs		846,289	736,924
Operating profit		192,622	233,618
Interest and other financial income	[f]	3,146	1,616
Interest and other financial expenses	[g]	-849	-1,765
Profit before tax		194,919	233,469
Corporate income tax		-2,800	-12,856
Profit after tax before management fee		192,119	220,613
Management fee members of Coöperatie PricewaterhouseCoopers Nederland U.A.		-182,198	-189,095
Profit after tax		9,921	31,518

[.] The letters in square brackets refer to the corresponding numbers in the additional disclosures to the profit and loss account.

[a] Net revenue

The net revenue of each segment (after elimination of internal revenue) is as follows:

	2022/2023	2021/2022
Assurance	393,592	348,340
Tax & Legal	267,496	287,754
Advisory	371,890	294,879
Other	4,752	5,708
Total	1,037,730	936,681

Net revenue is earned primarily in the Netherlands. In addition to work performed, revenue includes the charging of costs incurred (particularly travel costs) to clients. "Other" relates to recharges for partners on an international assignment in the PwC-network.

[b] Other revenue

In the previous financial year, in addition to the divestment of GM with a gross transaction result of € 33.061 (see note 20) the Company divested Taxmarc/Taxolutions in January 2022 with a gross transaction result of € 800. Both divestments were asset deals. The amount presented under 'Other revenue' is the gross transaction result on these divestments. The 2022/2023 amount is the final part of the retained holdbacks on the proceeds of the divestment of the business activity GM.

[c] Amortisation and depreciation of fixed assets

Amortisation and depreciation of fixed assets are as follows:

	2022/2023	2021/2022
Amortisation of intangible fixed assets	1,430	2,000
Depreciation of tangible fixed assets	9,296	8,692
	10,726	10,692
Result on disposals	-1,072	-
Total	9,654	10,692

[d] Travel costs and other personnel costs

Travel costs and other personnel costs are as follows:

	2022/2023	2021/2022
Travel costs	57,258	47,918
Other personnel costs	77,878	62,221
Total	135,136	110,139

A part of the travel costs in particular is reimbursed by clients. The other personnel costs consist, among others, of costs for temporary staff, education, non-salary related benefits for personnel, personnel-related activities and costs related to well-being.

[e] Other operating costs

Other operating costs are as follows:

	2022/2023	2021/2022
Occupancy costs	32,944	31,717
Technology	32,300	29,051
Sales and business development	8,623	6,962
External consultants' fees	6,457	4,729
Other costs	33,701	39,479
Total	114,025	111,938

Other costs include membership contributions to PricewaterhouseCoopers International Ltd., insurances and other costs related to professional liability.

Operating leases

The Group charged € 46.8 m (2021/2022: € 46.8 m) to the profit and loss account for operating lease costs during the year, relating to office premises and the leased car fleet and parking space.

[f] Interest and other financial income

Interest and other financial income are as follows:

	2022/2023	2021/2022
Foreign currency results	526	724
Dividends	13	-
Other interest income	2,607	892
Total	3,146	1,616

[g] Interest and other financial expenses

Interest and other financial expenses are as follows:

	2022/2023	2021/2022
Interest paid to members of the Company	639	420
Other interest expenses	210	1,345
Total	849	1,765

External auditor's fees

The following fees were charged to and borne by the Group for work done during the year by the auditor and the auditor's firm as defined in Section 1 (1 a and e) of the Audit Firms Supervision Act:

	2022/2023	2021/2022
Audit of the financial statements	464	361
Tax advisory services	-	-
Other audit engagements	102	26
Other non-audit services	9	-
Total	575	387

Segment information (in € x 1,000)

2022/2023	Assurance	Tax & Legal	Advisory	Other ¹⁾	Eliminations	Total
Net revenue from external clients	393,592	267,496	371,890	4,752	-	1,037,730
Net internal revenue	9,543	37,487	21,394	477	-68,901	-
Other revenue	-	1,181	-	-	-	1,181
Total revenue	403,135	306,164	393,284	5,229	-68,901	1,038,911
Costs of work contracted-out and other external costs	51,385	41,686	113,953	87	-61,162	145,949
Staff costs	147,511	94,574	117,496	81,944	-	441,525
Amortisation and depreciation of fixed assets	-	333	1,026	8,295	-	9,654
Other operating costs	148,844	97,950	96,776	-86,670	-7,739	249,161
Total operating costs	347,740	234,543	329,251	3,656	-68,901	846,289
Operating profit	55,395	71,621	64,033	1,573	-	192,622
Net financial income and expenses	-1,687	-1,548	-1,329	6,861	-	2,297
Corporate income tax	182	55	114	-3,151	-	-2,800
Management fee to members	-	-	-	-182,198	-	-182,198
Profit after tax	53,890	70,128	62,818	-176,915	-	9,921

¹⁾ Internal costs are charged to group companies and recognised as other operating costs under Other.

People employed in FTE ²⁾	Assurance	Tax & Legal	Advisory	Firm Services	Total
Average number in 2022/2023					
- Partners	104	98	85	1	288
- Other professionals	1,826	985	1,189	10	4,010
- Support staff	48	14	10	997	1,069
Total	1,978	1,097	1,284	1,008	5,367
Working active outside the Netherlands	19	13	7	1	40

²⁾ FTE (excluding trainees) means full-time equivalents.

Segment information (in € x 1,000)

2021/2022	Assurance	Tax & Legal	Advisory	Other ¹⁾	Eliminations	Total
Net revenue from external clients	348,340	287,754	294,879	5,708	-	936,681
Net internal revenue	16,486	23,967	26,201	64	-66,718	-
Other revenue	-	33,861	-	-	-	33,861
Total revenue	364,826	345,582	321,080	5,772	-66,718	970,542
Costs of work contracted-out and other external costs	43,451	45,618	73,782	41	-55,002	107,890
Staff costs	135,225	91,382	98,688	70,970	-	396,265
Amortisation and depreciation of fixed assets	-	333	1,596	8,763	-	10,692
Other operating costs	134,007	96,936	83,072	-80,222	-11,716	222,077
Total operating costs	312,683	234,269	257,138	-448	-66,718	736,924
Operating profit	52,143	111,313	63,942	6,220	-	233,618
Net financial income and expenses	-1,067	-713	104	1,527	-	-149
Corporate income tax	-786	-9,167	-592	-2,311	-	-12,856
Management fee to members	-	-	-	-189,095	-	-189,095
Profit after tax	50,290	101,433	63,454	-183,659	-	31,518

¹⁾ Internal costs are charged to group companies and recognised as other operating costs under Other.

People employed in FTE ²⁾	Assurance	Tax & Legal	Advisory	Firm Services	Total
Average number in 2021/2022					
- Partners	106	100	78	-	284
- Other professionals	1,752	1,047	1,026	11	3,836
- Support staff	61	14	10	927	1,012
Total	1,919	1,161	1,114	938	5,132
Working active outside the Netherlands	17	5	3	1	26

²⁾ FTE (excluding trainees) means full-time equivalents.

2. Company financial statements

2.1. Company balance sheet at 30 June 2023 (before appropriation of result) (in € x 1,000)

		30 June 2023	30 June 2022
Fixed assets			
Financial fixed assets			
Participating interests	[29]	10,259	10,259
Subordinated loans to participating interest	[30]	69,352	48,340
Deferred tax assets (non-current)		187	-
		79,798	58,599
Current assets			
Receivables			
Subordinated loans to participating interest	[30]	4,869	-
Receivables from group companies	[31]	185,390	225,788
Deferred tax assets (current)		818	-
Taxes and social security charges	[32]	71	4,407
Other receivables		2,080	1,429
Prepayments and accrued income		165	9
		193,393	231,633
Cash and cash equivalents			
		24,039	28,151
Total			
		297,230	318,383
Equity and liabilities			
Equity			
Member capital accounts	[33]	84,481	56,800
Undistributed profit	[34]	9,921	31,518
		94,402	88,318
Provisions			
	[35]	211	328
Current liabilities			
	[36]		
Liabilities to suppliers		180	-
Liabilities to members of Coöperatie PricewaterhouseCoopers Nederland U.A.	[15]	201,764	220,227
Taxes and social security charges	[37]	33	8,712
Other liabilities		640	798
		202,617	229,737
Total			
		297,230	318,383

[.] The numbers in square brackets refer to the corresponding numbers in the notes.



2.2. Company profit and loss account for the year ended 30 June 2023 (in € x 1,000)

		2022/2023	2021/2022
Net revenue	[38]	202,857	242,967
Salaries		779	755
Social security charges		98	89
Pension contributions		178	184
Other operating costs	[39]	10,256	10,317
Total operating costs		11,311	11,345
Operating profit		191,546	231,622
Interest and other financial income	[40]	4,440	427
Interest and other financial expenses	[41]	-716	-575
Profit on ordinary activities before tax		195,270	231,474
Corporate income tax		-3,151	-10,861
Management fee members of Coöperatie PricewaterhouseCoopers Nederland U.A.	[28]	-182,198	-189,095
Profit after tax		9,921	31,518

[.] The numbers in square brackets refer to the corresponding numbers in the notes.



2.3. Notes to the company financial statements

Activities

Among other things, the activities of the Company with its registered office in Amsterdam consist of the management and financing of the activities of its participations, as well as making available natural persons ('professional practitioners') who practice a profession as stated in the 'Activities' [note 1.4] of the Company via the private limited companies ('partner BVs') held by them either directly or indirectly, as well as making professionals available to the Lines of Service.

Accounting policies for assets and liabilities and for the profit and loss account

General

The accounting policies used for the company financial statements are the same as those used for the consolidated financial statements. Participating interests over which significant influence or control can be exercised are carried at net

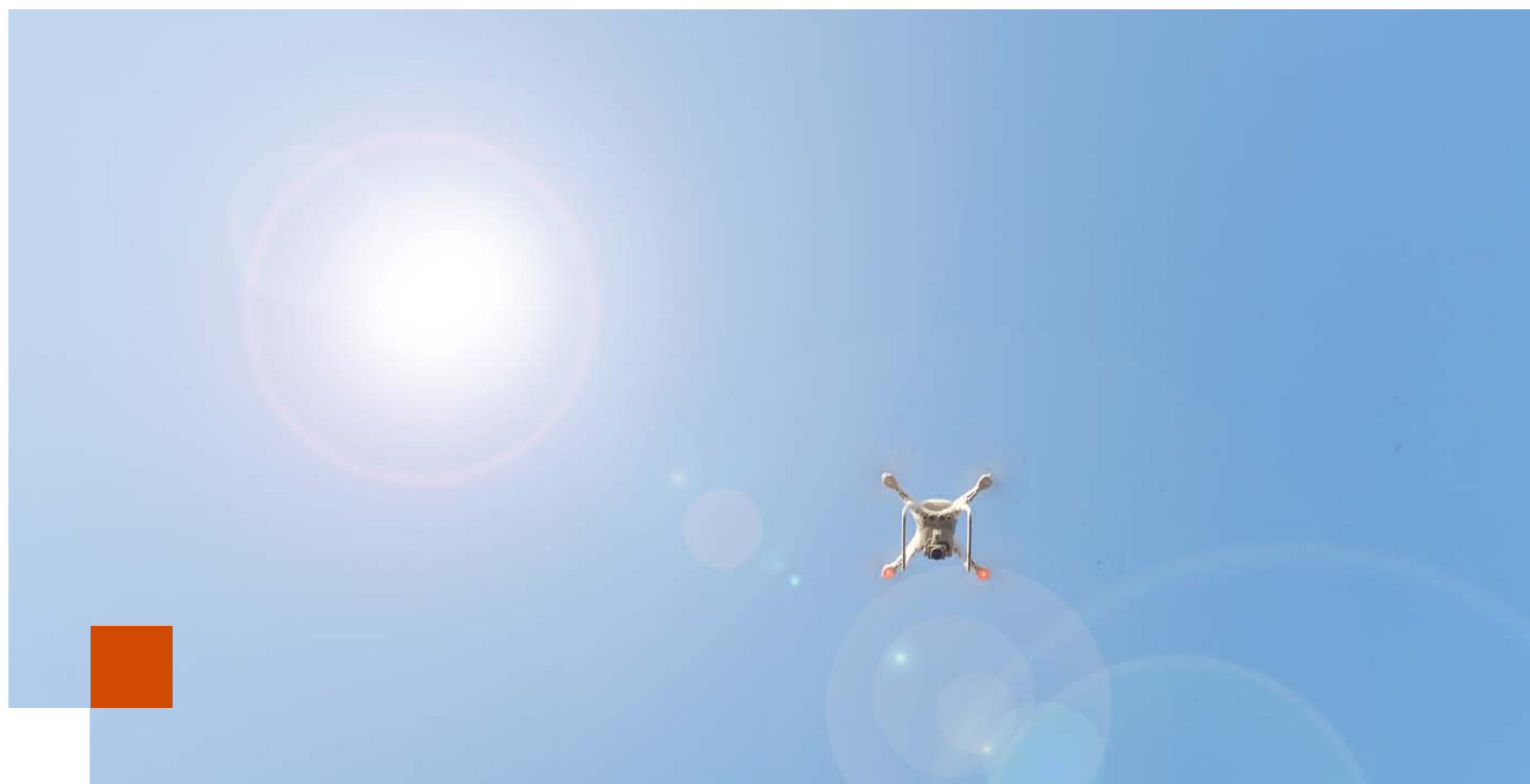
asset value, determined in accordance with the accounting policies used for the consolidated financial statements. The accounting policies are included in the general notes to the consolidated financial statements.

