# Annual Review 2025

## Leading transformation for long-term impact

January 2026

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# Personal note from our Managing Partner

### Leading transformation for long-term impact

**Welcome to the 2025 Annual Review PwC Luxembourg.**

We hope it provides great clarity across our activities.

The FY25 Annual Review marks the first voluntary application of the European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD) for PwC Luxembourg. This change in reporting standards entails new reporting, indicators, and calculation methods. The report covers 1 July 2024, to 30 June 2025, and includes all consolidated entities, including our Porto subsidiary in Portugal.

We deliberately chose to also voluntarily submit our first CSRD report to limited external assurance standard.

PwC remains the leading Big Four in Luxembourg both in size and revenue. While the year ending on 30 June 2025 was not without its challenges, macroeconomic as well as geopolitical, it was a successful year for our Firm marked by many solid achievements and enormous transformation so that we can serve our clients better. FY2025 turnover as disclosed in our report is **€765.5m, +5% growth.**

Across our lines of service, which saw varied degrees of growth, Assurance did very well, driven by Audit and Broader Assurance Services, plus major ESG and sustainability assignments. Advisory's success was highlighted by resilience in technology, AI, and industry sectors, with a main highlight being our recognition as 2025 Microsoft Country Partner of the Year for Luxembourg. Tax's turnover was boosted by new measures to support Luxembourg's financial sector and continued investment in innovative, tech-enabled managed services solutions. You can find full details here.

In 2025, while growth slowed across Europe and Luxembourg, the pace of technology and AI investment sped up exponentially. These two forces require considerable transformation to achieve a higher level of competitiveness and fully leverage the enhanced service possibilities through technology. Even if some of AI's projected productivity gains are questioned by an increasing number of actors, at PwC we have decided to lean into the technology and have embarked on a concrete and visible path of AI-induced service transformation.

A critical factor going forward will be Luxembourg's ability to retain its competitiveness. This is a topic we feel strongly about at PwC. Luxembourg has long enjoyed a period of economic success with a strong leading financial centre and an exceptional multilingual multi-skilled workforce, but this attraction is constantly at risk of being eroded. Looking at 2025, it was a period during which Luxembourg's economy showed mixed signals with slower GDP growth than previous years, a shift to a government deficit, persistent but moderating inflation around 2.2%, and a slightly easing job market. The current government is addressing this challenge, and we have already seen some effective measures put into place- such as  tax cuts for businesses and individuals, including lower corporate rates and an expanded expatriate tax break, alongside new incentives for talent,  and support for affordable housing, but these need to go further.

Going into 2026, the questions remain on how to keep up the political momentum so that Luxembourg's economic model remains competitive and attractive. The relevant decision makers know what to do, but the challenging part as so often is to keep moving on the path of execution with determination.

As the 7th largest employer in the and the leading financial services Firm, we will take up our responsibility as a main player in the ecosystem, and we will actively take part in this conversation through the appropriate channels.

### What makes us unique?

In 2025 we strengthened our Firm Culture, embedding across the entire Firm our reinforced unique corporate culture at PwC and the values and behaviour that all PwC people – no matter their role – should consistently exhibit whenever we are in contact with clients or colleagues. This underlies our success and makes our Firm unique. It focuses on three priority cultural traits: “Walk the Talk”, “Entrepreneurship,” and “Excellence”. This is not lip service. It is the foundation of trust.

In an uncertain world, trust has never been more important. At PwC, our purpose is to build trust in society and solve important problems. We are committed to driving a strong culture of quality and excellence that is core to our purpose. Our approach to building trust addresses rising demands for transparency, accountability, and stakeholder engagement. To earn this trust, we never rest on our laurels when it comes to service quality.

Innovation and intrapreneurship ignite ideas and enable the creation of new products and services and are two important elements for us. Our strategic investments are in sustainability services, managed services, and AI, including the launch of the GenAI Business Center in 2024.

We are a client-centric firm and are happy to note that the satisfaction level of our clients remains high, with a Client Net Promoter Score of 60 and 4.5 / 5 Client Satisfaction rating. Our client-first perspective is one of continuous listening, and their trust in us is our most precious value.

### Our People

Our People are our business, and our business is our People. We cannot achieve our ambition without them. Our strategy focuses on creating an exceptional people experience throughout the entire talent cycle, particularly during key moments for candidates, employees, and leaders, particularly through:

- Offering strong career and development opportunities, specifically
- Focusing on proximity management as a key priority in a larger firm
- Offering the most creative solutions regarding flexibility and well-being of our people

This is a key differentiator which aims to build awareness and engagement around trusted leadership, provide a consistently high service experience and ensure that our organisation is equipped with the right mix of skills and capabilities for both current and future needs. This approach is designed to deliver a distinctive client experience and drive the growth agenda by building a diverse and inclusive workforce.

This focus on our People is greatly detailed in our business highlights section as well as the CSRD reporting.

### Transformation: Delivery Model & Technology, including AI

To remain resilient and competitive in an evolving environment and to enhance client service and delivery, we continuously adapt and strengthen our operating model to address emerging challenges and ensure sustainable growth. Over the last three years, our operating model has evolved significantly through a strategic focus on technology integration (especially machine learning, AI and digital tools from our preferred providers and alliance partners), the expansion of our managed services catalogue, the implementation of our near-shoring center (PwC Services Portugal), and a commitment to sustainability transformation and governance. This year we have included a specific section dedicated to our operating model.

### Our societal contribution

In 2025 we worked further on structuring our societal contribution to achieve stronger local and regional impact, focusing on three pillars:

- PwC Foundation Luxembourg – Our philanthropic efforts in terms of cash contributions are channeled through our Foundation under the aegis of Fondation de Luxembourg.
- Corporate Volunteering Programme and other donations – We empower our people to contribute through Time to Engage, our volunteering platform and skills-based sponsorships. PwC also supports local associations through in-kind or financial donations, complementing the Foundation's efforts.
- Professional and industry associations – We actively support more than 190 associations, participate in 220 working groups and over 140 boards to help address key topics and challenges collaboratively.

### We believe in the long term

Our approach is fully integrated and guided by a long-term mindset.  This has allowed us to stay on track since our creation. In a period where some are hesitating in their ESG activities, we remain steadfast in our commitment to a sustainability strategy because we believe this allows us to stay focused on critical non-financial success factors for our business.

This first report results from considerable investment and work and is based on our integrated sustainability strategy embedded into our core business. This is neither compliance nor a "paper" exercise. It is the result of dedicated governance, leadership-driven, stakeholder involvement (we involved employees, clients, suppliers, and professional associations in our Double Materiality Assessment, as a base to decide our focus areas).

We said in 2024 that 2025 would be a more challenging year and the sentiment remains the same for 2026. However, on a long-term basis we remain optimistic, considering the investment in time and money we have put into our transformation, and with the caveat that Luxembourg can stay focused and improve on its competitiveness. We will continue to heavily invest in our business and our people, so we can remain resilient against short-term market volatilities, or the next disruption down the line.

I would like to thank our all-important clients for their continued trust in our services and our Firm. I would like to thank our 3,600+ people for all their hard work and efforts as well as all the Partners for all they do for PwC Luxembourg.

I hope you find this Annual Review and first CSRD useful and impactful. As always, I value your feedback, as it is only through listening to constructive criticism that we can adapt, improve, and transform further, for great and more sustainable impact.

**François Mousel**

Managing Partner

# 1. PwC at a glance

**€765.5m**
Turnover

**+5%**
Growth

**€666.1m**
Net revenue

| Turnover by LoS | Percentage of turnover |
|---|---|
| **Assurance** €425.60m | 55.6% |
| **Advisory** €156.92m | 20.5% |
| **Tax** €182.95m | 23.9% |

**60**
Client Net promoter score

**4.5 / 5**
Client Satisfaction

**3,665**
Employees

**7th**
Largest employer in Luxembourg

**44%/56%**
Women / Men

**~100**
Different nationalities

**75%**
Intent to stay

**31%**
Women Partners, Managing Directors and Director roles

**55**
Average number of training hours per employee

**8**
Satellite (border) offices*

**73%**
Future-focused growth and development index

**0.6%**
(in favour of men) Gender pay gap at staff level

Partners: 0.4% (in favour of women)

**0 cases**
Corruption and bribery

**-65%**
Reduction in business travel emissions vs FY19 baseline

**€1m**
Contribution to PwC Foundation Luxembourg

**2,369**
Volunteering hours via Time to Engage programme

**190**
Professional associations we are active in

**-58%**
Scope 1 & 2 reduction vs FY19 baseline

* During FY25, we had 8 satellite offices. However, in FY26, prior to publishing the current Annual Review, we closed the one in Esch-Belval due to low utilisation rate.




# 2. Our FY25 highlights

# Business highlights

## 1. How we accompany our clients

### Navigating a changing world

**A new business landscape has emerged in recent years that is disrupting conventional thinking. The boundaries of what companies do, how they can offer value, and the shape of their workforces are constantly being redefined by converging challenges like new technology (e.g., AI), climate imperatives, and shifting customer expectations. Many C-suite leaders believe their current business models will not be economically viable within a decade, turning reinvention into a necessity.**

There are other challenges up ahead. Looking forward, global economic growth is predicted to remain slow at an estimated 2.5%, largely due to trade disputes, geopolitical instability, and constrained policy options. The European Commission's Autumn 2025 Economic Forecast shows continued growth despite a challenging environment. At the same time, we need to keep an eye on heightened US protectionism and the risk of new tariffs, which are further pressuring the EU's export competitiveness. In Luxembourg, real GDP growth should gain momentum through 2027 as low interest rates drive investment and private spending, supporting financial services exports. Inflation is projected to ease in 2026 before stabilising just below 2% in 2027, while recent fiscal surpluses are forecast to shift to deficits over the next three years.

In December 2025, the EU institutions defined their priorities for 2026. These include prioritisation to key policy objectives for a new era for European defence and security, to secure Europe's sustainable prosperity, competitiveness, and simplification. The events we are already witnessing at the very beginning of 2026 only prove that disruption is the new normal and agility and innovation will be key to boosting competitiveness for business and for Europe.

More than ever, our role is to help clients navigate these changes. The way we can achieve this is by listening to them, something we do on a regular basis via dedicated conversations or surveys. We turn their feedback into meaningful actions that strengthen trust and ensure we consistently deliver value aligned with their needs. All of our key focus areas reinforce our commitment to innovation, client-centricity – meaning we truly listen – and long-term value creation for both our Firm and our clients. We are deeply grateful for their continued trust. This is evidenced in our Client Net Promoter Score of 60 and our 4.5 / 5 Client Satisfaction rating.

At our core we have a very strong book of well-balanced services across Assurance, Tax and Advisory. PwC Luxembourg continuously looks to offer the best client experience in financial services through tailored solutions, deep industry knowledge, and our GenAI Center for collaborative problem-solving with AI solutions. The goal is to build trusted, long-term relationships, think in an entrepreneurial fashion, and act proactively to address our clients' challenges. We have amassed extensive expertise in audit, tax, and consultation to provide guidance on local and European regulation, but we also serve our clients through the reach of our PwC network. Increasingly we leverage digital transformation, AI, and data analytics to help clients innovate and deliver superior customer experience. Our aim is to be the most trusted and relevant professional services firm by helping organisations build trust and deliver sustained outcomes in a rapidly changing world. We do this by always considering the client first.

Underlying this is our strategy, which is anchored around five key priorities to better support our clients and to improve delivery across our three lines of services: Managed Services, technology and transformation, strategic alliances, sustainability, and people and talent evolution.

## Helping our clients to focus on their core: Managed Services

Managed Services are a key part of our growth strategy. We have invested significantly in this area to provide scalable, high-quality solutions that address complex client needs. By making our Managed Services leadership visible and pushing innovation, we position ourselves as a market leader. These services enable clients to focus on their core business while we handle critical functions such as assurance, tax, and advisory operations.

In listening to our clients, we heard their many challenges: operational inefficiency and cost management, complex regulatory and risk environment, talent and capability gaps, agility and speed to market, data and reporting challenges and business continuity and resilience.

Our Managed Services Hub allows clients to find all of PwC's Managed Services in one place providing clients with a single-entry point into the firm. We continue to onboard new clients and have worked continuously to make this process as seamless and simple as possible.

PwC Luxembourg supports clients across the full fund lifecycle with a one-stop-shop approach and continues to invest in best-in-class technology, enabling them to focus on growth and core business activities.

**60+** Integrated and customisable services for Asset Managers, Management Companies, AIFMs and Asset Servicers across all asset classes

**400+** Skilled professionals in Luxembourg

**10,000+** Entities benefit from our expertise in Managed Services

**95%** Top PE and RE firms as clients

State-of-art data management and technology

## A better value proposition for our clients

To further strengthen our position and demonstrate how we can help, we embarked on a major milestone: for the first time in 14 years, all PwC territories have updated the brand's positioning and identity, a massive, simultaneous undertaking that is still ongoing. This is far more than a visual refresh or a symbolic change; our global brand identity reflects PwC's technology-driven, forward-looking ambition based on trust.

The necessity to transform and to further create trust in our capacity is the catalyst behind this global rebranding. It reinforces our positioning and delivers a clearer, more compelling value proposition for our clients. This evolution ensures that we can support them in ways that are relevant for today's realities and tomorrow's challenges. As technology and other megatrends continue to reshape the world, our renewed identity provides a solid, future-ready platform. In this context, AI plays a central role – acting as both a powerful accelerator of change and a key enabler of the solutions we develop to help our clients thrive in an increasingly complex environment.

The need for trust has never been higher. Companies are being forced to reinvent themselves amid megatrends like AI and climate change, all while navigating a landscape shaken by pandemic, war, geopolitical fracture, cyber and climate threats, and technological disruption. As new regulations and standards emerge in response to shifting expectations, only those organisations that lay out a solid foundation of trust will be able to adapt, compete, and thrive in this complex, volatile environment.

The importance of building and maintaining trust will be paramount in the unpredictable years ahead. The expanding demands of stakeholders mean trust is now woven into the fabric of every expectation customers, employees, investors, suppliers, and governments hold. Our strengthened identity means that every time our clients face new opportunities and challenges – regulatory, geopolitical, technological – they can trust PwC to build new capabilities and expertise to help them.

## Valuable thought leadership

PwC is combining its ongoing commitment to developing the deepest insight into the future of industries with new models for putting those insights into the hands of client teams. Through our AWM & ESG Research Centre, an international team of experts provides our clients with strategic quantitative and qualitative data-rich insights and analyses translating industry-specific insights into real business model and technology impact for clients. This is done through our numerous thought leadership publications. Some examples include:

- The profitability paradox: Competing for relevance and returns
- EU ESG UCITS - Moving forward
- CEO Survey Report 2025 - Luxembourg Edition - Striving for reinvention

## Investing in agility

We've transformed ourselves to stay ahead. Investments in Generative AI, cloud, and data, supported by alliances with Microsoft, AWS, Google, enable us to deliver end-to-end digital solutions. Our GenAI Business Center helps our clients move from exploration to tech-driven business outcomes and enable them to future-proof their models in a rapidly changing world.

AI is central to our strategy. We invest in talent and innovation to deliver exceptional service experiences and stay ahead of market trends. Our focus on AI enables us to automate routine processes, enhance decision-making, and create new opportunities for value delivery. By upskilling our workforce and integrating AI into our solutions, we help clients unlock the full potential of their data and adapt to a rapidly changing business environment.

## Driving sustainability

Our commitment to sustainability goes far beyond compliance, as proven by our voluntarily report under the ESRS framework of the CSRD to demonstrate our progress and deliver meaningful value- both monetary and non-monetary – to stakeholders and communities. This disciplined approach reinforces trust with stakeholders and communities while embedding sustainability at the core of our strategy. Through our sustainability services, we support clients in operating within evolving regulatory landscapes, accelerating their ESG ambitions, and translating purpose into tangible, long-term value creation, and sustainable growth.

## Our People are our business

Our People are the foundation of our success and the driving force behind our strategy. Our ability to deliver meaningful, sustained outcomes for our clients and society is intrinsically linked to how effectively we attract, develop, support, and empower our talent. This is ever more critical as we shift to a more agile, skills-based, and tech-empowered workforce, so we can also navigate new challenges to meet client needs.

This is why we continuously work to create an environment that nurtures the full potential of our People. Where we are unwavering in our commitment to cultivating a distinctive, people-centred corporate culture built on the following principles:

- Prioritising authentic proximity and flexibility for our People, while promoting their overall health and well-being through robust support systems and adaptable work solutions. At the heart of our approach lies our Empowered Team Leader system, which champions proximity and trust by making the leadership role both meaningful and continuously developed through regular assessment and direct feedback from team members. Team Leaders play an important role fostering closer connections within their teams and driving consistent talent development.
- Strengthening our Firm Cultural Evolution. Launched officially in June 2024, the Firm Cultural Evolution programme aims to reinforce corporate culture at PwC and the values and behaviour that all PwC people no matter their role should consistently exhibit whenever we are in contact with clients or colleagues, supporting our success and making our Firm unique, allowing us to differentiate ourselves from our competitors. It focuses on three priority cultural traits: “Walk the Talk”, “Entrepreneurship”, and “Excellence”. These traits clearly define the behaviours we aim to consistently exhibit to achieve our strategic objectives.
- Fostering an open, speak-up culture anchored in strong ethical behaviour, where every voice is valued and integrity guides our actions.

One of our strengths is our extensive Development and Learning offer (upskilling, leadership, soft skills, technical and AI training, etc.). In the last fiscal year, we invested €4.3m in Learning and Development, delivering over 200,000 training hours, ensuring that our People remain relevant and employable, and that we have the skills necessary to support our business. We also co-developed AI capability programmes with business lines to support innovation and to equip our people to facilitate their day-to-day tasks.

Finally, we understand that a fulfilling career must be balanced with a rewarding personal life, and we encourage genuine work/life harmony. At PwC Luxembourg, our People offer is not just about professional development; it's about creating an environment where everyone can bring their whole selves to work, grow authentically, and find lasting satisfaction in both their careers and their lives.

You can find out more in the following slides, where we also detail other core integral elements of our business encompassing; flexibility solutions, ethics and business conduct, quality of services, our contribution to society, our environmental strategy and our environmental strategy as it relates specifically to mobility.

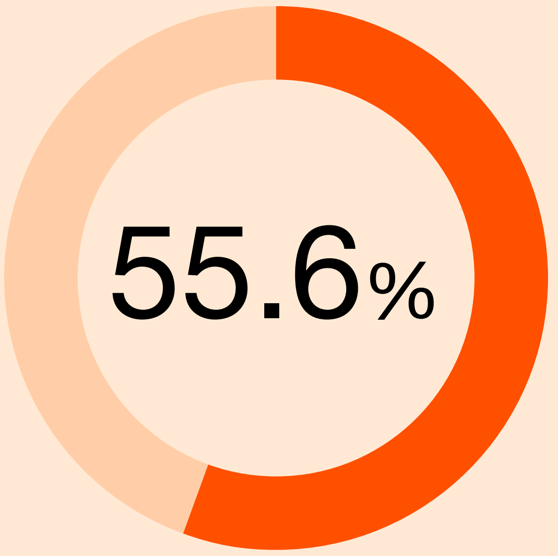
# 2. Business results per Line of Service

## Assurance

Turnover

**€425.60m**

Percentage of turnover




The 2024/2025 fiscal year has been strong for our Assurance practice. This surge has propelled our total turnover to €425.60m, accounting for 55.6% of the Firm's total revenue for the year.

The Alternatives industry continues to be a primary growth driver, consistent with trends from previous years. However, all industries have made robust contributions to their top lines, highlighting the resilience of some sectors, as banking and operational companies.

Our growth has been significant across the board, with the audit practice seeing a 5.5% increase and other assurance services growing by 33.2%. The latter includes our Broader Assurance Services (BAS), which offer a diverse range of assurance-related solutions. These services, covering areas such as risk assurance services (including cyber, IT, data), actuarial, valuation, AML, etc. are crucial for delivering proactive assurance to our clients and preparing them to tackle complex challenges.

Our Assurance services' strategic positioning and ongoing support has been particularly impactful, with several major assignments in ESG and sustainability reporting related to Sustainable Finance Disclosure Regulation (SFDR) and CSRD.

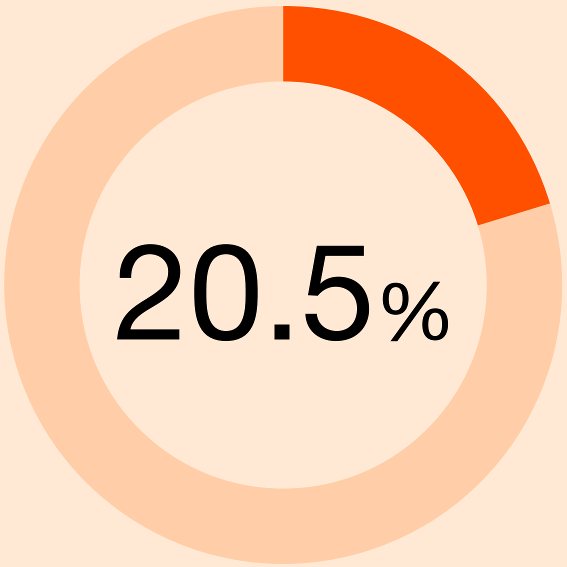
The backbone of our Assurance practice remains strong with 1,781 employees this year working for the Line of Service. We invest in our employees in Porto this fiscal year with 182 (10%) of employees working from Porto for the Assurance Practice. This investment is closely intertwined with our deepening commitment to assurance technology, where we are introducing new transformative tools to further our practice. This enhances not only the experience of our employees in delivering our services, but also enriches our clients' experience with high-quality, efficient, bespoke, and business-focused audits.

# Advisory

Turnover

**€156.92m**

Percentage of turnover




After last year's consolidation of growth, this year has continued along the same trajectory, with a modest turnover increase of 1.7%. In uncertain markets, business dynamics have varied across industries, with a more challenging year in the Public Sector.

Advisory expanded its share of contribution to 20.5% of the Firm's total turnover, marking a significant impact. This consistent performance underscores our alignment with client needs during uncertain times and our commitment to attracting and developing top talent. Key drivers this year included the imperative to evolve and innovate through technology and artificial intelligence. The Alternatives sector as well as the Insurance sector have demonstrated strong dynamic this year.

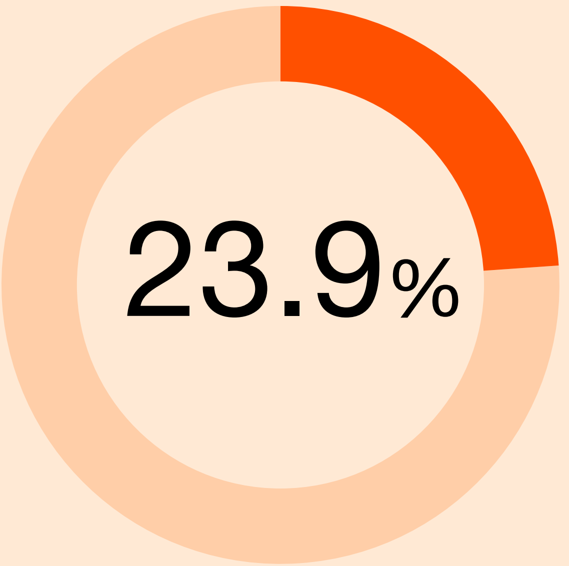
Looking ahead, we are confident that markets will continue to recover, and we aim to support our clients in the necessary reinvention of their business models. We will leverage our unique expertise in industries, regulation, sustainability, and technology, backed by the dedication of our employees and the capabilities of our deals and strategy experts, to help clients solve their most important challenges. We anticipate that our strategic alliances will strongly reinforce our value proposition, while integrating cloud and AI technologies into our clients' transformation journeys. Our recognition as the 2025 Microsoft Country Partner of the Year for Luxembourg demonstrates PwC Luxembourg's ambition to be a model for successful AI adoption, showcasing how generative AI can act as a catalyst for efficiency, security, and innovation across all levels of the organisation.

# Tax

Turnover

€182.95m

Percentage of turnover



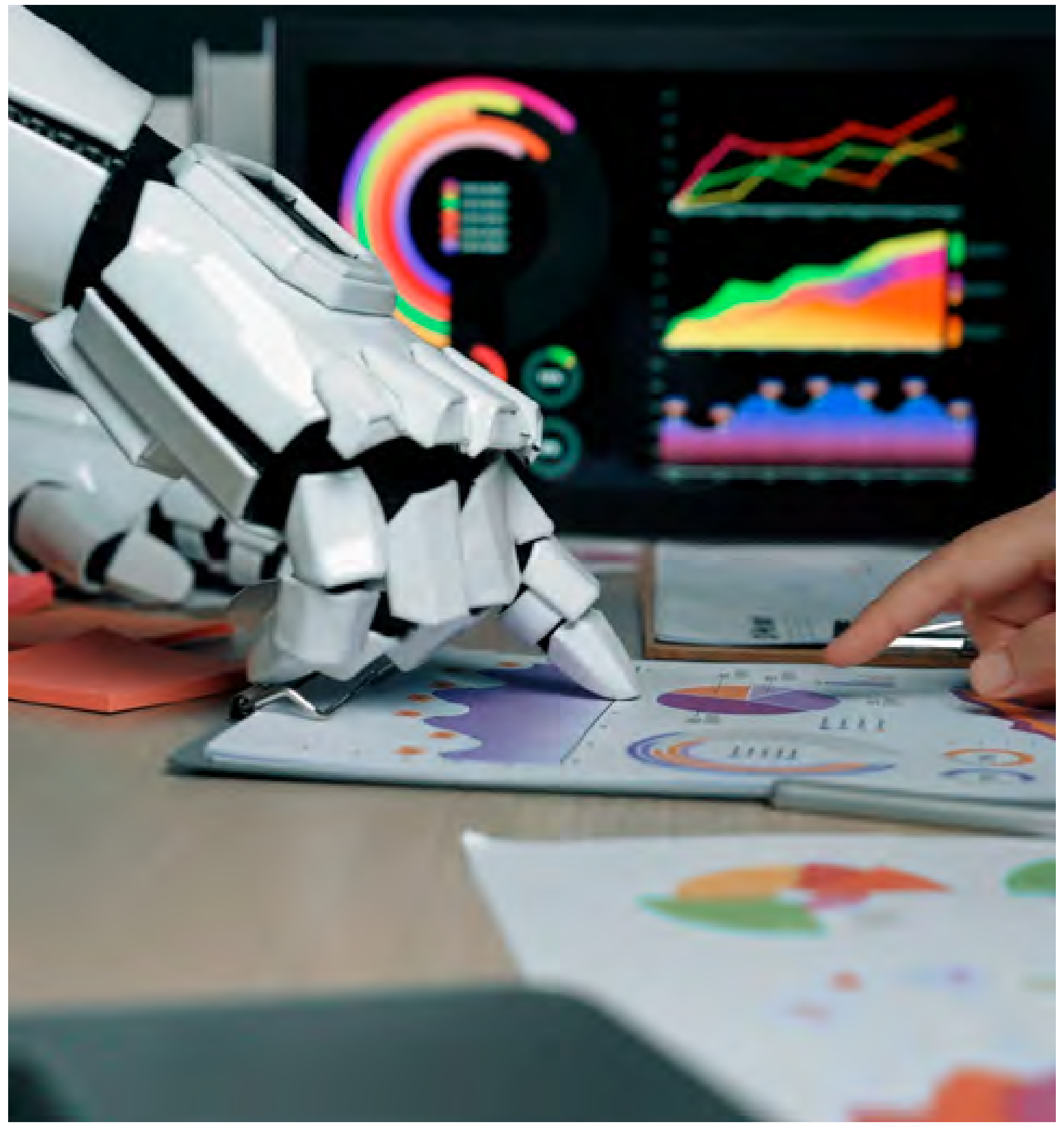

Luxembourg's tax landscape has evolved with numerous measures during fiscal year 2025, marked by the announcement of series of measures that are expected to generate substantial opportunities, particularly for asset managers, increasing the attractivity of the Luxembourg financial place.

In line with broader market trends, we have experienced in recent months a slowdown in activity across certain industries, attributable to the prevailing political and economic environment. Nevertheless, we are now observing first signs of recovery, and we remain fully committed to leveraging our experience and expertise to support our clients in addressing their challenges—helping them turn risks into competitive advantages, refine strategies, and transform operations. Besides, we are committed to broadening our presence in the Alternatives Investment sector through our Managed Services offering. Fund managers in this space often encounter significant resource limitations and the complexities of tax and compliance, which can hinder operational efficiency. Addressing these challenges requires comprehensive compliance solutions powered by integrated and efficient technology. PwC provides end-to-end support across the entire investment lifecycle of funds and related entities, delivering a one-stop-shop approach.

Globally, a confluence of megatrends, driven by AI advancements, is compelling companies to reinvent their business models and transform their operations. Moreover, any strategic transformation, new ways of working, or new revenue streams carry tax implications. C-suite leaders must bring tax to the table to inform strategic decisions and optimise operations. By testing, learning, and scaling across AI, automation, upskilling, and outsourcing, tax leaders can pave the way—and redefine tax for the future. To stay ahead and support our clients, we continue to invest in talent and innovation, delivering a service experience that sets the standard.

# Our improved operating model

**Over the last three years, our operating model has evolved significantly through a strategic focus on technology integration (especially machine learning, AI and digital tools from our preferred providers and alliance partners), the expansion of our Managed Services catalogue, the implementation of our near-shoring center (PwC Services Portugal), and a commitment to sustainability transformation and governance.**



## Redefining our operating model to enhance client service

To remain resilient and competitive in an evolving environment, we continuously adapt and strengthen our operating model to address emerging challenges and ensure sustainable growth.

A big success for us has been PwC Services Portugal (PSP), inaugurated in 2024, which plays an important role in our operations. This joint venture between PwC Luxembourg and PwC Portugal, acting as virtual team extension of PwC Luxembourg, is core to our future business model. It serves as a resource and skills pool supporting PwC Luxembourg's clients. Drawing on the expertise of our Porto-based professionals, PSP ensures scalability and quality in service delivery by integrating into PwC Luxembourg's operations and addressing talent attraction challenges sustainably. PSP provides now the full range of services, including assurance (spanning all industries, with a particular focus on real estate and private equity), broader assurance services, tax, managed services (i.e. corporate tax, VAT, and SPV (Special Purpose Vehicle) accounting), and advisory (specialising in the global fund distribution and real estate valuation). We will continue to scale up PSP to increase relevance and value-add for our clients and teams.