Comparison with prior year

In the interests of improved insight the comparative amount of receivables of participating interests (€ 48.340) has been reclassified from current to non-current (financial fixed assets). Furthermore, in the comparative figures an amount of € 317 is reclassified from Other liabilities to Provisions.

Management fee

The members of the Company are entitled to a management fee under the association agreements with the partner BVs of the professional practitioners (which are the members of the Company) and under the financial arrangements with the partners. The Company charges this management fee to Holding PwC NL (until 30 June 2023).



2.4. Notes to the company balance sheet at 30 June 2023 (in € x 1,000 unless otherwise stated)

[29] Participating interests

These consist of direct holdings in the following entities:

- PwC Business Solutions Holding (NL) B.V., Amsterdam (100%);
- Holding PricewaterhouseCoopers Nederland B.V., Amsterdam (100% since 24 March 2022).

Movements during the year are as follows:

	2022/2023	2021/2022
Balance at 1 July	10,259	57,599
Add: investments	-	10,260
Movements equity rights Consortium PwC Europe	-	-57,600
Balance at 30 June	10,259	10,259

[30] Subordinated loans to participating interest

On 1 December 2022 some changes were made to the financing structure of the Group. The nominal loan amount per professional practitioner made available was increased to € 286 (2021/2022: € 163). During the financial year 2023/2024, this amount will be further increased to € 325. On 30 June 2023, the principal amount lend by the Company is € 74,221 (30 June 2022: € 48,340). The interest rate is 5.75% (2021/2022: 5.25%), based on 15-year external capital market interest rate plus a risk premium. The principal amount of the loan fluctuates annually on 1 July based on the number of professional practitioners made available.

	2022/2023	2021/2022
Holding PricewaterhouseCoopers Nederland B.V.	74,221	48,340
Receivable within one year	-4,869	-
Balance at 30 June	69,352	48,340

[31] Receivables from group companies

Receivables from group companies are due within one year and are not interest-bearing.

[32] Taxes and social security charges

Taxes and social security charges, all due within one year, are as follows:

	30 June 2023	30 June 2022
Corporate income tax	71	-
Value-added tax	-	4,407
Total	71	4,407

[33] Member capital accounts

At 30 June 2023, the balance of the member capital accounts is € 84,481 divided into 295 capital contributions of € 286 each (30 June 2022: € 56,800 divided into 284 contributions of € 200 each).

Movements during the year are as follows:

	2022/2023	2021/2022
Balance as at 1 July	56,800	57,600
Add: undistributed profit	24,531	-
Capital deposit	9,737	3,800
Less: repayment of capital	-6,587	-4,600
Balance at 30 June	84,481	56,800

As part of the profit allocation for 2021/2022, an amount of € 24,531 of the Company's profit after tax was added to the individual member capital accounts (€ 86.4 per member). This is the net result of the divestment of the business activity GM as completed in 2021/2022. The members of the Company agreed in 2022/2023 to increase the member capital contributions to € 325 each, with an effective date of 1 July 2023. Subject to approval by the General Meeting of the Company, the Board of Management proposes to distribute from the individual member capital account an amount of € 86.4 per member.

[34] Undistributed profit

Movements during the year are as follows:

	2022/2023	2021/2022
Balance as at 1 July	31,518	6,877
Add: result current financial year	9,921	31,518
Less: addition to member capital accounts	-24,531	-
Less: profit distribution	-6,987	-6,877
Balance at 30 June	9,921	31,518

[35] Provisions

The movements are as follows::

	2022/2023		2021/2022	
	Personnel	Other	Total	Total
Balance at 1 July	11	317	328	400
Additions	13	-	13	31
Utilisation	-	-98	-98	-98
Releases	-	-32	-32	-5
Balance at 30 June	24	187	211	328

Personnel provisions include amounts for long-term disability benefit top-ups, long-service entitlements and severance pay. Other concerns a provision for a disability benefit to a former partner.

[36] Current liabilities

All current liabilities are due within one year. Given the short-term nature of the liabilities, the fair values of current liabilities approximate their carrying amounts.

[37] Taxes and social security charges

Taxes and social security charges, all due within one year, are as follows:

	30 June 2023	30 June 2022
Wages tax and social security charges	33	33
Corporate income tax	-	8,679
Total	33	8,712

Off-balance sheet assets and commitments

The Company is jointly and severally liable for remittance of the corporate income tax and value-added tax due under the fiscal unities for these taxes.



2.5. Notes to the company profit and loss account for the year ended 30 June 2023 (in € x 1,000 unless otherwise stated)

[38] Net revenue

Net revenue is as follows:

	2022/2023	2021/2022
Management fee Holding PricewaterhouseCoopers Nederland B.V.	189,656	228,003
Car and expense reimbursements	8,646	7,693
Charged costs	4,493	5,943
Revenue Partner Advies Groep	-	1,328
Other	62	-
Total	202,857	242,967

[39] Other operating costs

Other operating costs are as follows:

	2022/2023	2021/2022
Car and expense reimbursements	8,646	7,693
Early-retirement benefits	800	554
Other costs	810	2,070
Total	10,256	10,317

[40] Interest and other financial income

Interest and other financial income are as follows:

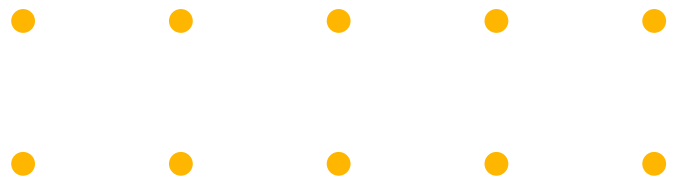
	2022/2023	2021/2022
Other interest income	4,440	427
Total	4,440	427

[41] Interest and other financial expenses

Interest and other financial expenses are as follows:

	2022/2023	2021/2022
Interest paid to members of Coöperatie	639	420
Other interest expenses	77	155
Total	716	575





2.6. Other notes

Remuneration of the members of the Board of Management and the Supervisory Board

	2022/2023	2021/2022
Members of the Board of Management	5,050	7,319
Members of the Supervisory Board	365	445
	5,415	7,764

Members and former members of the Board of Management

The remuneration of the Board of Management, comprising the director under the Articles of Association and the four authorised executive directors, amounted to € 5.1 m for 2022/2023 (2021/2022: € 7.3 m for the director under the Articles of Association and the six authorised executive directors). In addition to their remuneration, the members of the Board of Management also receive car and expense allowances, amounting to € 0.2 m (2021/2022: € 0.2 m).

Members and former members of the Supervisory Board

The Company has a Supervisory Board since 24 March 2022. The Supervisory Board currently has six members. Reference is made to the Remuneration Report of the Supervisory Board included on page 103 of this Annual Report.

On 30 June 2023, Prof. Dr. N. Ellemers and Mr. F.W. Oldenburg stepped down as members of the Supervisory Board.

On 1 July 2023, Mr. B.C. Dreimüller, Prof. Dr. F.A. Rink and drs. S.J. Vlaar were appointed as members of the Supervisory Board.

Average number of employees

The Company has an average number of employees of 10 (2021/2022: 10) of which nil (2021/2022: nil) work outside the Netherlands.

Amsterdam, 4 October 2023

The Board of Management:

A.L. Koops-Aukes RA (director under the Articles of Association)
 Drs. M.C.W. van de Pol RA *
 Drs. W.J. van der Molen RA *
 Drs. V.A.P.M. Roos-Emonds *
 Drs. J. Visbeen *

The Supervisory Board:

Drs. C.P. Buijink (Chair)
 Mr. B.C. Dreimüller
 Prof. Dr. F.A. Rink
 Ir. C.L. van Schooten
 Dr. J. Sijbrand
 Drs. S.J. Vlaar

* Authorised titulaires member



3. Other information

3.1. Provisions of the Articles of Association governing the appropriation of result

Article 27 of the Company's Articles of Association prescribes the following:

- After adoption of the Annual Accounts by the General Meeting, the net profits of the Company shall be allocated in equal shares to the Capital and Reserve Accounts of the members as of the end of the financial year, unless the General Meeting decides otherwise. The 'net gains' or 'net losses' of the Cooperative shall be the gains or losses of the Cooperative determined by applying the accounting methods and principles used to prepare the Annual Accounts.
- The net losses of the Company for each financial year of the Cooperative shall also be charged in equal shares to the Capital and Reserve Accounts of the members, unless the General Meeting decides otherwise.
- The General Meeting is authorised to decide on (i) distributions to members - each for an equal share - from their respective Capital and Reserve Accounts and (i) interim distributions by way of advance payment.
- The resolutions referred to in the above bullet point may be passed only if and to the extent that the balance of the members' Capital and Reserve Accounts does not become less than the amount of the Capital Contribution multiplied by the number of members of the Cooperative.
- Payments made by the Cooperative to a member under this Article shall be made to a bank account designated by the member for that purpose.





3.2. Combined independent auditor's and assurance report

To: the members and Supervisory Board of Coöperatie PricewaterhouseCoopers Nederland U.A.

Summary

We have summarized our opinions and the main features of our audit for the year ended 30 June 2023 of Coöperatie PricewaterhouseCoopers Nederland U.A. below. The full text of the independent auditor's report, which includes the audit opinion on the financial statements and the reasonable assurance report on the other (integrated) information included in the Annual Report is included on the following pages.

The other (integrated) information in scope of our assurance engagement is included in 'PwC at a glance 2022/2023', 'Five-year summary of financial and operational performance', 'Report of the Board of Management' (excluding 'Outlook' per pillar and 'Statement by the Board of Management' on page 49), and the appendices to this Annual Report (hereafter: other (integrated) information in the Annual Report).

	Financial statements	Other (integrated) information in the Annual Report
Opinion	Unqualified audit opinion on financial statements (see page 95).	Unqualified reasonable assurance opinion on other (integrated) information in the Annual Report (see page 95).
Materiality	<ul style="list-style-type: none"> ▶ Materiality of € 10,370,000 ▶ 1.0% of reported consolidated revenues (see page 61). 	Based on our professional judgement, we determined materiality levels for each relevant part of the <i>other (integrated) information</i> and for the <i>other (integrated) information</i> as a whole (see page 94).
Fraud risks	Based on the audit procedures performed, we consider the potential fraud risks sufficiently addressed (see page 45).	Based on our assurance procedures performed, we consider the potential fraud risks sufficiently addressed.
Going Concern	Based on the audit evidence obtained up to the date of our auditor's report, we support management's assumption that the entity is a going concern (see page 39).	N/A
Key audit and assurance matters	<ul style="list-style-type: none"> ▶ Valuation and existence work in progress (see page 98). 	<ul style="list-style-type: none"> ▶ Materiality assessment (see page 109) ▶ Fair view on material impact: 'Impact on people and environment of services that promote transparency and trust in society' (see page 30-31).

A. Report on the audit of the financial statements and other (integrated) information included in the annual report 2022/2023

Our opinion

We have audited the financial statements and other (integrated) information in the Annual Report for the year ended 30 June 2023 of Coöperatie PricewaterhouseCoopers Nederland U.A. based in Amsterdam. The financial statements comprise the consolidated financial statements and the company financial statements.