## Machine learning and AI are changing our services

PwC views machine learning and AI as massive drivers of global economic growth (projected up to $15.7 trillion by 2030) and aims to position itself and its clients at the forefront of this transformation. At PwC Luxembourg, AI acts as a catalyst for positive change, enabling the delivery of more reliable, faster, and more relevant services—while upholding the core values of our profession: rigour, independence, and trust.

### For Clients

PwC offers AI enhanced core services in assurance, tax, and managed services. Also, we have AI advisory services ranging from strategy development and use-case prioritisation to implementation, helping clients to rethink business models and embed AI profitably across their value chain.

### For the workforce

We see AI as an "enhancer" that increases, rather than diminishes, human value and professional judgement importance. Like other companies, we recognise that workforces are changing, and skills are shifting. We have identified new roles in our professional teams as well as in our Data and IT teams.

We believe AI cannot replicate professional judgement, emotional intelligence, or sophisticated client relationship management, highlighting the need for these core human skills. The additional skills are in cloud engineering, AI engineering, and data engineering.

## Implementation strategy

PwC Luxembourg's AI strategy positions AI as a catalyst for comprehensive, enterprise-wide transformation, guided by human oversight and a strong professional framework to ensure sustainable, trusted outcomes. Our approach is designed around several core principles and actions:

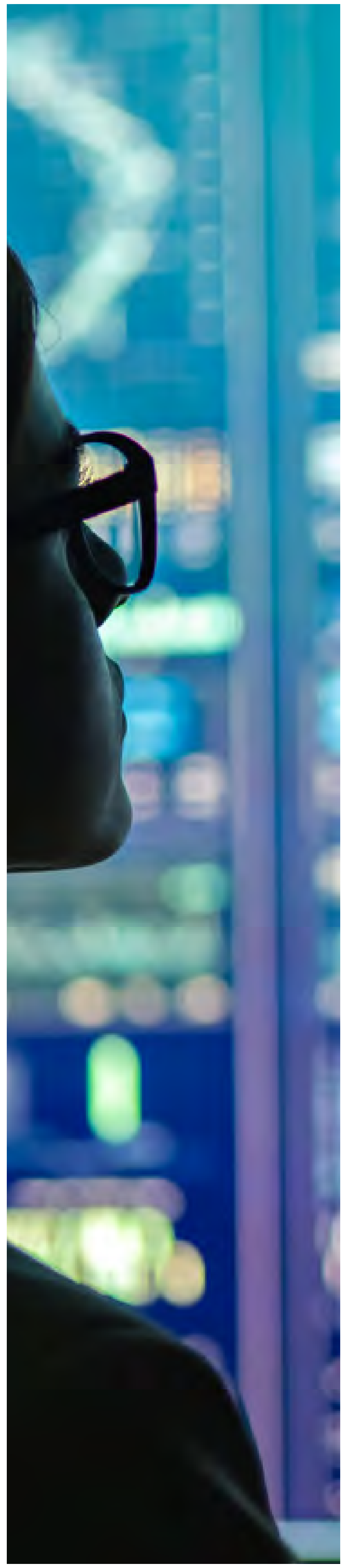
**Integrated approach**
AI is not a standalone initiative but is embedded within the overall business, digital, and corporate strategy to drive growth and efficiency, not just cost reduction;

**Talent and upskilling**
Recognising that human expertise is crucial, PwC is heavily investing in upskilling and cross training its global workforce to work alongside AI, fostering a culture of innovation and change;

**Strategic alliances**
The Firm collaborates with leading technology providers like Microsoft and Oracle to access the latest AI advancements and build an open architecture that can adapt to rapid technological evolution;

**Responsible AI (RAI)**
Trust and security are foundational. PwC's strategy includes a robust "Responsible AI Toolkit" and governance frameworks to manage risks, ensure regulatory compliance (e.g., EU AI Act), and address ethical considerations like bias and transparency; and

**Internal transformation**
PwC is a first-hand user of AI, deploying internal tools to automate processes, which allows it to share real-world experience and best practices with clients.



### Key AI focus areas and offerings

**Client Solutions**
Help companies implement AI for tasks like process automation, demand prediction, and data analysis using specialists in machine learning, deep learning, and NLP (Natural language processing);

**Data and AI Platforms**
Leverage PwC standardised AI solutions and agentic OS to systemise AI across organisations, bridging business and IT needs;

**Generative AI (GenAI)**
Established a GenAI Business Center with Microsoft to explore technologies like Azure OpenAI, Microsoft 365 Copilot, and Power Platform for productivity and innovation;

**Responsible AI**
Provide frameworks and tools to ensure ethical and compliant AI deployment, addressing concerns like liability and governance;

**Sector-Specific AI**
Author reports on AI in healthcare for the EU and analyse AI/GenAI adoption in Luxembourg's banking and public sectors, focusing on practical challenges and opportunities;

**Training & Research**
Offer foundational Data & AI training (PwC Academy) and publish regular surveys (e.g., 2023, 2024) on AI maturity and trends in Luxembourg.

## Transformation across our lines of services, Audit and Assurance, Advisory and Tax

AI is a strategic lever for responsible and innovative auditing at PwC Luxembourg. At PwC Luxembourg, we see AI as a driver of transformation that strengthens audit quality, improves efficiency, and ensures that technology remains in service of trust, which is at the heart of our mission.

### Guiding principles

- **Responsibility and professional standards:** We use AI in a transparent and controlled way, in compliance with European regulations (AI Act, GDPR) and PwC standards. Each deployment is preceded by a risk analysis (bias, confidentiality, data security); and
- **Technology enhanced human professionals:** AI facilitates large-scale data analysis and anomaly detection, but human oversight and judgement remain essential to guarantee integrity and reliability.

### Impact on our business

- **Audit and assurance:** AI tools improve anomaly and fraud detection, accelerate predictive risk analysis, and strengthen audit quality by reducing errors;
- **Advisory and tax:** We develop AI use cases to optimise client processes, anticipate regulatory changes, and deliver innovative solutions tailored to the Luxembourg market.

### Our commitment

- Deploy AI through a structured, ethical, and secure approach;
- Maintain robust governance, including quality controls and internal algorithm audits; and
- Share insights and best practices to contribute to a responsible and innovative Luxembourg ecosystem.

## AI/GenAI

According to PwC research, AI and related technologies are poised to drive a wave of innovation and productivity that could increase global GDP by 15% within the next decade.

Our CEO Survey reveals that 93% of executives in Luxembourg believe GenAI can moderately or significantly enhance the quality of their products and services. Leaders in Luxembourg and globally also agree that it represents a major shift—driving operational efficiency while unlocking new revenue streams. We are convinced that AI and GenAI will continue to reshape business boundaries, the economic landscape, and the workforce, becoming decisive differentiators for those able to adapt and succeed in the so-called AI race.

We are already witnessing industries being reshaped as AI automates routine tasks, accelerates decision-making, and enables new business models, and we are undergoing transformation as well.

Success now depends on rapid upskilling, strong ethical oversight, and strategic recalibration. Those who fail to adapt risk being left behind, those who do will find AI a decisive competitive advantage.

## Some PwC Luxembourg AI-related market activity highlights in 2025

PwC Luxembourg plays a pivotal role in advancing the adoption and understanding of Generative AI (GenAI) within the Luxembourg market. Through initiatives such as the GenAI Practitioners Club, PwC has created a collaborative platform for local professionals and innovators to share best practices, real-world use cases, and explore technological breakthroughs, fostering Luxembourg's AI ecosystem. The PwC Luxembourg Data & (Gen)AI Survey 2025, conducted in partnership with ABBL (The Luxembourg Bankers' Association) and ACA (professional association of Luxembourg insurers and reinsurers), provides critical insights into data maturity and AI transformation trends across the financial and corporate sectors, helping organisations benchmark and shape their strategies. In addition, the GenAI Pulse LinkedIn Newsletter, followed by more than 32,000 subscribers, delivers quarterly thought leadership on AI trends, regulatory developments, and practical applications, ensuring Luxembourg-based decision-makers have access to timely and relevant insights. Complemented by published articles such as Transforming the Future of Industries with GenAI and Exploring AI Trends and Innovations, these efforts collectively strengthen Luxembourg's position as an emerging hub for responsible AI innovation, supporting both industry competitiveness and compliance with evolving European standards.

### GenAI Business Center

FY25, we delivered **46** client projects and hosted **887** participants from **155** companies

# Our People

## Strategy

**Our People are the cornerstone of our strategy. Our vision, to be the most impactful, dynamic and trusted partnership for our clients and all our stakeholders, in Luxembourg and beyond its borders, could not be possible without our People.**

**We believe a diverse and inclusive workplace helps unlock the full potential of our People, fosters innovation, and enables us to deliver better value to our clients and society.**

**We fully own the responsibility that comes with being the 7th-largest employer in Luxembourg, knowing that our decisions shape the careers of current and future generations of employees.**

### Grow here. Go further.

"Are you ready to make a difference? Want to unlock new value by applying your unique perspective and talents? Here, you can grow—exponentially."

## Targets

**40-60%**
Gender split corridor

**<1%**
Gender pay gap
(equal pay for equal work)

## Progress

**44%** Women
**56%** Men

**31%** Women Partner, Managing Director and Director

**50%** Promoted partners are women
**39%** Promoted directors are women

**0.6%** Staff (in favour of men)
**0.4%** Partners (in favour of women)

**~100** # Different nationalities

**3,665** Headcount (30/06) Including 226 at Porto

## Actions

- We focused on reaching a balanced gender split in promotions: 50% women among new partners (vs 25% women from total partner population) and 39% among new directors (versus 34% women from total director population). We developed growth and networking opportunities for our people such as  Women in Tech, Women in Finance (and leadership)and our Women mentoring programme.
- We introduced the concept of Bias Buster, a person who keeps a group honest and interrupts biases observed in talent/ performance/ promotion discussions, and  other meetings.
- To strengthen our commitment to fair pay, we extended the gender pay-gap analysis to include partners for the first time this year. Both assessments are grounded in the same core principles to ensure consistency and fairness.
- We continued fostering an inclusive environment, with employees representing nearly 100 nationalities and 45% of whom live in the Greater Region (France, Germany and Belgium).

More details in ESRS S1 section

# Management and development of our People

### Strategy

**At PwC Luxembourg, our ability to deliver sustained outcomes for our clients and society depends on how well we attract, develop, support and empower our talent. This includes strengthening a culture grounded in continuous feedback, investing in soft and technical skills development, leveraging on AI while enabling our team leaders to lead with confidence and autonomy.**

**Team Leaders play an increasingly strategic role as people managers, relationship builders and change ambassadors, fostering closer connections within their teams, and driving consistent talent development.**

**Some of our activities can involve periods of increased workload, and this reinforces how important the wellbeing of our People is to us. We are committed to providing flexibility and supporting the mental, physical, and emotional wellbeing of all our employees.**

| Targets | | Progress | |
|---|---|---|---|
| 85% | Future-focused growth and development index | 73% | Future-focused growth and development index |
| | | 55 | # Average training hours / employee |
| 75% | Proximity management index | 68% | Proximity management index |
| 75% | Intent to stay index | 75% | Intent to stay index |

### Actions

- Deployed the **Empowered Team Leader Programme** to help develop confident, collaborative and people-focused leaders.
- Introduced a new performance assessment and feedback platform that supports continuous dialogue and career development, nurtures closer interactions between team leaders and their teams and focuses on building a feedback culture.
- Invested €4.3m in Learning and Development, delivering over 200,000 training hours.
- Co-developed AI capability programmes with business lines to support innovation and to equip our People to facilitate their day-to-day tasks.
- Ensured all eligible employees went through a performance assessment to support their career growth.
- Continued and enhanced our **Be Well, Work Well** (focused on overall wellbeing with activities such as on-site sports sessions, nap and relaxation room etc) and **Back and Happy "Parents"** (provides support to parents returning from maternity/ parental leave) programmes.

More details in ESRS S1 section

# Flexibility solutions

### Strategy

**The wide range of flexibility options we offer boosts motivation, reduces stress and allows our People to be more in control of their time.**

We offer **time flexibility options** (daily flexibility, purchase extra holidays) as well **as location flexibility options** (work from home, satellite offices, work from abroad), adapted to the needs of our People.

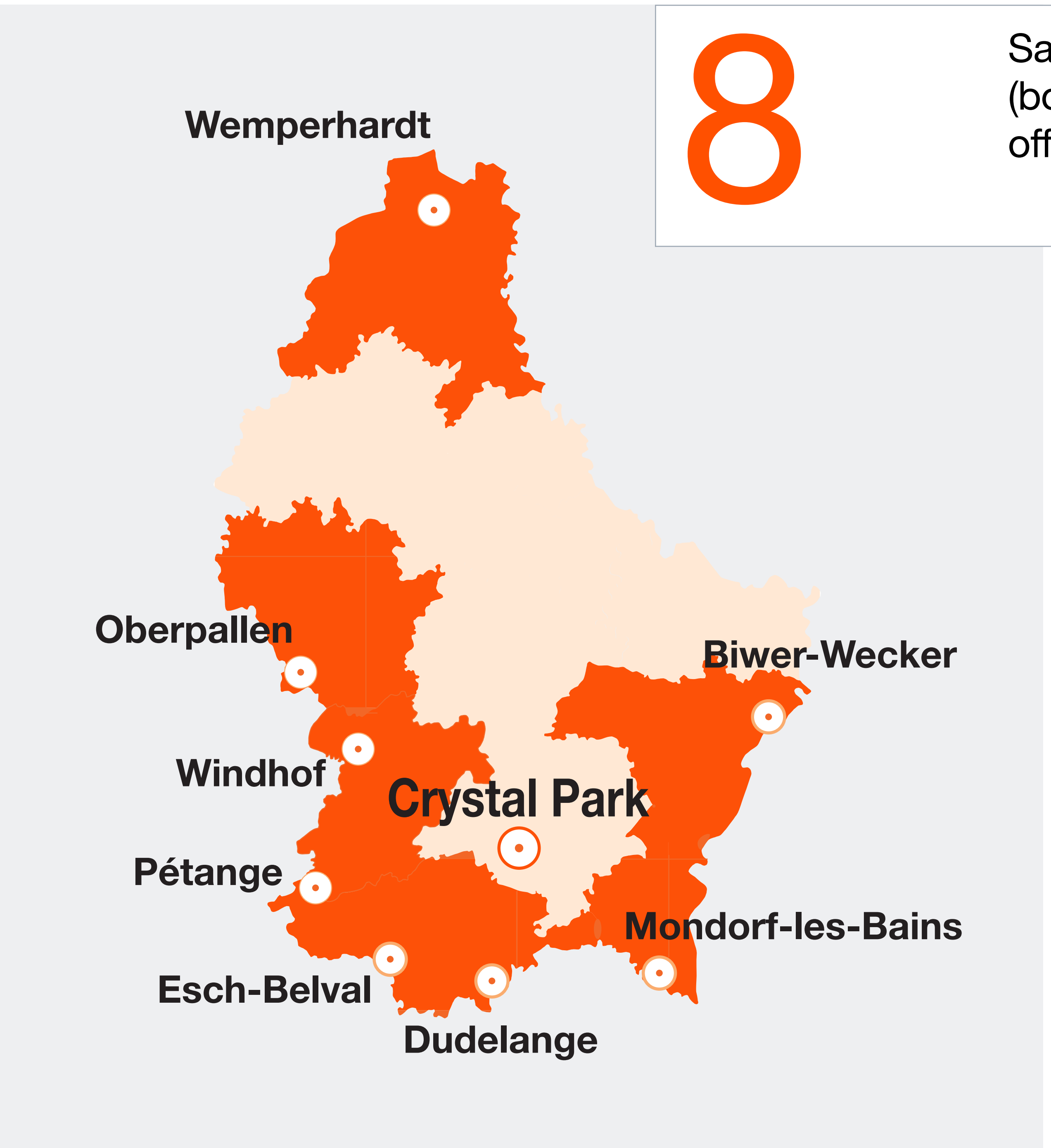
Approximately **45% of our People live outside Luxembourg**, in the neighbouring countries, Belgium, Germany and France, crossing the border almost every day to come to the office. To address this specific situation, we opened **eight satellite** offices close to the three borders. We were the **first company in Luxembourg to develop such infrastructure.**

### Targets

| Target | |
|---|---|
| 65% | Flexibility and empowerment index |
| 70% | Wellbeing index |

### Progress

| Progress | |
|---|---|
| 58% | Flexibility and empowerment index |
| 65% | Wellbeing index |
| 8 | Satellite (border) offices* |




### Actions

#### Time flexibility

- **Daily flexibility:** Employees can adapt their working hours to accommodate personal obligations.
- **Bi-monthly flexibility:** Partners, directors, and managers can adjust their working time over two-week periods.
- **Extra holidays:** Employees can purchase additional leave using bonuses or gross salary.

#### Location flexibility

- **Work from home:** Employees residing in Luxembourg are entitled to work from home, with a mandatory presence in one of PwC Luxembourg's offices at least twice per week. Non-resident employees may also benefit from home-based working, in line with the fiscal regulations of their country of residence.
- **Satellite offices:** We offer almost 450 seats across eight satellite offices*, where our employees can choose to go up to two days per week.
- **Working from abroad:** Employees can work outside Luxembourg during limited periods each year (under certain conditions).

More details in ESRS S1 section

* During FY25, we had 8 satellite offices. However, in FY26, prior to publishing the current Annual Review, we closed the one in Esch-Belval due to low utilisation rate.

## FY25 summary

# Ethics and business conduct

### Strategy

**We are a values and purpose-driven firm that fosters a strong corporate culture and sound governance, grounded in ethical behaviour and impeccable business conduct. These principles are essential to operating with integrity and driving sustainable growth.**

The following framework sets out the guiding principles that underpin our approach:

- **Code of conduct** - sets out a common framework around how we are expected to behave, do business and do the right thing.
- **Speak up policy** - outlines the process for reporting and processing any complaints related to unethical misconduct, with strong protection for whistleblowers and safeguards against retaliation.
- **Human rights policy** – Highlights expectations and requirements serving as a guiding principle for our actions, fostering trust across various domains.
- **PwC Network standards on independence, anti-corruption and anti-bribery** – embed ethics and business conduct into all of PwC's operations, culture and relationships. This serves to: build our People, strengthen our culture, serve our clients, enhance our brand, and manage our risk.
- **Third party code of conduct** – we expect the same level of ethical behaviour and business conduct from our suppliers as we do from our own workforce.
- **Gift and entertainment policy** – meant to prevent inappropriate behaviour about gifts, entertainments or non-fee generating participation in business activities, both within and outside of the Firm that may present an actual, potential or perceived conflict of interest.

| Targets | | Progress | |
|---|---|---|---|
| >75% | Ethical Behavior Index | 69% | Ethical Behavior Index |
| 0 | Incidents of corruption and bribery | 0 | Incidents of corruption and bribery |
| 0 | Human rights issues reported | 0 | Human rights issues reported |

### Actions

- Reinforce our speak up practices across the firm by increasing awareness of the speak-up channels and support in removing speak-up barriers.
- Adopt locally the Global Human Rights Policy, further to assessing possible gap with any existing local policies and regulations. The second main action is to conduct a risk assessment for human rights, including a sustainable plan for identifying and managing potential, significant and high risks.
- Maintain our strong anti-corruption standards as set out by out PwC Network. We introduced a mandatory e-learning programme aligned with PwC Network principles to ensure consistency, quality, and ethical conduct across all member firms and launched an integrity awareness campaign and reinforced our anti-corruption policy for colleagues in public services.

More details in ESRS G1 section

# Quality of services

### Strategy

**We define quality of services as consistently meeting and exceeding expectations of our stakeholders, exposing excellence and complying with all applicable standards, policies or regulations.**

**Continuing to enhance this culture of excellence is a significant area of focus for our global and local leadership teams and one which plays a key part in the measurement of their performance.**

We bring a culture of quality through three dimensions:

- **Governance and compliance** – Integrating quality in our operating model and governance. Complying with all standards, policies and regulation applicable to our business.
- **Client services** – Every client interaction reflects our commitment to integrity, consistency, distinctiveness, technical excellence, innovation and trust.
- **People** – Spreading a culture of quality in our workforce and cascade it in everything we do in the day-to-day operations of the Firm.

### Progress

**60**
Client NPS*

**4.5 / 5**
Client CSAT**

Certification ISO
**27001**

Application of
**ISQM1**

### Actions

- Our Client Listening Programme is now focusing on active listening practices to get better perspectives and knowledge on clients. In FY25, our results show robust performance with a CSAT of 4.5/5 and an NPS of 60 (on the standard scale from -100 to +100), based on feedback from more than 550 respondents. These outcomes confirm that clients are not only satisfied with the quality of our work but also inclined to recommend us.
- We developed a portfolio of ideas in line with the innovation focus areas and market demand. Our strategic investments are in sustainability services, managed services and on Artificial Intelligence (AI), including the launch of the GenAI Business Center in 2024.
- With the advent of AI, several levels of control have been implemented to comply with recognised governance standards and best practices. These measures include a centralised AI Design Board, dedicated product and service managers and comprehensive awareness training courses for our employees as well as business rules governing the authorised use of various AI applications in production.
- Completion of the OEC and IRE certificates is now mandatorily required for career progression in our Assurance line of services, as mandated by our professional qualification policy.
- The PwC Network launched the "Value in Motion" strategy in FY25, a forward-looking framework designed to help businesses navigate and thrive amid transformative global shifts such as AI adoption, climate change, and geopolitical tensions. It emphasises the reconfiguration of industries into new domains of growth—cross-sector ecosystems that meet fundamental human needs like mobility, health, and connectivity.

More details in Entity Specific – Quality of services section

* NPS assesses clients' likelihood to recommend our services to others. It is a strong predictor of trust and loyalty. The standard scale ranges from -100 to +100.

** CSAT measures clients' satisfaction with specific interactions or deliverables, offering a direct indication of how well we meet their expectations in the moment. We use a scale from 1 to 5.

# Contribution to society

## Strategy

**We are committed to create positive social and economic impact, while offering our People meaningful ways to contribute to society beyond their professional roles. This pillar ensures that our engagement with the community is structured, impactful, and aligned with our broader values.**

Our Contribution to Society strategy is structured around three main areas:

- **PwC Foundation Luxembourg –** Our philanthropic efforts are primarily channelled through our Foundation under the aegis of Fondation de Luxembourg.
- **Corporate Volunteering Programme and other donations –** We empower our People to contribute through volunteering and skills-based sponsorships. PwC also supports local associations through in-kind or financial donations, complementing the Foundation's efforts.
- **Professional and industry associations –** We actively support and participate in industry and professional bodies to help address key topics and challenges collaboratively.

| Targets | Progress |
|---|---|
| €1m/year<br>Financial contribution to PwC Foundation Luxemburg | €1m/year<br>Financial contribution to PwC Foundation Luxembourg |
| Medium term ambition<br>550<br># Unique volunteers during working hours | 278<br># Unique volunteers during working hours |
| Medium term ambition<br>4,700<br>Volunteering hours | 2,369<br>Volunteering hours |

## Actions

Our key actions this year focused on strengthening the governance across our initiatives and fostering greater employee engagement:

- We established PwC Foundation Luxembourg under the aegis of Fondation de Luxembourg to channel our philanthropic efforts. It operates with a clear governance structure and a significant annual budget.
- We launched Time to Engage, our corporate volunteering programme, designed with robust governance to encourage our People to support the local social sector.
- We informed our People through multiple channels that they are entitled to take up to five days per year for volunteering activities, subject to certain conditions.
- We actively contributed to numerous joint projects and working groups with local professional and industry associations to advance the broader business community.

More details in Entity Specific – Contribution to Society section

# Environmental strategy

### Strategy

**Climate change is a global challenge, addressed through a coordinated network-wide response that adapts to local contexts. It is not just a strategic priority; it is integrated in our day-to-day operations.**

**This ambition is part of our strategy, business model, and daily operation, and our targets are validated by the Science Based Targets initiative.**

We have set greenhouse gas (GHG) reduction targets across all scopes, aligned with the 1.5°C Paris Agreement objective.

We have **seven decarbonisation levers** driving our transition plan and impactful actions:

- Low-carbon mobility
- Low-emissions business travel
- Low carbon headquarters
- Renewable energy
- IT-related emissions reduction
- Responsible supply chain
- ESG-driven client services

| Targets | Progress |
|---|---|
| Reduce scope 1 & 2 emissions by 50% FY19 vs FY30 | Scope 1 & 2 emissions reduced by 58% |
| Transition to 100% renewable electricity FY30 | 99% of renewable electricity |
| Offset 100% of our residual emissions FY30 | 100% of our residual emissions offset |

Our ultimate target is to reach Net Zero GHG emissions across the value chain by FY50, by reducing our absolute Scope 1, 2, and 3 Emissions by 90% and offsetting 100% of our residual emissions.

### Actions

- Scope 1 emissions dropped by 51% since FY19, mainly thanks to electrifying our fleet and improving building energy efficiency.
- Market-based Scope 2 emissions decreased by 59%, surpassing the reduction needed for our 2030 goals. These cuts come from targeted actions in our operations.
- Scope 3 emissions increased by +7% despite our efforts in mobility solutions described in the following page. This is due to the purchased goods and services which increased by +53% mainly driven by sales growth and headcount increase.
- We are preparing new carbon-neutral headquarters that meets taxonomy standards. It will produce renewable energy through solar panels and earn WELL Platinum and BREEAM Outstanding Certifications. We expect to reduce electricity use by 30% and heating energy by 70%.
- We source 99% of our electricity from renewables, and power our headquarters entirely with renewable energy. This keeps our Scope 2 emissions very low.
- We support global carbon reduction through nature-based solutions like forest conservation and reforestation credits with the LEAF Coalition to boost carbon removal over time.
- We keep leveraging on CDP and EcoVadis to support our progression. At PwC Network level, we achieved an A- score for our 2024 CDP submission, and PwC Luxembourg earned the EcoVadis Silver medal in 2025.
- We engage with suppliers on science-based targets, we embed ESG criteria in RFPs >€50k and strongly encourage our suppliers to reduce their emissions. We also prioritise local products.
- We help clients to reduce their impact through audits, regulatory advisory, and transformation powered by digitisation and ESG integration.

More details in ESRS E1 section

# Environmental strategy – mobility

### Strategy

**Our mobility strategy is at the heart of our Net Zero commitments. We implement commuting emissions cutting through satellite offices near borders, car-fleet transitioning to electric vehicles and promoting greener transport options as well as the tightening of our Business Travel Policy.**

- **Eight satellite offices** close to the borders offer fully equipped work environments, strategically located to minimise commuting time and distance.
- Since 2025, use of **plug-in hybrid cars or electric vehicles** is encouraged, and low emission internal combustion engine is still allowed, provided employees opt for vehicles with the lowest emissions.
- We encourage people to use **alternative means of transportation** with lower CO2 emissions, such as car-pooling, car-sharing, EVs/hybrid car leasing, soft mobility, and public transportation.
- Our travel policy shapes our climate strategy by cutting Scope 3 emissions from business travel—one of our key environmental impacts. Guided by **“travel less, travel smart,”** it ensures responsible travel choices while supporting growth and aligning with our environmental policy and strategy.

| Targets | Progress |
|---|---|
| Reduce business travel emissions by 50% FY19 vs FY30 | Business travel emissions reduced by 65% FY19 vs FY30 |
| Reduce employee commuting emissions by 30% FY19 vs FY30 | Employee commuting emissions dropped by 48% FY19 vs FY30 |

### Actions

- We continue to develop our mobility strategy to consider the significant increase in traffic forecast in the National Mobility Plan 2035.
- We keep the pace on transitioning our lease car fleet to fully electric vehicles. Since 2023, all newly leased cars must meet a maximum emission limit, opting for plug-in hybrid or electric vehicles.
- We expanded electric car-sharing and car-pooling offerings. Employees can access shared electric or low-emission vehicles for both business and private use.
- We doubled the number of on-site charging stations.
- We have deployed our Travel Dashboard, an internal travel dashboard enabling us to monitor past and planned emissions and track flights by traveler. It helps by detecting business travel that could be replaced by lower-carbon alternatives.
- We leverage on an annual mobility survey to understand our employees’ commuting habits, estimate the associated emissions and find solutions to lower our carbon footprint related to mobility.
- We participate in the "European Mobility Week" every year by coordinating conferences related to this topic and raise awareness internally.
- Each line of service LoS is assigned an annual $CO_2$ budget for business travel, managed by our sustainability leaders.

More details in ESRS E1 section

FY25 summary

**Sustainability statement**



# Sustainability statement

# Table of contents – Sustainability statement

# ESRS 2 – General disclosures


1. Basis for preparation
2. Governance
3. Strategy
4. Impact, risk and opportunity management

# 1. Basis for preparation

## 1.1. BP-1 - General basis for preparation of the sustainability statement

This sustainability statement was prepared on a consolidated basis and marks our first sustainability statement following the requirements of the European Sustainability Reporting Standards (ESRS) and the Corporate Sustainability Reporting Directive (CSRD) guidelines. It covers PwC Luxembourg's fiscal year 2025, defined as the period from 1 July 2024 to 30 June 2025, and all qualitative and quantitative data points refer to this period. Cross-references within this report have been inserted where relevant. However, no external information has been incorporated by reference. ESRS 2-BP-1: 5 (a)

While fully complying with the content requirements of ESRS, we chose to deviate from the prescribed order of disclosures and organised the information in a manner that better reflects the nature and operating model of our firm, facilitating a clearer understanding of the sustainability information.

This year we have transitioned from our past Annual Reviews which were aligned with the WEF IBC (World Economic Forum's International Business Council), towards a report following the ESRS. This shift has resulted in changes not only in structure, but also in the content and method of calculating metrics. As a result, figures from previous Annual Reviews are not included. The data presented in this report will serve as the base year for future reporting under the ESRS framework, except for certain environmental KPIs that still reference a FY19 baseline for target-setting.

For our first-year reporting, we make use of the transitional provision in accordance with ESRS 1.