We have audited	Our opinion
<p><i>Financial statements</i></p> <p>The financial statements comprise:</p> <ol style="list-style-type: none"> 1. the consolidated and company balance sheet as at 30 June 2023; 2. the consolidated and company profit and loss account for the period from 1 July 2022 to 30 June 2023; and 3. the notes comprising a summary of the accounting policies and other explanatory information. 	<p><i>Financial statements</i></p> <p>In our opinion, the accompanying financial statements give a true and fair view of the financial position of Coöperatie PricewaterhouseCoopers Nederland U.A. as at 30 June 2023 and of its result for the period from 1 July 2022 to 30 June 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.</p>
<p><i>Other (integrated) information in the Annual Report</i></p> <p>The other (integrated) information in the Annual Report comprise:</p> <ol style="list-style-type: none"> 4. 'PwC at a glance 2022/2023', 'Five-year summary of financial and operational performance', 'Report of the Board of Management' (excluding 'Outlook' per pillar and 'Statement by the Board of Management' on page 49), and the appendices to this Annual Report (hereafter: other (integrated) information in the Annual Report). 	<p><i>Other (integrated) information in the Annual Report</i></p> <p>In our opinion the other (integrated) information in the Annual Reports presents, in all material respects, a reliable and adequate view of:</p> <ul style="list-style-type: none"> • the policy and business operations with regard to corporate responsibility; and • the thereto related events and achievements for the year ended 30 June 2023
<p>The other (integrated) information in the Annual Report includes prospective information such as ambitions, objectives, targets and expectations. Inherent to this information is that the actual results may differ in the future and are therefore uncertain. We do not provide any assurance on the achievability of the prospective information in the Annual Report.</p>	<p>in accordance with the Sustainability Reporting Standards 2021 of the Global Reporting Initiative (GRI) and the supplementary internally applied reporting criteria as disclosed on page 108.</p>

Basis for our opinion

We conducted our audits in accordance with Dutch law, including the Dutch Standards on Auditing and the Dutch Standard 3810N 'Assurance-opdrachten inzake maatschappelijke verslagen' (Assurance engagements relating to sustainability reports), which is a specific Dutch standard that is based on the International Standard on Assurance Engagements (ISAE) 3000: 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements and the other (integrated) information in the Annual Report' section of our report.



We are independent of Coöperatie PricewaterhouseCoopers Nederland U.A. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements and the other (integrated) information in the Annual Report as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality financial statements

We determined the materiality for the financial statements as a whole at € 10,370,000. Following the request of the audit committee of PwC, the materiality is based on the benchmark of revenues (representing 1.0% of the consolidated revenues on page 61).

We assessed that members of the company have considered profit before tax and before management fee members of Coöperatie PricewaterhouseCoopers Nederland U.A. to be the most relevant benchmark in assessing the financial performance of the company. Taking into account the fact that the materiality level of 1% of revenue leads to a lower materiality level when compared to the materiality level of profit before tax and before management fee members of Coöperatie PricewaterhouseCoopers Nederland U.A., we have decided to agree applying this lower materiality level. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of € 518,500, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Materiality other (integrated) information in the Annual Report

Based on our professional judgement, we determined materiality levels for each relevant part of the other (integrated) information and for the other (integrated) information as a whole. For the information that we identified as most significant we used a lower materiality than for the other information. When evaluating our materiality levels, we have taken into account quantitative and qualitative considerations. Furthermore, we took the significance of the impact based on the stakeholders' dialogue into account.

We agreed with the Supervisory Board that misstatements which are identified during the audit and which in our view must be reported on quantitative or qualitative grounds, would be reported to them.

Scope of the group audit

Coöperatie PricewaterhouseCoopers Nederland U.A. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements. The other (integrated) information in the Annual Report incorporates the consolidated information of this group of entities.

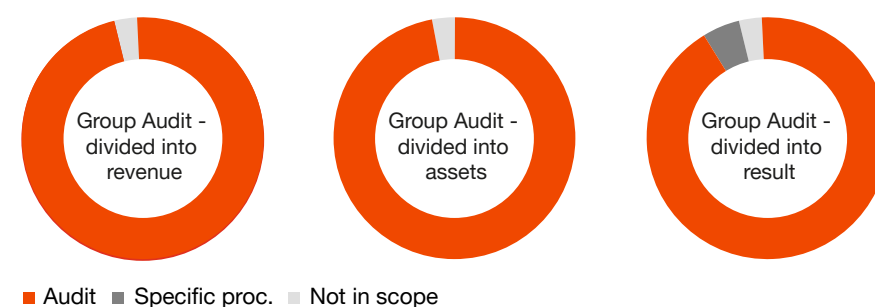
Our group audit mainly focused on significant group entities. We consider an entity significant when:

- ▶ it is of individual financial significance to the group; or
- ▶ the component, due to its specific nature or circumstances, is likely to include significant risks of material misstatement, whether due to fraud or error of the group financial statements.

We have:

- ▶ performed audit procedures ourselves at group entities:
 - ▷ Holding PricewaterhouseCoopers Nederland B.V.;
 - ▷ PricewaterhouseCoopers B.V.;
 - ▷ PricewaterhouseCoopers Accountants N.V.;
 - ▷ PricewaterhouseCoopers Belastingadviseurs N.V.; en
 - ▷ PricewaterhouseCoopers Advisory N.V.
- ▶ performed review procedures or specific audit procedures at other group entities.

For clarification purposes we hereby show our scope:



By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

Audit approach going concern

As explained in the section 'Going concern' on page 64 of the financial statements, the board has carried out a going concern assessment and identified no going concern risks. Our procedures to evaluate the going concern assessment of the board include:



- ▶ We discussed and evaluated the assessment with management exercising professional judgment and maintaining professional skepticism. We specifically focused on the process followed by management to make the assessment, management bias that could represent a risk, the impact of current events and conditions have on the Company's operations and forecasted cash flows, with a focus on whether the Company will have sufficient liquidity to continue to meet its obligations.
- ▶ We took notice of the budget for the upcoming year 2023/2024, the most recent results in 2023/2024 and discussed recent developments regarding the going concern assumption with several relevant bodies (finance management, Management Board and Supervisory Board) within the organization.

We concluded that management's use of the going concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. We found the disclosure in section 'Going Concern' on page 64 of the financial statements to be adequate.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes. As described on page 45, PwC conducts an internal fraud risk analysis every year.

We evaluated the design and relevant aspects of the system of internal control and in particular the internal fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial and non-financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We considered available information and made enquiries of relevant executives, directors, internal audit, the Audit Committee and the Supervisory Board.

We identified the following fraud risks and performed the following specific procedures:

Management override of internal controls

As in all of our audits, we addressed the risk of management override of internal controls, including evaluating whether there was possible bias by management that may represent a risk of material misstatement due to fraud. We have performed the following procedures to address the risk of management override:

- ▶ Evaluation of the design, existence and operative effectiveness of internal controls which mitigate the fraud risk;
- ▶ Performing a retrospective analysis of estimates which management made within the preparation of the Annual Report, including estimates regarding work in progress, valuation of assets and estimates regarding provisions;
- ▶ Performing journal entry testing procedures regarding unexpected or unusual journal entries;
- ▶ Assessment of significant extraordinary events outside of the normal course of business;
- ▶ Furthermore we incorporated elements of unpredictability in our audit.

We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

Based on these procedures, we have no indications of the breach of internal control and subsequent material fraud as a result of management override.

Valuation and existence of work in progress as a result of estimates

This is part of the key audit matters, for this we refer to the key audit matters 'valuation and existence work in progress'.

Accuracy and existence of accounts receivable

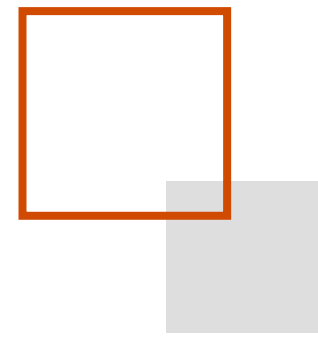
We assume a fraud risk with regard to the accuracy and existence of the accounts receivable. Our audit procedures included an assessment of the design, implementation and effectiveness of the internal controls within PwC as described in the internal fraud risk analysis to the extent relevant for the audit of the financial statements, testing relevant controls and performing substantive procedures.

We concluded that the internal control system regarding the accuracy and existence of the accounts receivable is sufficient. As described in the internal fraud risk analysis, the controls are also designed to prevent fraudulent reporting.

The substantive procedures consisted of an analysis of the aging of the accounts receivable, we have tested the collectability of the accounts receivable after the year end and took notice of the credit rating of the accounts receivable in relation with the accounted provision for bad debts.

Our procedures did not result in material findings related with fraud with respect to accuracy and existence of the accounts receivable at 30 June 2023.





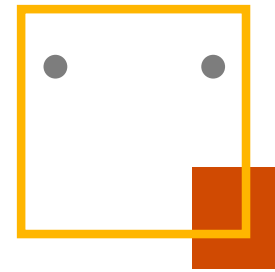
Our key audit and assurance matters

Key audit and assurance matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements and non-financial information. We have communicated the key audit and assurance matters to the Supervisory Board. The key audit and assurance matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements and non-financial information as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER Valuation and existence work in progress <i>Refer to note 4 and 17 of the financial statements</i>	Our audit approach
<p>Valuation of work in progress is an important focus area during our audit due to accounting estimates where management makes significant judgements. Both the valuation and existence of work in progress are a potential fraud risk due to the significant accounting estimates. In our professional judgement, the presumed risk of fraud in revenue recognition will, if this occurs, lead to errors regarding the valuation and existence of work in progress balances at year end.</p> <p>The valuation of work in progress at balance sheet date requires a high degree of judgement due to inherent uncertainty about the accuracy of the expected results of current engagements which is based on an estimate of time and costs to be incurred in comparison with the fee received.</p>	<p>Our audit procedures included an assessment of the design, implementation and effectiveness of the internal controls within PwC as described in the internal fraud risk analysis to the extent relevant for the audit of the financial statements, testing relevant controls and performing substantive procedures. We concluded that the internal control system regarding the existence and valuation of work in progress and revenue recognition is adequate to mitigate the identified risks and we relied on some internal key controls during our audit. As described in the internal fraud risk analysis, the controls are also designed to prevent fraudulent reporting of work in progress.</p> <p>The substantive procedures consisted of an analysis to determine whether the balance of the work in progress at year-end is invoiced in the next financial year and reconciliation of confirmations received from the responsible partners and directors. Furthermore we tested the provision for work in progress by comparing the realization for each partner during the year with the realization for each project included in work in progress at year-end. We discussed the findings of these analysis' with the responsible LoS controllers.</p> <p>Our procedures did not result in material findings with respect to the valuation work in progress at 30 June 2023.</p>





KEY ASSURANCE MATTER Materiality assessment <i>(refer to page 11 what our stakeholders want)</i>	Our audit approach
<p>The materiality assessment is one of the most important parts of our audit of the other (integrated) information in the Annual report.</p> <p>The material topics as included on page 11 are a representation of the topics with PwC's most significant impact on the economy, environment and people, including human rights. This year PwC implemented a new materiality assessment procedure, in line with the revised voluntary GRI standards and specifically 'GRI 3: Material Topics 2021'. PwC also considered draft requirements from the draft European Sustainability Reporting Standards (ESRS) that apply under the CSRD.</p> <p>To conclude on the new material topics PwC conducted the following activities:</p> <ul style="list-style-type: none"> - Created an overview of the business and activities; - Identified and classified stakeholders; - Drafted a list of sustainability matters; - Mapped the sustainability clusters and key stakeholders along the value chain steps; - Identified impacts; and - Assessed the significance of the impacts. 	<p>During our audit we performed the following audit procedures on the materiality assessment:</p> <ul style="list-style-type: none"> - We verified, by observing the business, peer review and by inquiry of employees, the identified activities which are relevant for the materiality assessment; - We determined the existence of the process of the identification and classification of the stakeholders and verified the arithmetical accuracy of the stakeholder classification; - We determined that the long-list of sustainability matters includes every sub-sub topic of the draft ESRS, topics from peer review and topics identified in previous years; - We verified the accuracy of the sustainability clusters and key stakeholders along the value chain steps;; - We verified the supporting documentation regarding the assessment of the impacts internally and determined that the assessment was discussed by the board of management of PwC. We also verified that the scoping of the material topics by management is reflected correctly in the list on page 11; - We performed a non-statistical sample on the minutes of interviews with stakeholders to determine whether the outcomes of these conversations are taken into account by defining the material topics; and - We verified the arithmetical accuracy of the impact assessment and verified the type and direction of the impacts. <p>We conclude that the material topics have been assessed through an adequate process for determining the most significant impacts.</p> <p>Furthermore, based on our assurance procedures on the activities performed by PwC, we verified that the material topics as included on page 11 are a fair representation of the topics with PwC's most significant impact on the economy, environment and people, including human rights.</p>