Our external auditor, BDO, provided limited assurance on our sustainability statement.

### 1.1.1. Scope of consolidation

We are not required to publish consolidated financial statements. ESRS 2-BP-1: 5 (a),(b)-i

For the current report, the entities in scope are the following:

- PricewaterhouseCoopers, Société coopérative
- PwC Regulated Solutions (TIR), based in Luxembourg
- PricewaterhouseCoopers Academy S.à r.l., based in Luxembourg
- PricewaterhouseCoopers Training Administration Service Centre S.à r.l., based in Luxembourg
- PwC Services Portugal, Lda., based in Portugal

Unless otherwise specified, references to PwC Luxembourg or the Firm throughout this entire report, collectively refer to all aforementioned entities.

The current report is published on voluntary basis as the above subsidiaries are exempted from individual or consolidated sustainability reporting pursuant to Articles 19a(9) or 29a(8) of Directive 2013/34/EU. ESRS 2-BP-1: 5 (b)-ii

As a PwC member firm, we must comply with the PwC Network Standards. PwC Network consists of firms which are separate legal entities. Firms in the PwC Network are members in, or have other connections to PricewaterhouseCoopers International Limited (PwCIL) an English private company limited by guarantee (more details are available on our global website). Consequently, the information presented is based on the principles and policies of both PwC Network and PwC Luxembourg. These referenced documents are not yet publicly available at the time of reporting but are expected to be published in April 2026.

### 1.1.2. Coverage of value chain

The extent of the sustainability statement covers the firm's upstream and downstream value chain to varying degrees based on materiality and value chain required data when disclosing metrics, as required by ESRS 1.

On the upstream side we considered Tier 1 suppliers and vendors from different sectors (energy, real estate, services and hospitality, insurance, IT, and more), including the affected communities and society at large. On the downstream side we considered clients from different industries based on the variety of services we provide in our Assurance, Advisory and Tax Lines of Services.

When assessing impact, risks and opportunities as part of the Double Materiality Assessment (DMA) we considered the expectations of our own stakeholders and the ones of our value chain, based on the pre-filtered list of material topics endorsed by our Management Board. ESRS 2-BP-1: 5 (c)

More information on section Strategy, Business Model and Value Chain.

### 1.1.3. Omission of information and use of exemption for disclosure

Within the section Quality of Services, certain information required by the ESRS Disclosure Requirements has not been disclosed due to its commercial sensitivity, which is linked to intellectual property, know-how, and innovation. This omission is made in accordance with the exemption permitted under ESRS 1, Section 7.7. ESRS 2-BP-1: 5 (d)

We have not used the option to exempt the disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19 a (3) and 29 a (3) of Directive 2013/34/EU. ESRS 2-BP-1: 5 (e)

## 1.2. BP-2 - Disclosures in relation to specific circumstances

### 1.2.1. Time horizon

We apply the same definition of time horizon as per ESRS standards, as follows:

- Short term: 1 year
- Medium term: 2-5 years
- Long term: 5-10 years

ESRS 2-BP-2: 9 (a)

We applied the very long term (more than 10 years) as an additional time horizon in the reporting. ESRS 2-BP-2: 9 (b)

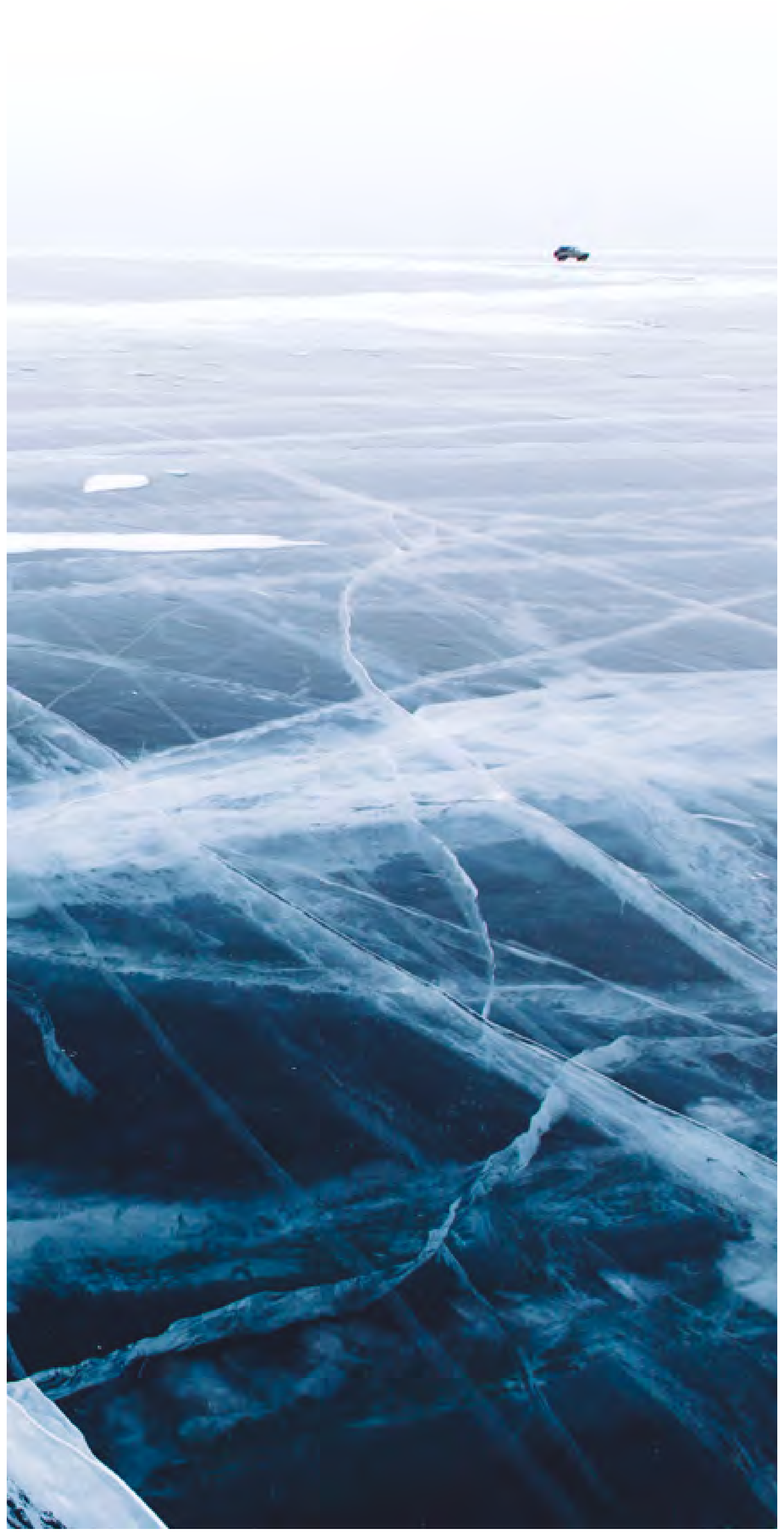
### 1.2.2. Value chain estimation

The following table outlines the approach taken to estimate GHG emissions across various categories in the value chain. Where direct data is unavailable, we rely on indirect sources such as internal proxies (e.g., revenue, headcount, expenditure), network averages, and survey-based inputs. Each row specifies the metric, the basis for estimation, and any known limitations or uncertainties in the data. The resulting level of accuracy varies depending on the availability and granularity of data. While direct data sources offer high reliability, indirect estimates, particularly those based on sector averages, introduce a degree of uncertainty that we continuously seek to reduce. To improve accuracy over time, we are enhancing collaboration with key stakeholders in our value chain and regularly updating our datasets. Our goal is to increase the proportion of direct data used in emissions calculations and reduce reliance on proxies. ESRS 2-BP-2:10 (a), (b), (c), (d)

FY25 summary

Sustainability statement

| Topic | Obligation to disclose/ reference | Related metrics | Basis for the preparation |
|---|---|---|---|
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | Emissions associated with all PG&S procured by the firm. | Where data is unavailable, estimates are calculated using other network PG&S intensity metrics (such as revenue or headcount) applied to the estimating firm. |
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | Emissions from the production of capital goods purchased or acquired by the company. | When data isn't available, we estimate emissions using capital goods intensity metrics (such as revenue or headcount) from across the network, applied to the estimating firm.<br>Uncertainties: classification of entities that provide different goods. Each provider is classified under the expense category most closely associated with their services. |
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | Emissions associated with employee air travel for business purposes | Where this data is not available, estimates are made based on invoices or expense reports. In the event this data is unavailable, estimation is calculated using flight spend by flight type metrics for the relevant firm, along with emissions factors applied appropriately. This calculation is precise since distances are mostly extracted from our travel tool databases. The only source of uncertainties relies on the recognition of the real flight when we consolidate segment with ticket exchanges (rare). |
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | Emissions associated with employee land-based travel for business purposes | Data is collected in the form of a questionnaire given to employees to determine their mobility for business behaviour and then scaled on the whole headcount based on their grade. Where this data is not available, estimates are made using emissions factors applied to spend for the relevant fuel type. |
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | Emissions associated with employee accommodation | Where this data is not available for certain firms, hotel spend, and duration of accommodation is estimated using spend by category. Where this data is unavailable, estimation is calculated using other metrics (such as revenue or headcount) for the relevant firm. |
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | GHG gross emissions of the categories Scope 3 - Employee commuting | We calculate the associated GHG emissions based on internal survey results on the modes of transport used and the commuting distance on a representative part of the workforce, then scaled up to the current staff. We also use estimation of the assumed vehicles registration and emissions based on the car leasing fleet. This part contains the highest uncertainty considering it mostly rely on employees surveying. |
| ESRS E1 - Climate Change | E1-6 - Scope 1, 2 and 3 GHG gross emissions | Scope 2 | Where renewable data is not available, estimates are based on floor area and supplier-specific or default factors are applied. Due to the unavailability of disaggregated $CH_4$ and $N_2O$ data, Scope 2 emissions are reported based on aggregated emission factors from the supplier. |



### 1.2.3. Sources of estimation and outcome uncertainty

We have identified employee commuting emissions as the metric subject to the highest level of measurement uncertainty. This is due to the use of survey-based methods and general assumptions, as direct tracking of individual commuting patterns is not feasible for privacy reasons. ESRS 2-BP-2: 11 (a)

The sources of uncertainty include reliance on internal survey data, the representativeness of staff lists, and external factors such as the future availability and adoption of low-emission travel options. Our decarbonisation efforts also depend on improvements in emissions data collection, which are not fully within our control. ESRS 2-BP-2: 11 (b)-i

We disclose that, to estimate business mileage from personal vehicles and fuel cards, we apply a fixed ratio of 6%. This figure is based on internal survey results and represents the highest observed proportion of professional use. While this conservative assumption helps prevent underestimation, it may not accurately reflect individual usage patterns or changes over time. ESRS 2-BP-2: 11 (b)-ii

We also note uncertainty in the gap between training hours offered and completed, which is influenced by factors such as absenteeism and parental leave. ESRS 2-BP-2: 11 (a)

No monetary amounts disclosed are subject to uncertainty. ESRS 2-BP-2: 11 (a)

Further assumptions and approximations are detailed in the "Methodology and Assumptions" sections of our disclosures under ESRS E1, ESRS S1, and ESRS G1, including E1-6 Gross Scope 1, 2, 3 and GHG Intensity Based on net revenue.

### 1.2.4. Changes in preparation or presentation of sustainability information and reporting errors

Since this is our first year of reporting based on ESRS standards, we do not report any changes in preparation or presentation of the sustainability statement nor errors in prior periods. ESRS-BP-2: 13 (a),ESRS 2-BP-2: 14

Comparative information in previous reports was based on the WEF-IBC standards. Due to the change in methodology towards ESRS, comparative information is not disclosed, and the data presented in this report will serve as the base year for future reporting. However, certain environmental KPIs reference a FY19 baseline for target-setting purposes. ESRS-BP-2: 13 (b)

### 1.2.5. Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements

Our sustainability statement has been prepared in accordance with the Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464) and the European Sustainability Reporting Standards (ESRS) as defined in the Commission Delegated Regulation (EU) 2023/2772. With this sustainability statement, we are also complying with the requirements of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 and its delegated acts establishing a framework to facilitate sustainable investment (EU Taxonomy). ESRS 2- BP-2: 15

### 1.2.6. Incorporation by reference

This report does not include any information incorporated by reference. ESRS 2-BP-2: 16

### 1.2.7. Transitional provision

Given that our total number of employees well exceeds the 750-employee threshold mentioned in ESRS 2, paragraph 17, the phase-in relief does not apply to our firm. At the same time, given that the current report is our first ESRS compliant report, we decided to omit the anticipated financial effects as prescribed by ESRS 1 Appendix C "List of Phased-In Disclosure Requirements" for E1-9. This approach is consistent with the transitional relief available to first-time reporters. ESRS 2-BP-2: 17

# 2. Governance

## 2.1. GOV-1 – The role of administrative, management and supervisory bodies

### 2.1.1. PwC Société Coopérative – Roles and responsibilities of the bodies

PwC Société Coopérative is a Société Coopérative owned by the “equity partners” (i.e. shareholders) of the firm.

**Management Board**

The Management Board of the company (Conseil de Gérance) is the Country Leadership Team (CLT), having overall responsibility for the strategy, business, operational and financial management of the Firm and may exercise any of the powers of the Firm with a view to fulfilling these responsibilities. The chair is the Managing Partner and each member of the Management Board is a “gérant” of PwC Société Coopérative and, as such, has specific rights to engage our Firm. The Managing Partner is elected among and by partners for a mandate of four years and proposes a list of Management Board members to the vote of the partnership.

ESRS 2-GOV-1: 22 (a)

The members of the **Management Board** are:

- **François Mousel**, Managing Partner and Chair of the Management Board;
- **Olivier Carré**, Deputy Managing Partner, Technology & Transformation Leader;
- **Isabelle Dauvergne**, Assurance Leader;
- **Björn Ebert**, Financial Services Leader;
- **François Génaux**, Advisory Leader;
- **Roxane Haas**, People Leader;
- **Vincent Lebrun**, Tax Leader;
- **Cécile Liégeois**, Clients & Markets Leader.

In addition to the Management Board members, the three key leadership functions perform other critical leadership functions:

- **Rima Adas**, Chief Network Officer, in charge of the relationship between PwC Luxembourg and the PwC Network;
- **Christophe Pittie**, Territory Risk Management Partner, leading the Risk and Quality dimensions;
- **Anne-Sophie Preud’homme**, Chief Financial Officer and Chief Administration Officer, supervising Finance, Infrastructure and Procurement departments.

**Supervisory Board**

The Supervisory Board has an advisory and oversight role, responsible for reviewing and providing guidance to ensure that the interest of the partnership is protected. It is not under the authority of another body.

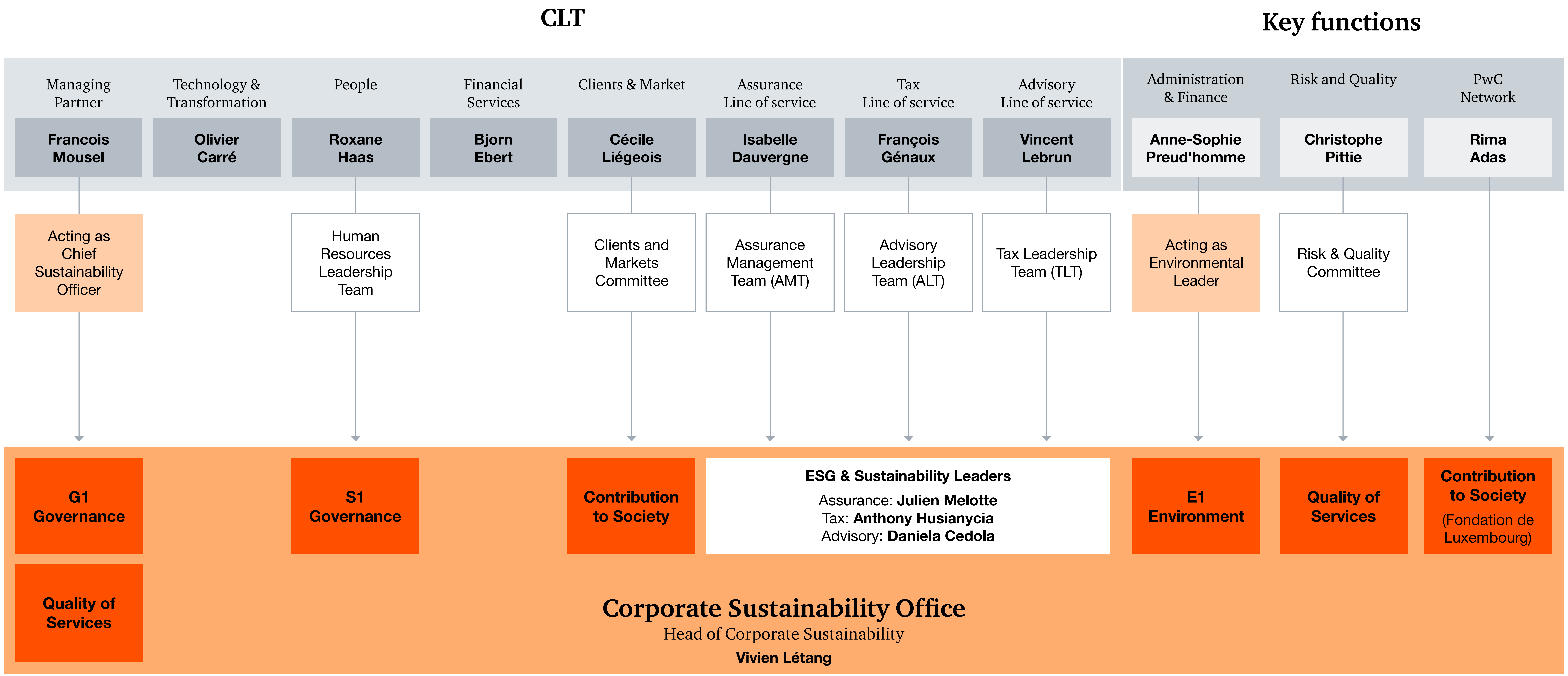
**Firm structure and other bodies**

Each dimension of the Firm is managed and operates through a dedicated committee to which the Management Board is delegating responsibilities in the execution of the strategy:

- The Firm is divided in three **business lines of services** – Assurance, Advisory and Tax - managed through a dedicated body;
- The **Corporate Services are composed of six streams:** People, Risk & Quality, Technology and Transformation, Finance & Infrastructure, Clients and Markets, Territory.

The chairs of the different bodies are members of the Management Board or a Key Leadership Function. The relevance, efficiency and ultimately, the sustainability of this governance is ensured through committee charters managed and centralised by the Corporate Sustainability Office. More details on those bodies are shared within this report.

## Sustainability Governance



### 2.1.2. PwC Regulated Solutions

PwC Regulated Solutions (PwC R.S.) is a Professional of the Financial Sector (PFS), a regulated entity with more than 30 FTEs with a strong expertise in operational tax, tax transparency regulations, fund administration and in the insurance sector. Its sole shareholder is PwC Société Coopérative.

Due to professional secrecy in criminal code, provision of services linked to clients and investors of directly or indirectly regulated entities are subject to licences and on-going supervision from the two Luxembourg regulators (CSSF and CAA). PwC R.S. was the first entity on the Luxembourg market that has obtained both the regulated status of Professional of the Financial Sector and Professional of the Insurance Sector.

The PwC R.S. board members are partners within PwC Société Coopérative. In this role, they contribute actively to the overall operations and governance of the firms and maintain continuous oversight of sustainability matters impacting PwC R.S.

### 2.1.3. Composition and independence of the bodies

The eight Management Board members and the three Key Leadership Functions are all executive members. The seven Supervisory Board members are all non-executive in their role within the board, while they may have limited executive functions in their respective lines of services (in accordance with a policy on the prohibition of cumulating the function of Supervisory Board (SB) member with higher executive functions. At PwC Regulated solutions, the seven board members are executive members. ESRS 2-GOV-1: 21 (a)

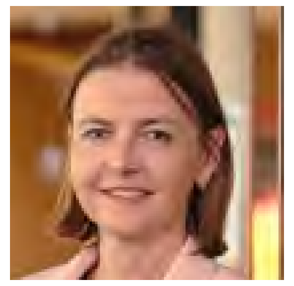
There are no employee representatives on the different boards of the company. ESRS 2-GOV-1: 21 (b)

There are currently no external independent members in the Management Board, Supervisory Board, nor the PwC Regulated Solutions Management Board. Within the other committees of the firm, The Ethics and Business Conduct Committee (described in G1 – Business conduct) appoints an independent member to manage the ethical matters investigations in an independent manner. ESRS 2-GOV-1: 21 (e)

## Relevant experience of the Management Board members and Key Leadership Functions








| Management Board | Francois Mousel | Olivier Carré | Roxane Haas | Björn Ebert | Cécile Liégeois | Isabelle Dauvergne | Vincent Lebrun | François Génaux |
|---|---|---|---|---|---|---|---|---|
| **Function** | Managing Partner | Deputy Managing Partner, Technology & Transformation Leader | People Leader | Financial Services Leader | Clients & Markets Leader | Assurance Leader | Tax Leader | Advisory Leader |
| **Demographics** | 44<br>Luxembourg | 48<br>Belgium | 50<br>France | 46<br>Germany | 49<br>Belgium | 50<br>France | 54<br>Belgium | 55<br>France |
| **Experience** | 20 years<br>REA, EC | 27 years | 27 years<br>REA, EC | 23 years<br>REA, EC | 25 years<br>REA, EC | 26 years<br>REA, EC | 22 years | 29 years |
| **Oversight of Material topics** | Business Conduct (G1)<br>Quality of Services | Quality of Services | Own Workforce (S1) | Quality of Services | Quality of Services<br>Contribution to Society | Quality of Services | Quality of Services | Quality of Services |



| Key functions | Anne-Sophie Preud'homme | Christophe Pittie | Rima Adas |
|---|---|---|---|
| **Function** | Chief Finance Officer (CFO)<br>Chief Administration Officer (CAO) | Territory Risk Management Partner<br>Risk and Quality Leader | Chief Network Officer |
| **Demographics** | 55<br>France | 57<br>Belgium | 55<br>France |
| **Experience** | 33 years<br>REA, EC | 34 years<br>REA, EC | 33 years<br>REA, EC |
| **Oversight of Material topics** | Climate change (E1) | Quality of Services | Contribution to Society |

REA: Réviseur d'entreprise Agréé, EC: Expert comptable

ESRS 2-GOV-1: 21 (c)



### FY25 summary

### Sustainability statement

## 2.1.4. Diversity of the bodies

| Bodies percentage by gender* | Male | Male % | Female | Female % |
|---|---|---|---|---|
| Management Board | 5 | 54,5% | 3 | 45,5% |
| Key Leadership Functions | 1 | 33,5% | 2 | 66,5% |
| Supervisory Board | 4 | 57% | 3 | 43% |
| PwC Regulated Solutions Board | 4 | 57% | 3 | 43% |

*Calculation per body. Consolidated figures across bodies we avoid double counting of people having a role in more than one body.

Gender is a key indicator of our diversity, and we are currently in our 40%/60% target of gender diversity in our administrative, management and governing bodies at top leadership level, i.e. CLT, Key Leadership Function, SB and PwC R.S.

We are at 36% female (48 males for 27 females) representation if we consider all other committees in the firm, i.e. Line of Services committees, Corporate services streams and specialised committees such as the Ethics and Business Conduct Committees. It is explained by several parameters presented in the S1 – Own Workforce section of this report.

ESRS 2-GOV-1: 21 (d)

Moreover, we also consider other diversity KPIs to compose our leading bodies:

- **Nationality** – 43% of our members are French, 32% are Belgian, 8% are German and 4% are Luxembourgish. It is a logical representation of our geographical specificities and is aligned with our total population distribution with a slight over-representation of the Belgians due to historic reasons.
- **Los representation** – 18% come from Advisory, 20% from our corporate services, 25% from Tax and 37% from Assurance. These results are aligned with the total distribution of our population within the Lines of Service.
- **Age** – our members are on average 49 years old, with the youngest being 39 and the oldest 59.
- **Seniority** – the average seniority in PwC Luxembourg of our committee members is 21 years.

## 2.1.5. Sustainability governance

The Managing Partner is the **Chief Sustainability Officer**, ensuring that the sustainability strategy is championed at the highest level and fully embedded into the governance and operations of the firm. Our sustainability priorities form an integral part of the Management Board priorities and are monitored at the same level than the financial performance of the firm. The Management Board together with the Head of Corporate Sustainability, ensure the consistency between the two and the completeness of the consideration of any important sustainability matters.

Each pillar of sustainability is under the accountability of one Management Board member or a Key Leadership Function leader, called the **Pillar Owner**. They are responsible for ensuring a proper consideration of the sustainability strategy by integrating the material impacts, risks and opportunities directly into the firm's operations. Each pillar owner has the duty to fix the sustainability targets and action plans under the accountability of the Management Board. Through its departments and teams, they will implement necessary measures and ensure that monitoring, data collection and reporting are carried out. The allocations are the following:

- **Roxane Haas**, People Leader, owns the Social dimension
- **François Mousel**, Managing Partner owns the Governance and Quality of Services dimensions
- **Cécile Liégeois**, Clients & Markets leader, owns the Contribution to society dimension
- **Anne-Sophie Preud'homme**, CFO/CAO, owns the Environmental dimension

### PwC Network sustainability governance

The PwC Network enables local implementations of sustainability strategies through a globalised governance:

- The PwC Network Leadership Team (NLT) sets the overall sustainability strategy, including standards to which all PwC firms adhere.
- The Global Sustainability Leadership Team (GSLT) is the primary body managing PwC's sustainability agenda. It brings together leaders from different territories and subject matter experts to review objectives, progress, and impacts.
- A dedicated European, Middle East and African (EMEA) coordination team on corporate sustainability ensure countries coordination and alignment by considering the specificities of our regions.

### The Corporate Sustainability Office (CSO)

To coordinate efforts of the Management Board and Pillar Leaders on the sustainability strategy, a **Head of Corporate Sustainability**, **Vivien Létang**, leads the **Corporate Sustainability Office (CSO)** of PwC Luxembourg. He shapes the firm's sustainability strategy by considering PwC Network global strategy and local specificities and oversees its execution. The CSO oversees ESG projects and operations, ensures sustainability monitoring, reporting and compliance – including CSRD compliance –, manages corporate social responsibility in the broader sense and supports the firm governance and its committees.

The CSO collaborates closely with Pillar Leaders to provide a full perspective on our corporate sustainability strategy, by centralising action plans, metrics and targets towards the IROs associated with each material topic. For further details on the dedicated controls and procedures applied to the management of IROs and a description of how they are integrated with other internal functions, please refer to the section 2.5 GOV-5 - Risk Management and Internal Controls over Sustainability Reporting. The Management Board has ultimately the responsibility for overseeing material impacts, risks and opportunities. ESRS 2-GOV-1: 20 (b), ESRS 2-GOV-1: 22 (a),(b), ESRS 2-GOV-1: 22 (c)-i-iii

As per the first compliant report setting those targets, the CSO will share regular updates to the Management Board that will approve the sustainability targets and monitors how the firm is progressing based on status and action plans presented. ESRS 2-GOV-1: 22 (d)

### Sustainability expertise in the firm governance

The key dimensions of our sustainability strategy are allocated to the Management Board members and Key Leadership Functions. The CSO ensures that each of them are at the expected level of knowledge to manage and be accountable of the material IROs through the governance in place on sustainability matters. ESRS 2-GOV-1: 23 (a)

The CSO leverages on a wide range of experts to deliver regular updates on emerging sustainability topics: the Learning and Development Team, the PwC Network resources, the Sustainability Broad Assurance Team and the ESG Consulting Team. This is done at Management Board level and through monthly catch up with the sustainability Pillar Leaders and Line of Service sustainability leaders. The CSRD implementation project is a strong accelerator to upskill our firm and its bodies in sustainability through its steering committee by providing regular updates on our CSRD journey. ESRS 2-GOV-1: 23 (b)

In the next fiscal year and no later than 31 December 2025, all members of our Management Board who are Réviseurs d'Entreprise Agréés will complete 60 hours of training on CSRD. This programme will provide an in-depth understanding of the ESRS, alongside broader CSRD concepts and practical guidance on auditing CSRD reports.

## 2.2. GOV-2 – Sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The CSO ensures the cascading communication from the strategy to the operations of the firm:

- The Head of Corporate Sustainability meets monthly with the Managing Partner to discuss key priorities, including IROs. Each quarter, they update the Management Board on progress with the sustainability strategy, focusing this year on the CSRD implementation project.
- Yearly, through the non-financial reporting process, the Management Board formally monitors progress against the sustainability strategy, the material sustainability matters and long-term targets. The board makes strategical decisions and trade-offs then revise priorities and action plans accordingly. Those decisions are influenced by sustainability matters as described in the following sections.
- Quarterly, the Sustainability Pillar Leaders report to the Management Board about their scopes on the effectiveness of sustainability-related policies, due diligence procedures, actions, metrics, and targets. The reporting structure is aligned with CSRD requirements. They also cascade these considerations throughout their respective committees, business areas, functions, and operations. This ensures firm-wide accountability and operational ownership by every functional leader implementing sustainability matters action plans.

On ad-hoc basis, the CSO addresses some IROs directly with the relevant committee to ensure a prompt and efficient action. This is the case mainly, but not only, with the Ethics and Business Conduct Committee and with the Risk and Quality Committee. ESRS 2-GOV-2: 26 (a), (b)

The Supervisory Board is informed through the Management Board supervision mechanism, summarised in a detailed operating memorandum established according to the governance of the partnership, including the effectiveness of sustainability-related policies, due diligence procedures, actions, metrics, and targets.

In FY25, a broad range of sustainability-related topics have been addressed at Management Board level, including:

- Climate change mitigation and energy consumption;
- Diversity, Equity and Inclusion (DEI) and wellbeing strategy;
- Working conditions;
- Quality of services;
- Business conduct compliance and ethical behaviour;
- Contribution to society.

ESRS 2-GOV-2: 26 (c)

## 2.3. GOV-3 – Integration of sustainability-related performance in incentive schemes

Our performance evaluation framework is designed to assess both financial and non-financial dimensions through the effective implementation of our strategy, which integrates sustainability considerations as set out previously.