KEY ASSURANCE MATTER MATERIAL IMPACT 'Impact on people and environment of services that promote transparency and trust in society'	Our audit approach
<p>According to the materiality assessment as included on page 11 one of the significant impacts in the Annual Report is the impact on people and environment of services that promote transparency and trust in society. This impact is one of the most important parts of our audit of the other (integrated) information in the Annual Report.</p>	<p>During our audit we performed the following audit procedures on the impact 'Impact on people and environment of services that promote transparency and trust in society':</p> <ul style="list-style-type: none"> - We determined what information in the other (integrated) information in the Annual Report refers to this material impact. We made a distinction between quantitative and qualitative information. With respect to this information, we determined the design and operating effectiveness of the internal control framework regarding the creation of the information on this impact. - Regarding the figures, we reconciled the figures with information from underlying databases. We determined the reliability of the information in these databases by reconciling the information with supporting external and internal information. - For the text claims, we examined a selection, based on professional judgement, of the texts and made a reconciliation with supporting external and internal information. <p>Our procedures did not result in material findings with respect to the reported numbers- and text claims of this material impact, in accordance with the internally applied reporting criteria.</p>

Limitations to the scope of our audit

The other (integrated) information in the Annual Report includes prospective information such as ambitions, strategy, plans, expectations, estimates and risk assessments. Inherent to prospective information, the actual future results are uncertain. We do not provide any assurance on the assumptions and achievability of prospective information in the other (integrated) information in the Annual Report.

The references to external sources or websites in the other (integrated) information in the Annual Report are not part of the other (integrated) information in the Annual Report as audited by us. We therefore do not provide assurance on this information.





C. Report on other information included in the Annual Report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- ▶ A personal note from our chair;
- ▶ PwC at a glance 2022/2023;
- ▶ Five-year summary of financial and operational performance;
- ▶ Report of the Board of Management;
- ▶ Report of the Supervisory Board;
- ▶ The other information;
- ▶ Appendices.

Based on the following procedures performed, we conclude that the other information:

- ▶ is consistent with the financial statements and does not contain material misstatements;
- ▶ contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Management Board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

D. Report on other legal and regulatory requirements

Engagement

We were engaged by the Supervisory Board as auditor of Coöperatie PricewaterhouseCoopers Nederland U.A. on 17 June 2016, as of the audit for financial year ended 30 June 2017 and have operated as statutory auditor ever since that financial year.

E. Description of responsibilities regarding the financial statements and the other (integrated) information in the Annual Report

Responsibilities of the Management Board and the Supervisory Board for the financial statements and the other (integrated) information in the Annual Report

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. The Management Board is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code, the other information as required by Part 9 of Book 2 of the Dutch Civil Code and the reporting criteria of PwC, based on the Sustainability Reporting Standards 2021 of the Global Reporting Initiative (GRI). Furthermore, The Management Board is responsible for such internal control as The Management Board determines is necessary to enable the preparation of the financial statements and the other (integrated) information in the Annual Report that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, The Management Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, The Management Board should prepare the financial statements using the going concern basis of accounting, unless The Management Board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Management Board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company's financial reporting process and the preparation of the other (integrated) information in the Annual Report.

Our responsibilities for the audit of the financial statements and the other (integrated) information in the Annual Report

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.



We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS, regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing and the Dutch assurance standard 3810N, ethical requirements and independence requirements. Our audits included among others:

- ▶ identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- ▶ evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by The Management Board;
- ▶ concluding on the appropriateness of The Management Board use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- ▶ evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- ▶ evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Our assurance engagement of the other (integrated) information in the Annual Report in accordance with the Dutch assurance standard 3810N included among others:

- ▶ Performing an analysis of the external environment and obtaining an understanding of relevant social themes and issues, and the characteristics of the organization;
- ▶ Identifying and assessing the risks of material misstatement of the other (integrated) information, whether due to errors or fraud, designing and performing assurance procedures responsive to those risks, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion,

forgeries, intentional omissions, misrepresentations, or the override of internal control;

- ▶ Obtaining an understanding of internal control relevant to the assurance engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- ▶ Evaluating the appropriateness of the reporting criteria used and its consistent application, including the evaluation of the results of the stakeholders' dialogue, and the reasonableness of estimates made by management and related disclosures;
- ▶ Evaluating the overall presentation, structure and content of the other (integrated) information, including the disclosures;
- ▶ Evaluating whether the other (integrated) information represents the underlying transactions and events free from material misstatement;
- ▶ Evaluating the procedures performed by the internal audit department of PwC.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Utrecht, 4 October 2023

For and on behalf of BDO Audit & Assurance B.V.,

drs. J.F. van Erve RA



Appendices

Annual Report

2022/2023

Remuneration Report Coöperatie PricewaterhouseCoopers Nederland U.A. for the financial year ended 30 June 2023

This Remuneration Report was prepared by the Remuneration Committee of the Supervisory Board on 3 October 2023 and adopted by the Supervisory Board on 4 October 2023. It is part of the Report of the Supervisory Board, included in the Annual Report of Coöperatie PricewaterhouseCoopers Nederland U.A.

The report sets out PwC's remuneration framework and addresses the 2022/2023 remuneration of partners, staff, Board of Management and Supervisory Board. General information about the remuneration within PwC has also been included.

Partner remuneration – Quality is the heart of our remuneration policy

Given the public importance of PwC's work, remuneration policies for partners are designed in order that quality, independence, compliance with the Code of Conduct and internal and external rules & regulations have an impact on performance evaluation and remuneration. The partner evaluation and remuneration process is supervised by the Supervisory Board and its Remuneration Committee.

Partner remuneration varies with the financial performance of PwC NL and is based on a points system in which the euro value per point is determined as the profit available divided by the aggregate number of points in circulation.

The points allocated to partners are 50% fixed as equity and responsibility-based ('mapping') and 50% variable as performance-based ('rating'). The variable element is determined based on individual partner performance in the areas of Clients (weighting: 50%), People (25%) and Firm/Strategy (25%). Quality is a significant element in all three components. An on-target performance means full partner entitlement to the variable 50% element. A positive or negative outcome to the annual evaluation process can lead to an adjustment to the variable 50% element. An unsatisfactory rating of the performance of an individual partner in terms of quality can therefore significantly affect the amount of the remuneration. Quality is also rewarded positively. A rating of above average on quality may result in additional remuneration.

PwC uses a Recognition and Accountability Framework to facilitate a common approach in holding partners and directors accountable for quality outcomes and quality behaviours. The framework applies to all Lines of Service and sets expectations of the right quality outcomes and behaviours. It also puts in place the right interventions and recognition for the behaviours that are commensurate with quality outcomes (such as internal and/or external quality reviews) and quality behaviours (such as the attitude to quality, personal behaviour and other important compliance matters).

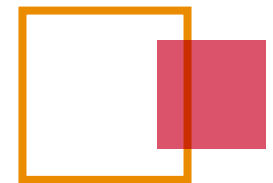
Minimally required conduct (i.e. the behaviour that we at least expect from everyone) does not result in additional remuneration. We refer to this as 'baseline expectations'. These represent conduct in line with the Code of Conduct, compliance with all applicable internal and external regulatory requirements and being proactively involved within the firm. Non-compliance with baseline expectations can negatively affect total remuneration by between 12.5% and 50%.

In short, the partner evaluation and remuneration process can be described as follows:

Table I

Start of the financial year		End of the financial year		
Mapping	Goal setting	Evaluation	Rating	Remuneration
Based on proposals by the different Lines of Service Boards or the Markets Leader, the Board of Management defines the role and responsibilities of individual partners at the start of the financial year. In this process, partners are placed in categories, and in a specific position within the category. The Remuneration Committee reviews the outcome of this process.	In consultation with the primary and secondary reviewing partner, individual partners set personal goals related to quality, roles and responsibilities, personal development and the strategic priorities of PwC NL.	At the end of the financial year, a development and evaluation conversation takes place in which the personal goals are assessed within the components Clients, People and Firm/Strategy. In preparation for this, partners evaluate areas such as the extent to which they have contributed to the strategic priorities of PwC NL.	The outcome of the assessment is expressed in a performance rating on a scale of 1 to 5 for each of the three components (Clients, People and Firm/Strategy). The Lines of Service Boards or the Markets Leader submit the proposed ratings to the Board of Management. The Board of Management decides on the individual performance ratings, after receiving the assessment of the Remuneration Committee regarding the effectiveness and correct execution of the remuneration process.	As a result of this process, partners receive a profit share that reflects the role/responsibilities of the individual partner (50% fixed) and performance (50% variable). Partners receive their profit shares in the partner BVs through which they operate under an association agreement with PwC NL. These partner BVs bear the costs of pension provisioning, insurances and taxation.





In this context, the Remuneration Committee and the Supervisory Board evaluate the performance ratings and mapping of partners based on stratifications. With the assistance of the Partners' Council, the Remuneration Committee monitors the effectiveness and correct execution of the remuneration process in accordance with the applicable requirements, and reports its findings to the Supervisory Board. The Remuneration Committee and the Supervisory Board specifically focus on how compliance infringements are dealt with and the results of the quality reviews, both of which may affect partner remuneration based on the Recognition and Accountability Framework. Where a partner evaluation results in an unsatisfactory rating, the Board of Management assesses whether this performance is incidental or whether there are indications of longer-term issues which need follow-up. The Remuneration Committee and the Supervisory Board also supervise this process.

In the year under review, the Remuneration Committee and Supervisory Board continued to encourage the Board of Management to improve the evaluation and remuneration process, including the application of the mapping criteria. The Board of Management made good progress in this respect. Furthermore, on the advice of its Remuneration Committee, the Supervisory Board approved policy-related changes and updates to the financial regulations for partners. The most significant changes are related to the clawback scheme and the increase in the capital contribution per partner.

Assurance

The audit firm's Transparency Report sets out the evaluation and remuneration policies of Assurance partners in particular. The Remuneration Committee and Supervisory Board reviewed the 2022/2023 outcomes of this process.

Partners who act as external auditors are subject to a clawback scheme. Under this scheme the payout of one sixth of each individual partner's annual remuneration after corporate taxes is deferred and held for a period of six years. This scheme will be adjusted in the coming year to include the possibility that the capital contribution partners pay to PwC is taken into account for the clawback scheme. As soon as the amount to be held cumulatively under the clawback scheme exceeds the capital contribution, the remainder is transferred to a bank account with

an independent foundation charged with managing these funds. When an external auditor issues an incorrect opinion for which the auditor is culpable and which has resulted in societal damage, part or all of the deferred remuneration is withheld from the partner and invested in measures to improve quality in PwC NL. The proposal to withhold (part of the) remuneration is subject to approval by the Supervisory Board. No clawback was required under this scheme in 2022/2023.

Staff remuneration and evaluation based on performance and behaviour

The remuneration process for directors follows part of the process for partners: the performance evaluation is also based on the 'clients', 'people' and 'firm/strategy' components, with quality being a significant element in all three components. The outcome of the performance evaluation is expressed in a performance rating on a scale of 1 to 5, which forms the basis for the salary increase and bonus. The remuneration process for other staff is based on two elements: impact and

progression. 'Impact' (which is the basis for the bonus) reflects the business and behavioural impact someone has had during the performance year and is linked to the goal setting agreed at the start of the year. It consists of both 'what' (relating to Firm/Society, People, Client, Other) as well as 'how' (behaviour in line with our values). 'Progression' (which is the basis for salary increase) relates to growth and development as a person and professional in relation to the PwC Professional competency framework.