We do not plan to introduce separate monetary or non-monetary incentives linked to sustainability performance, nor to directly link climate-related considerations in remuneration for the time being. ESRS 2-GOV-3: 29 (a), (b), (c), (d), (e)

While our climate targets are aligned with the PwC Network's Net-Zero commitments, the nature of our service-based business model means that our most significant impacts – and therefore our primary areas of focus – lie in people and business conduct. We therefore dedicate most of our resources to these areas, while continuing to contribute responsibly to the collective climate ambition. As a result, responsibility for delivering on these goals is shared collectively among all leaders, reinforcing that advancing sustainability is an essential element of executing our strategy. E1- ESRS 2-GOV-3: 13

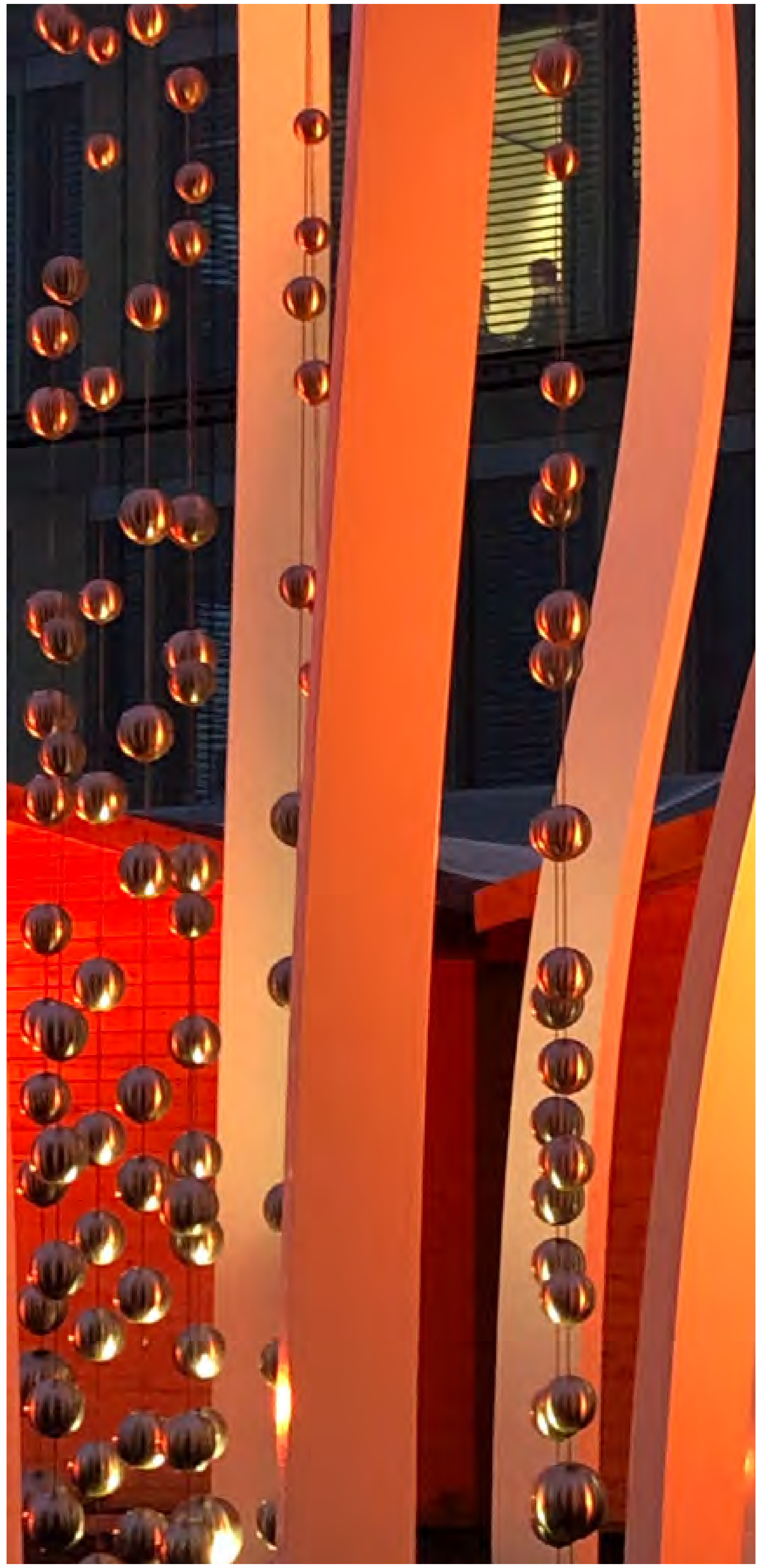
## 2.4. GOV-4 – Statement on sustainability due diligence

We have mapped in the table below the key areas in our sustainability statement where we describe elements of the ESG due diligence process. Our due diligence duty refers to our own operations, in all areas identified as material topics (climate change, own workforce, business conduct). ESRS 2-GOV-4: 32

| Core elements of due diligence obligations | Paragraphs in the Sustainability Statement | ESRS ref. |
|---|---|---|
| Integration of due diligence obligations into governance, strategy and business model | Sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | ESRS 2 GOV-2 |
| | Material impacts, risks and opportunities and their interaction with strategy and business model | ESRS 2 SBM-3 |
| Involvement of stakeholders concerned in all key steps of due diligence | Sustainability aspects addressed by the company's administrative, management and supervisory bodies | ESRS 2 GOV-2 |
| | Stakeholders' interests and views | ESRS 2 SBM-2 |
| | Description of the process to identify and assess material impacts, risks and opportunities | ESRS 2 IRO-1 |
| | Policies related to climate change | E1-2 |
| | Policies related to own workforce | S1-1 |
| | Policies for business conduct and corporate culture | G1-1 |
| | Processes to engage with own workforce and workers' representatives about impacts | S1-2 |
| | Processes to remediate negative impacts and channels for own workforce to raise concerns | S1-3 |
| | Policies and processes related to entity-specific topics: Quality of Services and Contribution to Society | MDR-P |
| Identification and assessment of negative impacts | Description of the process to identify and assess material impacts, risks and opportunities | ESRS 2 IRO-1 |
| | Material impacts, risks and opportunities and their interaction with strategy and business model | ESRS 2 SBM-3 |
| | Processes to remediate negative impacts and channels for own workforce to raise concerns | S1-3 |
| | Reporting misconduct and protecting whistleblowers | G1-3 |
| Measures to mitigate these negative effects | Climate action and energy | E1-3 |
| | Actions and resources related to our workforce and their effectiveness | S1-4 |
| | Actions related to entity-specific topics: Quality of Services and Contribution to Society | MDR-A |
| | Policies for business conduct and corporate culture | G1-1 |
| Tracking the effectiveness of these efforts and communication | Energy consumption and energy mix | E1-5 |
| | Gross Scopes 1, 2, 3 and Total GHG emissions | E1-6 |
| | Diversity Metrics | S1-9 |
| | Training and skills development metrics | S1-13 |
| | Work-life balance metrics | S1-15 |
| | Remuneration metrics (pay gap and total remuneration) | S1-16 |
| | Incidents, complaints and severe human rights impacts | S1-17 |
| | Targets related to climate change mitigation | E1-4 |
| | Metrics and targets related to own workforce | S1-5 |
| | Policies for business conduct and corporate culture | G1-1 |
| | Metrics and targets related to entity-specific topics: Quality of Services and Contribution to Society | MDR-M and MDR-T |

FY25 summary

Sustainability statement



## 2.5. GOV-5 – Risk management and internal controls over sustainability reporting

### 2.5.1. Scope, main features and components of risk management and internal control processes

As a PwC member firm, we must comply with the PwC Network standards and the Network Risk Management policies.
Each territory appoints a Territory Risk Managing Partner (TRMP) named by the Managing Partner and validated by the Management Board. At PwC Luxembourg, the TRMP is the Key Leadership Function Risk and Quality Leader, **Christophe Pittie**, Chair of the Risk and Quality Committee.

The TRMP, supervised by executive management, is accountable for implementing and maintaining an efficient system of risk management and related internal controls. The execution is managed by the Enterprise Risk Management (ERM) team integrating the risk framework in the operations of the firm.

Our risk management consists of 3 lines of defence operating independently:

1. **The first line of defence** is management control: functional teams own and manage the risks in their operations. They are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis.
2. **The second line of defence** is composed of risk management and compliance functions. The Risk & Quality Committee has the purpose to help the leadership teams to embed a culture of risk management and compliance within the firm. Its core duty is to cover risk and quality scope, including compliance, legal, data protection, independence, information security, ethics and Line of Services quality and risk management.
3. Internal audit is part of the **third line of defence**, being independent and reporting to the Internal Audit Committee acting on behalf of the Management Board and the Supervisory Board.

ESRS 2-GOV-5: 36 (b)

The CSO oversights the sustainability related risks by allocating 20% of a team member working directly for the Enterprise Risk Management Team, ensuring a full consideration of sustainability matters in risk management processes, risk registers and control activities. The objective of our internal controls over sustainability reporting is to provide reasonable assurance that the sustainability reports are prepared in a timely manner and in accordance with applicable laws, regulations and high-level quality standards.

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Sustainability statement

### 2.5.2. Risk assessment approach

The PwC Network Standards define an analysis framework structured around risk categories which each territory will report. The TRMP, in accordance with the Management Board, allocates each category to an owner being a Management Board member, a chair of a committee, a head of department or a subject matter expert. Sustainability Pillar Leaders are accountable for the sustainability related risk categories.

Yearly, a detailed risk registers is produced, based on the following approach: risk identification, risk evaluation, mitigation actions, control activities, and risk reporting. The risk evaluation is based on a net risk rating calculation, and the management of risks will be prioritised accordingly. Risk monitoring and control is an iterative process integrating a detailed mid-year review to adapt mitigation plan and perform controls. ESRS 2-GOV-5:36 (a)

The risk register is monitored and reported to the Management Board through biannual updates performed by the TRMP. The report contains a detailed view on each risk, including net risk rating, risk description, main risk response and mitigation, action/mitigation plan, risk owner and the person in charge of monitoring the risk operationally. The Supervisory Board is informed through the supervision of the Management Board. Specific presentations to other committees can be provided when the risk requires a proper expertise to be managed.

ESRS 2-GOV-5: 36 (d)

In collaboration with the firm's risk management, the CSO supports the sustainability Pillar Leaders and suggests actions and controls activities specific to sustainability matters and brings impacts, risks and opportunities as a strong basis of preparation of the risk register. The CSRD report is used as an opportunity to make our risks transparent both for our internal and external stakeholders.

### 2.5.3. Main risks identified in sustainability reporting and their mitigation

When carrying out the Double Materiality Assessment (DMA) to identify key impacts, risks, and opportunities (IROs), the ERM exercise has been used to strengthen the DMA and to include the main IROs in the sustainability risk categories in ERM. This ensures alignment between both exercises, a robust and consistent risk mapping, facilitating actions and controls afterward.

Furthermore, we will implement next year specific controls and monitoring systems to assess progress in the targets related to material impacts, risks and opportunities following the ESRS. ESRS-2 GOV-5: 36 (a)

The risks categories are the following:

- Geopolitical
- Societal risk and trust
- Economic uncertainty
- Regulatory and/or public policy
- Clients and service quality
- Significant adverse matters
- Environment
- Independence
- Compliance
- People
- Ethics, purpose, values and behaviours
- Data strategy and management
- Information and cyber security
- Technology enabled disruption
- Technology resilience and availability
- Strategy execution
- Network mutuality/alignment
- Financial performance
- Safety and physical security

ESRS 2-GOV-5: 36 (c)

Our ERM integrates sustainability related risks and mitigation actions by following the process described above.

ESRS 2-GOV-1: 22 (c)-iii

Going forward, the CSO will report regularly progressions on the IROs to our Management Board and the relevant committees responsible for their follow-up.

ESRS 2-GOV-5: 36 (e)

# 3. Strategy

## 3.1. SBM-1 - Strategy, business model and value chain

### 3.1.1. Key elements of our business model

PwC Luxembourg provides audit, tax and advisory services including management consulting, transaction, financing and regulatory advice. The firm provides advice to a wide variety of clients from local and middle market entrepreneurs to large multinational companies operating from Luxembourg and the Greater Region. PwC Luxembourg is the largest professional services firm in Luxembourg with 3,665 employees. Our PwC Network counts more than 364,000 people in 136 countries. More details about our People are shared in the social section of this report. ESRS 2-SBM-1: 40 (a)-iii

PwC Luxembourg is a member firm of PwC International Limited (PwC IL). All PwC member firms are separate legal entities which deliver their services locally and internationally without engaging in any way PwC IL responsibility or liability. The additional responsibilities our partners bear on a global level grant a continuous exchange between the Luxembourg firm and the global network of PwC. This concept of shared information between regions, competencies and industries to develop valuable solutions for our clients is an integral part of our company's culture.

Locally, our vision is to be the most impactful, dynamic and trusted partnership for our clients and all our stakeholders in Luxembourg and beyond its borders. Our professionals distinguish themself by a long-term expertise within the local marketplace, a commitment to helping our clients and the ability to transfer their experience to the challenges ahead.

To remain resilient and competitive in an evolving environment, we continuously adapt and strengthen our operating model to address emerging challenges and ensure sustainable growth. The newly opened PwC Services Portugal (PSP) plays an important role in our operations. It is a joint venture between PwC Luxembourg and PwC Portugal, serving as an extension of PwC Luxembourg and is integral to our business model. It serves as an acceleration centre supporting PwC Luxembourg's clients.

Leveraging on professionals based in Porto, Portugal, PSP ensures scalability and quality in service delivery by integrating into PwC Luxembourg's operations and addressing talent attraction challenges sustainably. PSP provides a range of services, including assurance audit (spanning all industries, with a particular focus on real estate and private equity), broader assurance services, tax (including managed services, corporate tax, VAT, and accounting), and advisory (specialising in the global fund industry and real estate valuation).

**Our services**

We offer three main types of services through three Lines of Service (LoS):

| | | |
|---|---|---|
| **Audit and Assurance services,** focusing on evaluating the financial performance and operations of clients' business. | **Advisory, with specialised business units:** Corporate Finance, Public Sector Services, Financial Services and Strategy consulting. | **Tax, Accounting and Reporting:** Tax Product Services (TPS) and Expertise Comptable et Fiscale (ECF). |

On top of our core services, we also operate in more specific areas such as: Operational risk management, Trainings offered by our PricewaterhouseCoopers Academy S.à r.l., Reporting services proposed by our Regulated Solutions PFS and more. ESRS 2-SBM-1: 40 (a)-i

No service is banned from any market and we are not active in the following sectors: fossil fuel, chemicals production, controversial weapons, cultivation and production of tobacco.

ESRS 2-SBM-1: 40 (a)-iv,(d)-i-iv

## Our industries

We organise our business model and go-to-market strategy in a client-centric and segmented approach, by industries. We share the latest research and points of view on emerging industry trends, develop industry-specific performance benchmarks based upon global best practices, and share methodologies and approaches in complex areas such as financial instruments and tax provisioning. In addition, we collaborate with our network on accounting or technical issues unique to a particular industries and regions, especially when interpretive guidance is needed.