The remuneration process for staff has been updated last year. The 'Impact' element now only applies to senior associates and above, and within Assurance to managers and above. The bonus was built into the salary – in full for the more junior levels and partially for other levels. The goal is to place a greater focus on development, especially for the junior levels.

Along the same lines as for the partners, PwC staff set out their objectives for the coming year with their immediate superior. Based on individual appraisals

Table II

Management fee, salary and emoluments			
	2022/2023	2021/2022	Δ%
Available for distribution to partners (€ million)	192.1	196.0	-2.0
Average partner management fee * (€ x 1,000)	668.1	690.3	-3.2
Staff bonuses (€ million)	32.0	27.3	17.2
Average salary cost per FTE (€ x 1,000)	86.9	81.7	6.4
Average bonus per FTE (€ x 1,000)	6.3	5.6	12.5

* Payments are made from the management fee relating to items such as goodwill rights, pension contributions, social security and disability contributions, and life insurance premiums.

Relationship of the highest remuneration within PwC NL to the median and average of the total remuneration within PwC NL (including partners)		
	2022/2023	2021/2022
Ratio highest remuneration – median ¹	24.0	26.2
Ratio highest remuneration – average ¹	15.5	16.6

Relationship of the remuneration of the chair of the Board of Management within PwC NL to the median and average of the total remuneration within PwC NL (including partners)		
	2022/2023	2021/2022
Ratio remuneration Board of Management chair – median ^{1/2}	22.3	25.2
Ratio remuneration Board of Management chair – average ^{1/2}	14.4	16.0

¹ Based on annual income, including bonuses and excluding non-monetary elements of remuneration such as private use of mobile telephone, lease car and expense allowances.

² The factor remuneration of the chair of the Board of Management decreased during 2022/2023 compared to 2021/2022. This was due to a non-recurring bonus awarded to members of the Board of Management in 2021/2022.



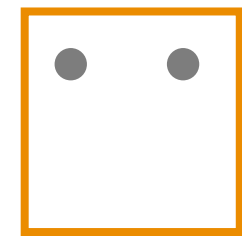


Table III

Remuneration for the Board of Management (€) ⁽¹⁾	2022/2023	2021/2022 ⁽²⁾
Agnes Koops-Aukes ⁽³⁾	1,150,000	960,000
Wytse van der Molen ⁽⁴⁾	975,000	
Maarten van de Pol	975,000	960,000
Veronique Roos-Emonds ⁽⁴⁾	975,000	
Janet Visbeen ⁽⁴⁾	975,000	
Marc Borggreven ⁽⁵⁾		960,000
Marc Diepstraten ⁽⁵⁾		1,097,400
Ad van Gils ⁽⁵⁾⁽⁶⁾		1,284,000
Jolanda Lamse-Minderhoud ⁽⁵⁾		1,097,400
Renate de Lange-Snijders ⁽⁵⁾		960,000

(1) Total remuneration before the obligatory *Stichting Verrekenfonds* deductions and before the amounts withheld annually in connection with the clawback scheme for members of the Board of Management who have been authorised by the Supervisory Board to act as external auditor.

(2) A non-recurring bonus awarded to the members of the Board of Management in 2021/2022.

(3) Chair of the Board of Management as of 1 July 2022.

(4) Joined the Board of Management as of 1 July 2022.

(5) Former member of the Board of Management, up to and including 30 June 2022.

(6) Former chair of the Board of Management, up to and including 30 June 2022.

and other feedback, they determine the progress to date halfway through the year. The extent to which the objectives have been met is assessed at the end of the year and sounded in special meetings by a group of team leaders or career coaches to ensure objectiveness.

The Remuneration Committee and the Supervisory Board discussed the distinctive features of the PwC NL salary structure in the year under review. The proposed changes to the remuneration policies and conditions of employment for staff and directors were also assessed, with special attention paid to the relation between the salary budget and development of inflation, recognition of the internal departments (known as Firm Services) and the views of the Works Council. After due discussion, the Supervisory Board approved the proposed changes and recommended that the Board of Management take the next step towards greater transparency of the salary structure.

Equal pay

The Annual Report section ‘Sustainable growth’ provides insight into the Equal Pay certification and the outcomes of the internal analysis of equal pay and bonus income of all staff, including partners, for 2022/2023. During the year under review, the Remuneration Committee considered in detail the

further analysis of the gaps identified in 2021/2022. Though they fell within the margin of 5%, the Remuneration Committee sees room for improvement by looking at the role of individual discretionary bonuses and adjustment of the timing of the salary round to proactively accommodate equal pay gap analysis.

Pay ratios

Table II of this Remuneration Report shows the relationship of the highest remuneration within PwC and the remuneration of the chair of the Board of Management to the median and the average of the total remuneration within PwC NL (including partners).

Remuneration of the Board of Management

The performance of the members of the Board of Management is evaluated by the Supervisory Board. The Supervisory Board sets long-term goals for the Board of Management as a whole as well as for the individual members. These are based on the key elements of the PwC strategy, linked to the PwC values, and geared to delivering our purpose while embedding the ESG objectives. For this fiscal year, these goals have been linked to PwC’s ‘The New Equation’ strategy with a focus on clients, people,

technology, quality and sustainable growth. ESG provides a crucial role when setting targets, with elements linked to the net zero ambition, responsible investment, health & safety, inclusion and diversity, people & client satisfaction and human capital development.

The performance and progress made during the financial year was monitored on a regular basis by the Supervisory Board by means of a mid-year evaluation interview and a year-end performance interview between each member of the Board of Management and counterparties from the Supervisory Board. These evaluations include an assessment of the time spent by members of the Board of Management on their various roles.

The Supervisory Board determines the remuneration of individual members of the Board of Management in compliance with the Dutch Audit Firms Supervision Act and in line with criteria set by the General Meeting. This means that members of the Board of Management do not receive the points-based remuneration like other partners, instead receiving a fixed non-profit-related remuneration. The Supervisory Board determined the remuneration for the individual members of the Board of Management for 2022/2023 as set out in Table III and effective from 1 July 2022.

In addition to the fixed non-profit-related remuneration, the Supervisory Board is authorised to levy a downward correction on a member of the Board of Management of up to a maximum of 20% when this is justified by the quality of their performance as a professional practitioner. The Supervisory Board is also authorised to determine a variable remuneration of up to 20% of the fixed remuneration based on the achievement of mid/long-term goals set by the Supervisory Board. With regard to the financial year 2022/2023 no such downward correction or variable remuneration was determined.

The amounts are determined before taxes, social charges, pensions and similar items. In accordance with the association agreements, remuneration is paid to the partner BVs and the individual members of the Board of Management are responsible for the payment of taxes, pension arrangements and insurances. No personal loans, guarantees or advance payments have been provided to, or on behalf of, members of the Board of Management.



In addition to the fixed non-profit-related remuneration, members of the Board of Management receive expense allowances in line with those set for all partners. The members of the Board of Management also receive an annual member's fee on capital contributed, as do all PwC NL partners. Because of the fixed non-profit-related basis for the remuneration, the scenario analyses provided for by the Dutch Corporate Governance Code are not considered.

Clawback applying to the Board of Management

The clawback for partners who act as external auditor also applies to members of the Board of Management who act as external auditor as agreed with the Supervisory Board. No clawback was made relating to the financial year 2022/2023.

Changes to the remuneration policy for the Board of Management as of 1 July 2023

The Remuneration Committee and Supervisory Board carried out an evaluation of the remuneration policy for the Board of Management with the help of an internal remuneration specialist in order to obtain information on market practice while taking into account feedback from the Partners' Council and the views of the Board of Management. This evaluation resulted in several clarifications. The main update of the remuneration

policy involves guidance on the elements playing a role during the annual review and evaluation of the fixed and variable remuneration. The Supervisory Board yearly assesses the fixed remuneration and may decide on adjustments, now taking into account both the responsibilities and tasks of the members of the Board of Management and any relevant societal/ external or internal developments. In addition, personal developments can result in an adjustment of the fixed or variable remuneration. The changes to the remuneration policy were adopted by the General Meeting and have been applicable since 1 July 2023.

Assurance Board

From 1 July 2018 onwards, the Supervisory Board also determines the remuneration of the members of the Assurance Board in accordance with the remuneration policy for the members of the Board of Management as set out above.

Remuneration of the Supervisory Board

The remuneration of members of the Supervisory Board consists of a fixed annual amount, determined by the General Meeting. For the financial year 2022/2023 the annual remuneration for the chair of the Supervisory Board amounts to € 70,000, for a member of the Supervisory Board € 45,000, for a chair of a committee € 10,000, and for a member of

a committee € 7,500. Remuneration of the members of the Supervisory Board for their periods of office in 2022/2023 is set out in Table IV. The members of the Supervisory Board are also entitled to claim expenses incurred. No personal loans, guarantees or advance payments have been provided to, or on behalf of, members of the Supervisory Board.

Changes to the remuneration policy for the Supervisory Board as of 1 July 2023

The Supervisory Board Regulations require that remuneration is independent of the organisation's results and proportionate to the responsibilities involved and time needed to properly discharge responsibilities. The remuneration of the Supervisory Board was evaluated by the Remuneration Committee with this in mind. Taking into account the increased time investment of the Supervisory Board members and the fact that remuneration has not been adjusted since the introduction of the Supervisory Board in 2015, the Supervisory Board proposed to the General Meeting to increase the annual remuneration for the chair and members of the Supervisory Board by € 7,000 as of 1 July 2023. This was supported by the Partners' Council and the General Meeting adopted the proposal.

Table IV

Remuneration for the Supervisory Board for 2022/2023 (€)	Remuneration for chairing or membership of the Supervisory Board	Remuneration for chairing or membership of the Audit Committee	Remuneration for chairing or membership of the Remuneration Committee	Remuneration for chairing or membership of the Selection and Appointment Committee	Remuneration for chairing or membership of the Public Interest Committee	Total remuneration for 2022/2023	Total remuneration for 2021/2022
Chris Buijink	70,000	-	7,500	10,000	7,500	95,000	50,452 ⁽¹⁾
Naomi Ellemers	45,000	-	10,000	7,500	7,500	70,000	63,753 ⁽²⁾
Frits Oldenburg	45,000	7,500	-	7,500	7,500	67,500	67,500
Jan Sijbrand	45,000	7,500	7,500	-	10,000	70,000	85,616 ⁽³⁾
René van Schooten	45,000	10,000	-	-	7,500	62,500	36,610 ⁽⁴⁾
Annemarie Jorritsma	-	-	-	-	-	-	41,233 ⁽⁵⁾
Cees van Rijn	-	-	-	-	-	-	38,356 ⁽⁶⁾
Yvonne van Rooy	-	-	-	-	-	-	36,610 ⁽⁷⁾

(1) Joined Supervisory Board on 26 November 2021, chair as of 14 February 2022.

(2) Chair of Remuneration Committee as of 14 February 2022.

(3) Interim chair Supervisory Board and Selection and Appointment Committee and member of Public Interest Committee (instead of chair) up to and including 13 February 2022, member of Audit Committee as of 14 February 2022.

(4) Joined Supervisory Board on 26 November 2021, chair of Audit Committee as of 14 February 2022.

(5) Supervisory Board member up to and including 31 January 2022.

(6) Supervisory Board member up to and including 10 February 2022.

(7) Supervisory Board member up to and including 30 June 2022.

Status of legal proceedings

PwC provides services to an extensive list of clients, and in a small number of cases this leads to legal proceedings. A brief explanation of the current cases is set out below.

Assurance

We are still involved in the aftermath of some bankruptcies of companies where PwC was the external auditor. The most important one is Econcern.

Econcern

A civil proceeding was pending between an investor and PwC. The court in first instance rejected the investor's claim. The investor appealed against this judgement. In November 2022, at the request of the parties the appeal proceedings were terminated before the court of appeal had rendered a decision.

In addition, we are involved in the following legal and disciplinary proceedings:

SHV/Eriks

Negative publicity arose in February 2017 regarding possible irregularities at Econosto, an SHV/ Eriks group company. The Public Prosecutor's Office investigated these potential irregularities and made public that PricewaterhouseCoopers Accountants N.V. was considered a suspect within the context of its audit of the financial statements at that time. PwC and the Public Prosecutor's Office reached an agreement in February 2023, ending this procedure.

Brouwer groep

This civil proceeding against PwC was brought by a former shareholder of the Brouwer groep, claiming errors in a 2001 valuation of his shareholding as a result of which the former shareholder claims to have suffered damage. The court rejected the former shareholder's claim on 13 April 2019. The former shareholder has filed an appeal against this decision. Also the court of appeal rejected the claim (16 November 2021). The former shareholder appealed to the Supreme Court. In March 2023, the Supreme Court rejected the claim of the former shareholder. As a result, this civil proceeding has ended.

Advisory

In April 2022, the liquidator of a bankrupt hospital issued a summons in which the liquidator claimed that PwC wrongfully settled its invoices shortly before the time of the bankruptcy. The liquidator withdrew its summons in November 2022 and the procedure ended.

Tax & Legal

On 21 December 2015, the Dutch tax authority levied a fine on a PwC tax advisor in connection with alleged improper advice regarding a fiscal structure. This was contested before the court which agreed to the objections and as a consequence, annulled the fine in its verdict dated 10 June 2021. The Dutch tax authority appealed against this judgement. On 14 June 2022, the court of appeal reconfirmed the court's decision and annulled the fine. The Dutch tax authorities have since started a procedure at the Supreme Court which is ongoing.

In August 2021, PwC concluded a transaction with the Public Prosecutor's Office, which relates to a case where PwC was suspected of deliberately providing incorrect information to the Dutch tax authorities. Disciplinary proceedings were started against the partner and staff member involved. On 22 June 2022, the disciplinary court rejected the complaints. The Dutch tax authority has appealed to this decision. This proceeding is still ongoing.

Other

On 14 May 2021, a former director of the NBA filed a complaint against five (former) board members of the NBA for acting negligently in their investigation into the former director and his subsequent dismissal. One of these (former) NBA board members is a partner associated with PricewaterhouseCoopers Accountants N.V. The Disciplinary Court of Accountants considered one aspect of the 24 complaints filed by the former director to be justified and issued the five (former) board members a warning. Both the former director and the five (former) board members filed an appeal against the decision. This proceeding is still ongoing.



About this report

Level of reporting

We report at the level of Coöperatie PricewaterhouseCoopers Nederland U.A. for the financial year ended on 30 June 2023. The Annual Report is made public within four months after year end on 13 October 2023. The scope of this report is PwC NL. In other words, all information about our policies, strategy, procedures and systems, and about the related performance indicators, relate to PwC NL. There have been no significant changes in terms of size, structure, ownership or supply chain within PwC NL.

The report provides an overview of the main developments and both financial and non-financial performance in the last fiscal year. We report on material themes that are connected to our strategy, our performance, our impact on society, the opportunities and the risks. In doing so, we take the expectations of our most important stakeholders into account regarding the themes on which we report.

The Board of Management is ultimately responsible for the contents of the Annual Report. The majority of the quantitative information contained in this report has been extracted from our systems; the numbers are exact numbers. Any information that has been obtained by other means (for instance by estimation or extrapolation) is identified as such. To the extent possible, all quantitative information in this report is accompanied by comparative information for the prior year.

Ambition

PwC aims to be at the forefront of reporting. To comply with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy, it is our ambition to continue implementing this over the course of the next few years and disclose the gradient progress in our Annual Report. In line with the requirements from the CSRD, we selected the material topics based on impact materiality and made a first exercise of financial impact.

Integrated reporting and Global Reporting Initiative

This Annual Report has been prepared in accordance with the 2021 GRI Standards of the Global Reporting Initiative (GRI) guidelines and the International <IR> Framework of the International Integrated Reporting Council (IIRC). The GRI Content Index is included in this report (see pages 112-116) and lists the pages where specific information can be found. This Annual Report also serves as our communication on progress, as prescribed by the United Nations (UN) Global Compact, of which the worldwide PwC Network is a participant. In this context, PwC NL also reports on impact with a focus on the UN Sustainable Development Goals that we deem most relevant to PwC NL.

External audit

Besides auditing the financial statements, we requested that our external auditor provides a reasonable level of assurance on PwC at a glance, the Report of the Board of Management (excluding 'Outlook' per pillar in the section '[Strategy execution](#)', '[The value we add\(ed\)](#)' and the '[Statement by the Board of Management](#)' and the appendices to this Annual Report, which is called the other integrated information in the assurance report. The external auditor's assurance report, including details of the work carried out, is presented on pages 95-111. In this process, the external auditor relies on the audit work performed by our Internal Audit Department.

We publish our Annual Report as a fully interactive document and an interactive PDF. The text and numbers in the PDF have been subject to external assurance and the PDF therefore takes precedence in case of discrepancies.

Materiality assessment and stakeholder dialogue process

The process of defining the material topics and report content, as well as the list of material topics, is described in the next paragraphs. The results of the materiality assessment, a list of material and value-creation topics for PwC, are set out in this report together with indicators to measure the progress on the performance. We focus on those aspects that are of the greatest significance to our strategy and to our stakeholders. The materiality assessment is the starting point of our integrated report.

How do we identify stakeholders?

We identify our most important stakeholders based on the question: who are the stakeholders that have an interest and are affected or could be affected by PwC's activities? We see three categories (see table below): people (internally), clients and society. Stakeholders can have a direct influence on us – such as legislators, oversight bodies and regulatory authorities – but also an indirect influence, for example the next generation by means of youth organisations.




The purpose of the stakeholder dialogue and what stakeholders expect from us

In order to build trust in society and solve important and complex problems, we want to cooperate and build relationships with each other and with our stakeholders. To achieve this, we engage continuously with our stakeholders: our colleagues, clients and representatives of society at large, such as regulatory authorities, government, youth organisations, NGOs, professional and investor associations, politicians and academics. These dialogues allow us to understand the expectations of our stakeholders and allow us to refine our strategy, our societal role and our work with clients. By translating societal expectations to our daily practice, we gradually become a better organisation.



How do we enter into dialogue with stakeholders?

Form of dialogues (# in 2022/2023)

 People	<ul style="list-style-type: none"> - Discussion with Works Council representatives (1 group session together with colleagues) - Internal stakeholder dialogue meeting (1 group session with colleagues) - One-on-one meeting with colleagues who were leaving PwC (4 meetings)
 Clients	<ul style="list-style-type: none"> - Conversations with clients (3)
 Society	<ul style="list-style-type: none"> - Conversations with civil servants (6), umbrella organisations (4), NGOs and social partners (5), opinion makers (1), politicians (3), youth organisations (1), suppliers (1) and scientists (1).

We also assess how our material topics map to the Sustainable Development Goals (SDGs). The SDGs are the framework we apply to assess the impact made by our business activities. Periodically, we reassess which of the seventeen SDGs are most relevant to PwC.

The table below shows the list of material topics and impacts for 2022/2023. We discussed the list of material topics with our stakeholder dialogue expert panel, which consists of partners, directors and senior managers from our different Lines of Service. Our material topics were reviewed and approved by the Board of Management. Going forward, we will test and validate our material topics and impacts with our stakeholders and external experts in our ongoing stakeholder engagement processes.

Material topic	Main impact	Type of impact	Direction of impact
ESRS and economic topics	Description of material impacts	Actual or potential	Positive and/or negative
Climate change	Impact on climate change of scope 1, 2 and 3 GHG emissions from operations	Actual	-
	Impact on climate change of dedicated climate services and unintended impacts from services	Potential	+ / -
Biodiversity and ecosystems	Impact on biodiversity of dedicated climate services and unintended impacts from services	Potential	+ / -
Own workforce	Impact on employees of working conditions provided	Actual	+
	Impact on employees' health, safety and wellbeing	Actual	+ / -
	Impact on employees' right to equal treatment and opportunities	Actual	+ / -
	Impact on employees of training and skills development opportunities	Actual	+
Workers in the value chain	Impact on rights of workers of suppliers and direct business relationships	Potential	-
	Impact on rights of workers in the downstream value chain of dedicated workforce services and unintended impacts from services	Potential	+ / -
Business conduct	Impact on people and environment of corporate culture and values that promote responsible business	Potential	+
	Impact on people in the event of data privacy incidents	Potential	-
	Impact on society in the event of quality, including independence issues	Potential	-
	Impact on people and environment from management of relationships with suppliers and clients	Potential	+
Entity specific topics	Impact on society of sustainable tax services and unintended impacts from tax advice	Potential	+ / -
	Impact on society of prevention and detection of corruption, bribery and other fraud by services	Actual	+
	Impact on people and environment of services that promote transparency and trust in society	Actual	+
Economic	Impact on the economy of innovation and digitisation of services	Actual	+

Compared with 2021/2022, the criteria for determining material topics in accordance with the GRI standards have changed, which affects comparability between our 2021/2022 and 2022/2023 materiality assessment. However, our list of material topics includes topics from our prior materiality matrix, with some changes.

How do we put together the list of material topics?

In 2022/2023 we have updated our materiality assessment in accordance with the revised voluntary GRI standards and specifically 'GRI 3: Material Topics 2021'. We have also considered the, at that time, draft requirements from the European Sustainability Reporting Standards (ESRS) that apply under the CSRD.

Step 1: Understand the context

Key to our materiality assessment is to understand how activities and business relationships might impact people and the environment across the value chain. This includes consideration of the stakeholders that are affected or could be affected by us. We continuously engage with our stakeholders to understand their concerns and to understand how their interest might be affected.

Step 2: Identify actual and potential impacts

We create a list of potentially relevant sustainability matters based on insights from stakeholder engagement, prior materiality assessment, sector analysis and the ESRS. We want to cover all relevant sustainability matters across our value chain and business relationships, considering our supply chain, own operations and the work we do with clients. For each sustainability matter we identify the corresponding positive and negative actual and

potential impacts in the short, medium and long term based on (scientific) research and in consultation with internal experts.

Step 3: Assess the significance of the impacts

Subject matter experts from PwC review and assess impacts in line with specified assessment criteria. We assess actual negative impacts by their severity (scale, scope and irremediable character) and actual positive impacts by their scale and scope. For potential impacts we also considered likelihood. This results in an impact materiality score for each impact.

We base our assessment on entity-specific data when available, for example regarding our GHG emissions and diversity impacts. For some impacts upstream and downstream in the value chain data is not yet readily available, so we base our assessment on expert judgements and desk research into impacts commonly associated with our sector, activities and geographical locations of service delivery.

Step 4: Prioritise the most significant impacts

Based on the impact materiality score, we create three buckets: low, medium and high impact. Impacts with a medium or high impact are deemed material, are prioritised for reporting and will be used to inform strategy development. For readability, we group impacts into topics.

The following changes occurred in 2022/2023:

- Closely related impacts are clustered and broadly defined topics are no longer included as standalone topics to minimise overlap.
- Topics have been renamed to create more clarity on definitions in line with ESRS terminology, where possible.
- ‘Environmental sustainability’ has been disaggregated into ‘Climate change’ and ‘Biodiversity and ecosystems’ to facilitate a more granular assessment.
- We have further specified impacts from our services, including impacts related to ‘Climate change’, ‘Biodiversity and ecosystems’, ‘Workers in the value chain’ and ‘Tax services’.

- We have further specified impacts across the value chain by including ‘Management of relationships with suppliers and clients’ and ‘Impact on rights of workers of suppliers and direct business relationships’.
- ‘Financial results’ and ‘Recruiting, developing and retaining employees’ are no longer material topics now that impact is the sole criterion for materiality in the updated GRI standards.

The table below shows key movements across our material topics.

After the materiality assessment

Our Board of Management discussed the material themes with stakeholders in one-on-one dialogues. These conversations provided us with more in-depth information about what stakeholders expect from PwC on the material topics. This led to three key messages (see page 11). PwC uses these messages in its strategic policy-making process in order to incorporate them at the heart of our organisation. We communicate how we address the expectations of our stakeholders through this Annual Report, through a page on our external website dedicated to the stakeholder dialogue and through one-on-one contact with our stakeholders.

Topic 2021/2022	Topic and impacts 2022/2023
Integrity	Business conduct – Corporate culture and values
Acting values-driven	
Environmental sustainability	Climate change – GHG emissions and impact from services Biodiversity and ecosystems – Impact from services
Quality	
Transparency	Entity specific topics – Transparency and trust
Well-being	Own workforce – Health, safety and well-being
(Data) security and privacy	Business conduct – Data privacy
Fraud	Business conduct – Detection of corruption, bribery and other fraud
Inclusion and diversity	Own workforce – Equal treatment and opportunities
Innovation and digitisation	Economic – Innovation and digitisation
Governance	
Impact on society	Not included as a standalone topic
Long-term value-creation for clients	
Knowledge development and sharing	
Recruiting, developing and retaining employees	Not material from the impact perspective
Financial results	Not material from the impact perspective



How we manage the execution of our strategy

The Board of Management is responsible for the formulation of our values and goals, our strategy and its achievement. They discuss this with both internal and external stakeholders (including through our stakeholder dialogue). The five members of the Board of Management each have their own individual portfolio with specific focus areas and responsibilities for managing impact. The required areas of expertise and competence are included in profile descriptions. The same applies to the Supervisory Board.

Members of the Board of Management, both individually and collectively, develop the needed technical and other skills to perform their role. Each member is responsible for his/her development and knowledge building by attending relevant meetings and seminars. As a collective, the Board of Management dedicates time with each other on specific topics like sustainability, inclusion and diversity and digital with (internal) experts in these fields. The Board of Management also spends time on the transformation, strategy and their personal and team skills.

In a number of specific strategic areas such as corporate sustainability, inclusion and diversity, innovation, integrity (Code of Conduct), the Board of Management is supported by teams that further develop and execute the strategy and plans. These teams report directly to the (portfolio holder in the) Board of Management and, as part of the annual business planning cycle, they present a plan to the Board of Management and periodically report back on progress. We also include the expectations of our stakeholders in the business planning cycle, and periodically update them on our progress. In addition, we have a 'Net Zero Adviesgroep' to evaluate and anticipate our progress in becoming net zero.

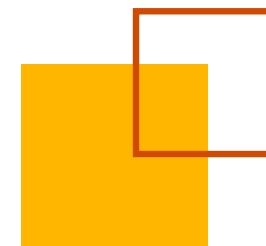
Reporting

We report about sustainability performance as an integral part of our Annual Report. In executing our strategy, we focus on five strategic objectives or enablers to help achieve the goals set in our strategy. The Board of Management uses both qualitative and quantitative indicators to measure progress on strategy execution. The progress we make is reported on in our so-called Integrated Dashboard on a quarterly basis. This dashboard allows us to monitor and evaluate the full spectrum of our strategic agenda, and is quarterly reported to the Supervisory Board.

We believe that the standards and expectations for sustainability reporting should be as high as standards and expectations for financial reporting. Reliable, comparable, consistent and trustworthy information for stakeholders about an organisation's enterprise value and impact are key. With our SDG Impact Measurement (SDG IM), we prepare to transparently report on our impact in line with the SDGs. We believe this will help us to make decisions that positively contribute to achieving the SDGs and collect the data that we need to report in compliance with future regulations.

The SDG IM is executed annually. We align the indicators of the SDG IM with the Integrated Dashboard and targets set by the Board of Management of PwC. The refinement of the framework, including new indicators, are discussed with the steering committee of the project and approved by the board. Throughout the project, issues are reported to the steering committee and mitigating actions are taken when and where necessary.

For the definitions of our other integrated information we refer to the different paragraphs of the Strategy execution section (pages 15-39).



Global Reporting Initiative (GRI) index

GRI 1	
Statement of use	Coöperatie PricewaterhouseCoopers Nederland U.A. has reported in accordance with the GRI Standards for the financial year 2022/2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Commercial services: not available yet

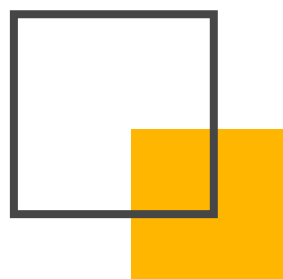
GRI 2: General Disclosures 2021			
Disclosure	Location	Omission/reason/explanation	Page
2-1 Organisational details			
Legal name	Our legal structure		<u>117</u>
Nature of ownership and legal form	Our legal structure		<u>117</u>
Location of headquarters	Acknowledgements		<u>119</u>
Countries of operation	PwC at a glance, Our legal structure		<u>5, 117</u>
2-2 Entities included in the organisation's sustainability reporting	Notes to the consolidated financial statements, About this report		<u>63-64, 108</u>
2-3 Reporting period, frequency and contact point			
Reporting period and cycle of sustainability and financial reporting	About this report		<u>108-111</u>
Contact point for questions regarding the report	Acknowledgements		<u>119</u>
2-4 Restatement of information	About this report	No restated information in 2022/2023.	<u>108</u>
2-5 External assurance	About this report		<u>108</u>
2-6 Activities, value chain, and other business relationships	Strategic context, Strategy execution (sustainable growth), Financial statements Coöperatie PricewaterhouseCoopers Nederland U.A., About this report, The value we add(ed)		<u>7-13, 32-34, 57-94, 108, Appendix The value we add(ed)</u>
2-7 Employees	PwC at a glance, Strategy execution (Community of solvers)	The breakdown of employees by age and region, such as city, does not contribute to the insight in our approach to employment and is therefore not reported. There is no seasonality in our employment numbers.	<u>3-5, 20-24</u>
2-8 Workers who are not employees	PwC at a glance, Strategy execution (Community of solvers)		
2-9 Governance structure and composition	Corporate Governance, Report of the Supervisory Board		<u>40-43, 50-56</u>
2-10 Nomination and selection of the highest governance body	Corporate Governance, Report of the Supervisory Board	https://www.pwc.nl/nl/onze-organisatie/assets/pdf/supervisory-board-regulations.pdf	<u>40-43, 50-56</u>
2-11 Chair of the highest governance body	Corporate Governance, Report of the Supervisory Board		<u>40-43, 50-56</u>
2-12 Role of the highest governance body in overseeing the management of impacts			
Role of highest governance body in setting purpose, values, and strategy	Corporate Governance, Report of the Supervisory Board, About this report (How we manage the execution of our strategy)		<u>40-43, 50-56, 108-111</u>



GRI 2: General Disclosures 2021			
Disclosure	Location	Omission/reason/explanation	Page
Role of the highest governance body in overseeing the management of impacts including engaging with stakeholders and considering the outcomes	Strategic context, Corporate Governance, Report of the Supervisory Board, About this report (Stakeholder analysis and How we manage the execution of our strategy)		<u>7-13, 40-43, 50-56, 108-111</u>
Effectiveness of processes	About this report (How we manage the execution of our strategy)		<u>108-111</u>
2-13 Delegation of responsibility for managing impacts	About this report (How we manage the execution of our strategy)		<u>108-111</u>
2-14 Role of the highest governance body in sustainability reporting	Corporate Governance, Report of the Supervisory Board, About this report		<u>40-43, 50-56, 108-111</u>
2-15 Conflicts of interest	Corporate Governance		<u>42</u>
2-16 Communication of critical concerns	Strategy execution (sustainable growth)		<u>39</u>
2-17 Collective knowledge of the highest governance body	Corporate Governance, Report of the Supervisory Board, About this report (How we manage the execution of our strategy)		<u>40-43, 50-56, 111</u>
2-18 Evaluation of the performance of the highest governance body	Report of the Supervisory Board, Remuneration Report		<u>50-56, 103-106</u>
2-19 Remuneration policies	Remuneration Report		<u>103-106</u>
2-20 Process to determine remuneration	Remuneration Report		<u>103-106</u>
2-21 Annual total compensation ratio	Remuneration Report		<u>103-106</u>
2-22 Statement on sustainable development strategy	A personal note from our chair, PwC at a glance, Strategic context, Statement by the Management Board		<u>2, 3-5, 7-13, 48-49</u>
2-23 Policy commitments	Strategy execution (sustainable growth), Risk management		<u>38, 44-45</u>
2-24 Embedding policy commitments	Strategy execution (sustainable growth), Risk management		<u>38, 44-45</u>
2-25 Processes to remediate negative impacts	The value we add(ed)		<u>Appendix The value we add(ed)</u>
2-26 Mechanisms for seeking advice and raising concerns	Strategy execution (sustainable growth)		<u>39</u>
2-27 Compliance with laws and regulations	Risk management		<u>44-47</u>
2-28 Membership associations	Strategic context		<u>13</u>
2-29 Approach to stakeholder engagement	Strategic context, About this report (Stakeholder analysis)		<u>7-13, 108-111</u>
2-30 Collective bargaining agreements		Not applicable, no bargaining agreement.	



GRI 3: Material topics				
Material topic	(GRI) aspect	Location	(GRI) indicators	Page
3-1 Process to determine material topics		About this report		108-111
3-2 List of material topics		Strategic context, About this report, The value we add(ed)		7-13 , 108 , Appendix The value we add(ed)
3-3 Management of material topics		Strategic context, Strategy execution (Client focused, Sustainable growth), About this report (How we manage the execution of our strategy), The value we add(ed) – Client focused, Sustainable growth	No omissions	7-13 , 32-35 , 108-111 , Appendix The value we add(ed)
Environment				
	GRI 305 Emissions 2016 (environmental sustainability)	At a glance, Strategy execution (Sustainable growth)	305-1: Direct (Scope 1) GHG emissions	3-5 , 32-35
			305-2: Energy indirect (Scope 2) GHG emissions	
			305-3: Other indirect (Scope 3) GHG emissions	
			305-4: GHG emissions intensity	
			305-5: Reduction of GHG emissions	
			305-6: Emissions of ozone-depleting substances (ODS)	
			305-7: Nitrogen oxides (NOx), sulphur oxides (SOx) and other significant air emissions	
			Environmental impact (tCO2e) (SDG13)	
Climate services and unintended impacts		Strategy execution (Client focused)	Our material topics represent our most significant impacts on the economy, environment and people, including human rights. They are regularly reviewed to ensure they reflect relevant developments within our organisation and across our value chain. While the potential impact on clients is not currently measured, this will be part of our work on compliance with the Corporate Sustainability Reporting Directive (CSRD).	
Biodiversity services and unintended impacts		Strategy execution (Client focused)		
Social				
3-3 Management of material topics		Strategic context, Strategy execution (Community of solvers, Sustainable growth), About this report (How we manage the execution of our strategy), The value we add(ed) – Community of solvers, Sustainable growth	No omissions	7-13 , 20-24 , 32-39 , 108-111 , Appendix The value we add(ed)
Working conditions	Talent	At a glance, Strategy execution (Community of solvers)	Headcount	3-4 , 21
			Average number of FTE	4
			Turnover rate top talent (%)	21



GRI 3: Material topics				
Material topic	(GRI) aspect	Location	(GRI) indicators	Page
Health, safety and well-being	Well-being	At a glance, Strategy execution (Community of solvers)	Overall results Global People Survey	3-4, 23, 24
			Global People Survey People Engagement Index	
			Employer of choice	
Equal treatment and opportunities	GRI 405 Diversity and equal opportunity 2016 (inclusion and diversity)	At a glance, Strategy execution (community of solvers, Sustainable growth)	405-1: Diversity of governance bodies and employees	21-24, 32-39
			405-2: Ratio of basic salary and remuneration of women to men	
			% Intake, turnover and promotions gender/cultural	
			Percentage of women in new partner/director appointments	
			Ratio female/male and Dutch/western/non-western origin in partner and director positions (SDG10)	
			Equal pay	
Training and skills development opportunities	GRI 404 Training and education 2016	At a glance, Strategy execution (Community of solvers, High quality)	404-1: Average hours of training per year per employee	3-4, 23, 30-31
			404-2: Programmes for upgrading employee skills and transition assistance programmes	
			404-3: Percentage of employees receiving regular performance and career development reviews	
			Average training hours per FTE	
Workers of suppliers and direct business relationships		Strategy execution (Community of solvers)	Our material topics represent our most significant impacts on the economy, environment and people, including human rights. They are regularly reviewed to ensure they reflect relevant developments within our organisation and across our value chain. While the potential impact on clients is not currently measured, this will be part of our work on compliance with the Corporate Sustainability Reporting Directive (CSRD).	
Workers in downstream value chain		Strategy execution (Community of solvers)		
Governance				
3-3 Management of material topics		Strategic context, Strategy execution (Client focused, High quality, Sustainable growth), About this report (How we manage the execution of our strategy), The value we add(ed) – Client focused, High quality, Sustainable growth	No omissions	7-13, 17, 31, 39, 108-111, Appendix The value we add(ed)
Tax services	GRI 207 Tax 2019 (transparency)	Strategic context, Strategy execution (Client focused), Risk management	207-1: Approach to tax. Refer to tax strategy reporting	7-13, 17, 44-47
			207-2: Tax governance control and risk management. 102-56: External assurance. Refer to tax strategy reporting	
			207-3: Stakeholder engagement and management of concerns related to tax. Refer to tax strategy reporting	
			207-4: Country-by-country reporting. Refer to the Financial statements and tax strategy reporting	



GRI 3: Material topics				
Material topic	(GRI) aspect	Location	(GRI) indicators	Page
Prevention and detection of corruption, bribery and other fraud	Fraud	Strategy execution (High quality)	Number of fraud and NOCLAR consultations	31
	GRI 205 Anti-corruption 2016	Strategy execution (Sustainable growth), Risk management	205-1: Operations assessed for risks related to corruption	39, 44-47
			205-2: Communication and training about anti-corruption policies and procedures	
205-3: Confirmed incidents of corruption and actions taken				
Transparency and trust	Reviews	At a glance, Strategy execution (High quality), Risk management	Outcomes of external and internal quality reviews (Assurance)	3-4, 23-26, 44-47
			Outcomes of internal quality reviews (Tax & Legal and Advisory)	
Corporate culture and values	Collaboration	Strategy execution (Client focused, Community of solvers)	Integrated service delivery	17, 20
Data privacy	(Data) security & privacy	Strategy execution (High quality), Risk management	Number of data breaches	31
			Number of incidents reported to the AFM	
Independence	Independence	Strategy execution (High quality), Risk management	Number of independence sanctions	31, 44-47
Management of relationships with suppliers and clients	GRI 418 Customer Privacy 2016	Strategy execution (High quality), Risk management	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	31, 44-47
	Client listening	At a glance, Strategy execution (Client focused)	Number of documented client listening Client satisfaction	3-4, 19
Economic				
Innovation and digitisation	Agility	Strategy execution (Human-led, tech-powered)	Percentage outsourced work to delivery and competence centres (audit)	26
Sustainable growth	GRI Economic Performance 2016 (financial results)	At a glance, Strategy execution (Sustainable growth), Risk management, Financial statements Coöperatie PricewaterhouseCoopers Nederland U.A.	201-1: Direct economic value generated and distributed	3-4, 32-34, 44-47, 57-94
			201-2: Financial implications and other risks and opportunities due to climate change:	
			No risks related to climate change have been identified, hence there are no foreseeable financial implications. Explicit information about the financial impact is not available. We are going to explore how we can meet this indicator in the future	
			201-3: Defined benefit plan obligations and other retirement plans	
			201-4: Financial assistance received from government	
			Not applicable	
			Investment as a % of revenue	
			Net revenue and operating profit	



Our legal structure

Legal structure

Coöperatie is the sole shareholder of Holding PricewaterhouseCoopers Nederland B.V. (the Holding). As the Coöperatie is the group head of PwC NL, the Supervisory Board has been set up at the level of Coöperatie. In accordance with the Wta the Supervisory Board also supervises PricewaterhouseCoopers Accountants N.V.

The private limited liability companies owned by the professional practitioners ('Werk-BVs') are members of Coöperatie. Coöperatie has concluded association agreements with each of the Werk-BVs. Under these agreements, the professional practitioners are made available by the partner BVs to practise one of the professions within the Lines of Service (Assurance, Tax & Legal and Advisory) in exchange for a management fee.

Coöperatie has the following wholly-owned operational subsidiaries:

- Holding PricewaterhouseCoopers Nederland B.V.
- PricewaterhouseCoopers Deelnemingen B.V.
- PricewaterhouseCoopers B.V.
- PricewaterhouseCoopers Accountants N.V. ('Assurance')
- PricewaterhouseCoopers Belastingadviseurs N.V. ('Tax & Legal')
- PricewaterhouseCoopers Advisory N.V. ('Advisory')
- PricewaterhouseCoopers Compliance Services B.V.
- PricewaterhouseCoopers Certification B.V.
- PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V.

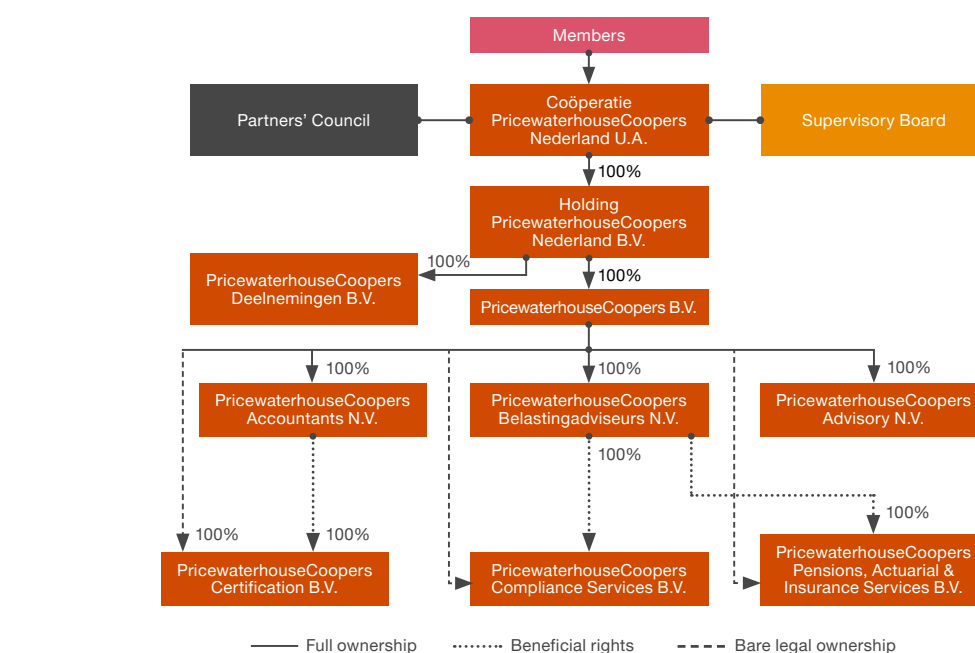
PwC Europe collaboration

PwC Europe GmbH facilitates internal coordination and other support services to its shareholders¹. The shares in PwC Europe GmbH are equally divided among the shareholders.

PwC Network

The company and its subsidiaries (PwC NL) are members of a global network of separate and

Simplified legal structure as of 30 June 2023



independent member firms operating locally in countries around the world (the PwC Network).

The member firms that comprise the global PwC Network are members of PricewaterhouseCoopers International Limited (PwCIL), a United Kingdom-based private company limited by guarantee. The PwC Network, therefore, is not an international partnership and the member firms do not constitute any form of legal partnership or group of companies, except in a very limited number of cases that have been agreed upon for specific purposes.

PwCIL has a coordinating role, including for example issuing standards in the areas of risk and quality management. It does not provide services to clients, but focuses solely on reinforcing and supporting the network in the areas of strategy, knowledge development and expertise of the professionals and

protection of the PwC brand. PwCIL does not own any of the member firms.

All services are delivered by the individual member firms for their own account and risk. PwCIL is not responsible or liable for any actions or omissions of any of its member firms, nor can it exercise control over their professional opinions or bind them in any way. Member firms may not act as an agent for or representative of PwCIL or any other member firm, and are responsible solely for their own actions or omissions.

¹ PricewaterhouseCoopers AG, PricewaterhouseCoopers Belgium BV, PricewaterhouseCoopers Deelnemingen B.V., PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, PwC Beteiligungsgesellschaft mbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and PwC Yönetim Danismanligi Anonim Sirketi.



Glossary

ACM	Dutch Authority Consumer & Market	IPCC	Intergovernmental Panel on Climate Change
AFM	The Dutch Authority for the Financial Markets, the external independent body responsible for the supervision of financial institutions and of audit firms with a PIE licence	JBR	Joint Business Relations
AI	Artificial intelligence	KPI	Key Performance Indicator, a measurable variable that provides insight into progress on meeting objectives
BAS	Broader Assurance Services	KYC	Know Your Client
Bta	Besluit toezicht accountantsorganisaties	L&D	Learning & Talent Development
BU	Business Unit, the sub-units of the Assurance, Tax & Legal and Advisory Lines of Service, determined on the basis of geography and/or professionalism/specialism	LoS	Line of Service, one of three divisions in which PwC offers and delivers its services: Assurance, Tax & Legal and Advisory
CAD	Country Admission Committee, the body that advises the Supervisory Board on the appointment of new partners and directors	M&A	Mergers & Acquisitions
CEO	Chief Executive Officer, the chair of the Board of Management	NBA	The Netherlands Institute of Chartered Accountants
CFO	Chief Financial Officer, the member of the Board of Management tasked with all financial matters	NFI	Non-Financial Information
CNG	Compressed natural gas	NGA	Next Generation Audit
COO	Chief Operating Officer, the member of the Board of Management tasked with the operational aspects of the business	NGO	non-governmental organisation
Compliance Officer	The officer responsible for overseeing the quality management systems	NOB	Nederlandse Orde van Belastingadviseurs
COP27	the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change	NOCLAR	Non-compliance with Laws and Regulations
CS	Corporate Sustainability, doing business on a sustainable basis that reflects the interests of society, employees and the environment	NZa	Nederlandse Zorgautoriteit
CSRD	Corporate Sustainability Reporting Directive	PCAOB	Public Company Accounting Oversight Board
DEFRA	Department for Environment, Food & Rural Affairs	PEI	People Engagement Index
ECR	Engagement Compliance Review, internal review carried out by the global network into the quality of client engagements	PIE	Public Interest Entity, an organisation that, because of its scope or role in society, impacts a wide range of stakeholder groups (for instance, listed companies, insurers and financial institutions) and for the audit of which audit firms are required to have a licence from the AFM
EMEA	Europe, Middle East, and Africa	Pillar Two	Pillar Two Model Rules from OECD (also referred to as the 'Global Anti-Base Erosion' or 'GloBE' Rules),
EQR	Engagement Quality Review	PwC Europe	The collaborative association of six European PwC member firms in Austria, Belgium, Germany, Switzerland, the Netherlands and Turkey.
ESG	Environmental, Social, Governance	QMS	Quality Management System
ESRS	European Sustainability Reporting Standards	RCA	Root Cause Analysis
GDPR	General Data Protection Regulation	RE100	is the global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity
GHG emissions	Greenhouse Gas emissions	RTA	Real Time Assurance
GPS	PwC Global People Survey	SAF	Sustainable Aviation Fuel
GRI	Global Reporting Initiative, the organisation that is responsible for the ongoing development of reporting standards for non-financial information	SBTi	Science Based Targets initiative
HC	Human Capital, the term used for the department or persons responsible for PwC's staffing policies and the implementation thereof	SDGs	UN's Sustainable Development Goals. The SDGs address the most pressing global issues such as hunger, inequality and climate change
I&D	Inclusion & Diversity	SDG IM	Sustainable Development Goals Impact Measurement
IIRC	International Integrated Reporting Council, the international organisation, comprising standard setters, investors, companies, auditors and NGOs, that is responsible for the promotion and development of the framework for integrated reporting	SER	Social-Economic Council (Sociaal-Economische Raad (SER))
ILO	International Labour Organization	TSP	Territory Senior Partner
		tRBS	Responsible Business Simulator
		UNGC	United Nations Global Compact
		WEF IBC	World Economic Forum's International Business Council
		Wta	Wet toezicht accountantsorganisaties
		WM2U	What matters to you
		Wwft	Money Laundering and Terrorist Financing (Prevention) Act (Wet ter voorkoming van witwassen en financieren van terrorisme)



Acknowledgements

PwC Annual Report 2022/2023

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PwC the Netherlands has more than 5,700 people operating from thirteen offices and from three Lines of Service: Assurance, Tax & Legal and Advisory. We deliver sector-specific services and we seek innovative solutions, not only for national and international companies but also for public sector and civil society organisations. 'PwC' is the brand name under which member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and deliver services. Together, these firms make up the global PwC Network, within nearly 364,000 people in 151 countries share their ideas, experience and solutions in developing new perspectives and meaningful advice. In this report, the terms 'PricewaterhouseCoopers' and 'PwC' also refer to PricewaterhouseCoopers B.V. and, depending on the context, its consolidated Dutch group companies. Together, these are also referred to as 'PwC the Netherlands', 'PwC NL' or 'the Group'.

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