Our industries are:

| | | |
|---|---|---|
| **Alternatives:** private equity, real estate, infrastructure, debt funds, hedge funds, venture capital | **Asset and Wealth Management** | **Banking & Capital Markets** |
| **Insurance** | **Government & Public Services** | **Industry & Services** |

ESRS 2-SBM-1: 40 (a)-ii

## Our business model

Our business model is designed to transform key resources into value-adding services while addressing sustainability-related matters through our value chain. The main inputs we rely on include:

| | | | | |
|---|---|---|---|---|
| **Human capital** (people, corporate culture, business ethics and talent development). | **Intellectual capital** (proprietary frameworks, AI and digital tools, methodologies, excellence and entrepreneurial mindset). | **Financial capital** (investment in training, new technologies and sustainability). | **Social capital** (collaboration, community support, strategic alliances). | **Natural capital** (Net-Zero commitments and strategies). |

ESRS 2-SBM-1: 42 (a)

In line with this business model, our output consists of providing professional services connected to audit, advisory and tax, with an emphasis on high-quality delivery, generating outcomes such as:

| | | |
|---|---|---|
| Improved transparency. | Enhanced client resilience. | Stronger stakeholder trust and ultimately economic, social and environmental impacts. |

ESRS 2-SBM-1: 42 (b)

Through our operations and engagements, we seek to ensure that our services contribute to both client value creation and positive broader-societal effects, as described in the section below, Sustainability related client services.

### 3.1.2. Sustainability-related client services

PwC Luxembourg operates exclusively in the 'Services' ESRS sector, as defined in ESRS SEC 1, and therefore all revenue is reported under this sector. ESRS 2-SBM-1: 40 (c), ESRS 2-SBM-1: 41

We deliver sustainability services to our clients in alignment with both our market strategy towards ESG services and our corporate sustainability strategy and practices on which we leverage to extend the quality of services we deliver to our clients. This is a way to walk the talk towards our clients and be more impactful on our sustainability strategy through our business activities and services. ESRS 2-SBM-1:42 (b)

As part of a holistic and integrated auditing and consulting approach with regard to sustainability, we have identified the following services:

- Advice in relation to sustainability reporting (CSRD) for financial and operating companies.
- Advice in the design and execution of the sustainability strategy of financial products under SFDR.
- Support to clients decarbonisation journey across GHG calculations (corporate, product, and PCAF), target setting (SBTi), and decarbonisation levers.
- Support to clients reporting and monitoring systems of sustainability metrics: collection, tracking, steering and actions through digital technologies.
- Delivery of sustainability assurance services with regards to relevant EU regulations (CSRD, SFDR).
- Support to public sector institutions in developing and implementing policies that promote sustainable investment.
- Support to public sector institutions in developing and implementing debt, equity and grant instruments to mobilise investment in sustainable activities.
- Advise public sector services for sustainability projects, from project identification to detailed project preparation including feasibility studies, cost-benefit and financial analyses, monitoring and reporting.
- Support public sector on capacity building and communication services on sustainability and sustainable finance topics.

ESRS 2-SBM-1: 40 (b)

Our most important client groups of our sustainability related services include corporates cross-industries, asset managers, public finance institutions, international and national public sector institutions. We work with companies of various legal forms and sizes. Our assignments are primarily focused on the Luxembourg market but we also manage European and international projects, by leveraging on other PwC offices when relevant.

In assurance, we apply the same quality requirements to non-financial audits (including CSRD) as to financial audits. We are developing and investing in the assurance sustainability services described above to reach that objective. In advisory, our ESG assignments allows us to directly support our clients in strengthening their sustainability journey and influence our value chain downstream. ESRS 2-SBM- 1: 40 (e), (f)

### 3.1.3. Value chain

We recognise that sustainability challenges cannot be addressed in isolation. While we influence parts of the value chain, we do not claim full control over upstream or downstream activities. Our approach fosters trust-based partnerships with suppliers and customers to drive collective progress and create shared value. ESRS 2-SBM-1: 42 (c)

**Upstream**

Our upstream value chain can be split in three categories:

**Our PwC network:** global entities and other PwC Offices

**Our direct suppliers** (Tier 1 - non exhaustive list):

- **Services:** external trainers, security, cleaning services, IT and data centre,
- **Energy:** electricity provider, urban heating contract, recycling, air conditioning equipment, waste handling, refuel refrigerant of gases,
- **Financial Institutions:** building insurer, banks,
- **Hospitality:** business travels organiser, catering and canteen,
- **Manufacturing:** IT hardware, furniture providers,
- **Technology:** software providers and telecommunication,
- **Real Estate:** agency responsible for the new building,
- **Transportation:** Car leasers

**Our local partners:** professional associations, Fondation de Luxembourg, and others

We integrate sustainability practices throughout our value chain. This includes selecting suppliers based on environmental and social criteria, enhancing procurement efficiency to minimise environmental and human rights impacts, and to expect the same level of sustainability commitments than ours. Our sustainability approach towards our third parties is described further in G1 – Business conduct policies – Third parties. ESRS 2-SBM-1: 42 (a)

**Downstream**

Our downstream value chain is essentially composed of our clients to whom we deliver services. In order better support our clients, we have several business partners, with which the firm has a Joint Business Relation (JBR). PwC Luxembourg's commitment to innovation and transformation will drive identifying new business opportunities, investments in technologies, and the invention of new services. A JBR makes sense to us only when the company is fully aligned with our purpose, values and strategy towards sustainability.

ESRS 2-SBM-1: 42 (c)

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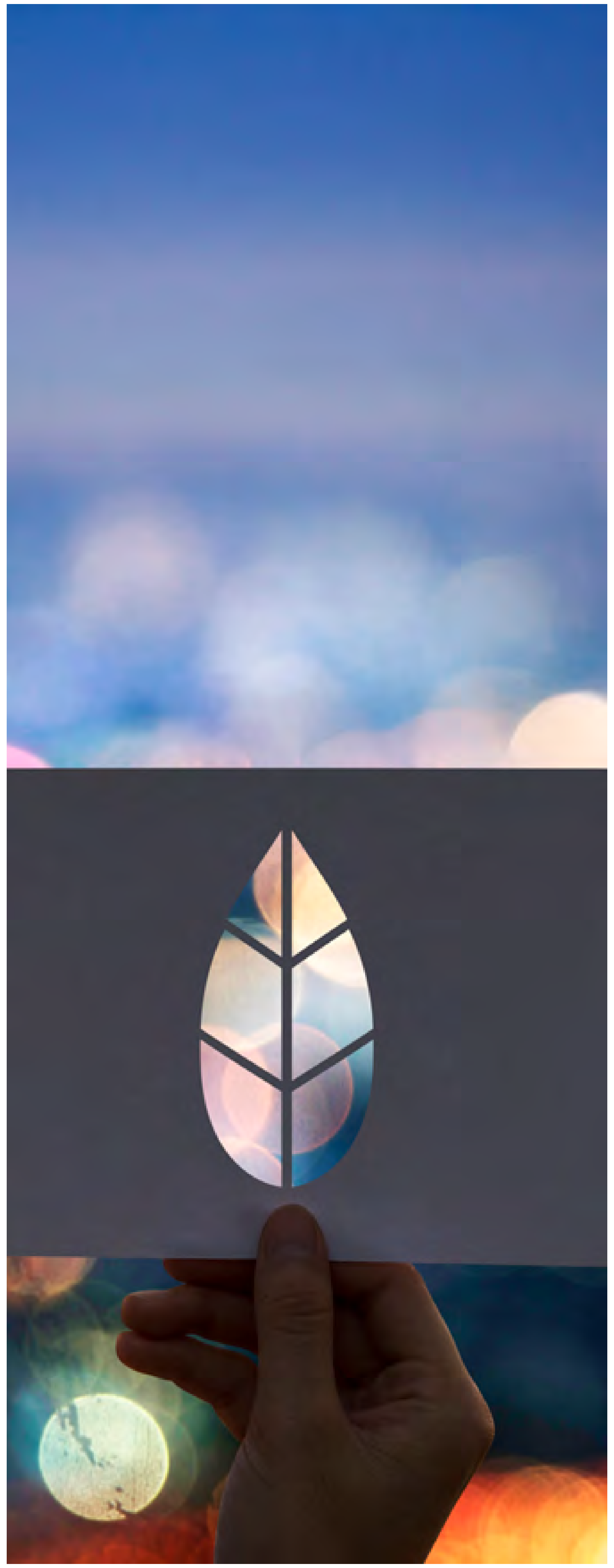

### 3.1.4. Our corporate sustainability strategy

We are committed to embedding sustainability principles into every face of our corporate strategy, governance, management and operations. We believe that sustainability is not just an objective—it is an integral part of how we operate, collaborate, and lead. This is why sustainability is a part of our firm's purpose, and an enabler of our long-term success and growth.

Our corporate sustainability strategy is structured around three concepts:

**Consider long-term thinking within our corporate strategy and operations.**

Our sustainability approach aims to embed our non-financial objectives into our core business and to put the responsibility for their execution at the highest management level of the firm. Those non-financial objectives shape the way we operate the firm and bring long term perspectives in everything we do.

**Engage in sustainable business practices to support our growth.**

Sustainability is for us a market differentiator and a way to be a role model for our clients, for them to consider ESG in their own business. We walk-the-talk through our corporate sustainability journey and the commitment we take to apply CSRD on a voluntary basis.

**Measure our progress through non-financial indicators, supporting our decisions.**

We ensure to have tangible trends, measures and related targets considering long terms threat and benefits. We base our decisions and adapt our financial and non-financial strategies and operations accordingly. The role of our corporate sustainability ecosystem in that dimension is key.

We believe CSRD is an opportunity to move further on sustainability and a way to identify where we can improve, how to adapt our approach and what we can do to continuously improve. It is a robust framework that allows us to standardise our operations on sustainability related matters, not only in monitoring and reporting but also in setting priorities and action plans for identified IROs. Our key challenge is to evolve CSRD from a compliance-driven project into a business-integrated practice. As part of our approach, we have engaged in a CSRD transformation roadmap led by the CSO and initiated during the DMA phase, with the purpose to improve on the material sustainability matters. We confirmed our strategy in two directions:

1. Internally, with the topic owners, we decided upon concrete metrics, targets and actions connected to materials matters, meant to monitor and further advance our progress on key IROs.
2. With several PwC member firms, by organising regular exchange sess ions on insights connected to CSRD implementation. This allowed us to compare identified IROs (Impacts, Risks, and Opportunities), challenge material sustainability topics, scoring methodologies, share experiences on reporting tools and presentation formats. The ultimate purpose is to drive a harmonised strategy across PwC territories, by selecting the key material priorities for the present and future. ESRS 2-SBM-1: 40 (g)

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## 3.2. SBM-2 - Interests and views of stakeholders

### 3.2.1. Our stakeholder engagement

Continuous dialogue with our stakeholders in various formats is essential for us to proactively understand the evolving needs, trends and concerns, and to systematically take them into account into our evolving strategy. Such dialogue and engagement are a formal priority of the Management Board and of the firm. The purpose is to maintain trust both internally and externally, create the context to solve problems together and integrate sustainability strategy deeper into all layers of our operations. We summarise in the table below the main channels and topics on which we interact with our key stakeholders across our entire value chain. ESRS 2-SBM-2: 45 (a)-i-v

| Key stakeholders | Key topics addressed | Engagement channels (non exhaustive illustrative channels) |
|---|---|---|
| **Employees** | • PwC's strategy and performance<br>• Working conditions of employees (including remuneration, wellbeing, working time) Integrating equity and equal opportunities in PwC values,<br>• Highlight the importance of speaking up, channels and process for whistleblowing<br>• Enhancing practices for commuters and optimising business travel,<br>• Growth and development, with focus on learning, feedback culture and proximity management.<br>• Corporate culture based on Entrepreneurship, Excellence and Walk the Talk cultural traits. | • Townhall (Lëtz Connect events, Line of Service/Industry meetings, Business Unit meetings)<br>• Global People Survey, sent yearly to all our employees to measure key elements from employee experience and perception and Ethics Pulse Survey<br>• Dedicated events (Diversity week, Mobility week)<br>• Training<br>• Dialogue with employee representatives<br>• Double Materiality Assessment |
| **Clients and prospects** | • Overall client and prospects experience, in relation to services and quality<br>• Information about services<br>• ESG impacts | • Client experience surveys<br>• Client events (by Industry, by topic, by client segment)<br>• CEO Survey (bi-annually) and CEO interviews (Annually)<br>• Continuous dialogue with client service teams and client relationship partners<br>• Double Materiality Assessment |
| **Suppliers and Partners** | • Third Party Code of Conduct<br>• Sustainable and responsible procurement practices<br>• Alignment with SBTi<br>• Innovation | • Supplier evaluation<br>• Due diligence<br>• Continuous dialogue with procurement department<br>• Double Materiality Assessment |
| **PwC Network** | • Network strategy and standards<br>• Material impacts, risks and opportunities in the global double materiality exercise | • EU CSRD Working Group<br>• Assessment of Double Materiality Assessment across PwC territories |
| **Local communities and non profit organisations** | • Our ESG impact on local community<br>• Advance strategic topics for the community, with focus on education, culture, environment, humanitarian aid | • Conferences, seminars, meetings<br>• Provide expertise to non-profit organisations<br>• Corporate volunteering, donations<br>• Double Materiality Assessment |
| **Professional organisations and associations** | • Advance knowledge and expertise within the community (business and ESG)<br>• Innovation and transformation | • Conferences, thematic meetings<br>• Participation in boards and professional committees<br>• Double Materiality Assessment |
| **Authorities, policymakers** | • Evolving regulatory landscape | • Market observation<br>• Participation in advisory committees and working groups<br>• Direct engagement with relevant decision makers<br>• Public consultations |
| **Potential talents** | • Our corporate culture, working environment<br>• Career and learning opportunities<br>• Technology and innovation<br>• ESG values and commitments | • Social media<br>• Campus and school/universities activities<br>• Conferences |

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### 3.2.2. Impact on our strategy

The output of this dialogue as summarised above shapes our business strategy, defines how to better interact with our clients and suppliers and enables us to understand the role we play in the local community. To communicate our approach and the outcomes of our stakeholder engagement, we maintain a dedicated page on our external website and provide a comprehensive overview in the Sustainability Statement.

This year, one of the most important engagement channels we used to capture the views, interests and concerns of the majority of our key stakeholders, in connection to ESG, was the Double Materiality Assessment. For more details, see section IRO-1- Description of the process to identify and assess material impacts, risks and opportunities. ESRS 2-SBM-2: 45 (b)

The interests, views and rights – including human rights – of our employees are the core of our business model and corporate strategy and we capture them through several channels: ESRS 2-SBM-2: 45 (a)-ii-v

**Global People Survey (GPS),**

where we collect annually their opinions and concerns related to a wide number of topics of interest like wellbeing, diversity and inclusion, ethics, firm values, growth and development, leadership effectiveness. The results of this survey serve as base for our management to improve and reshape the action plans related to our employee strategy. This year we had 2789 respondents.

**Ethics Pulse Survey,**

where we collect annually insights on awareness of speak-up channels and explores potential barriers to speaking up. Its purpose is to inform the EBCC strategy related to our speak-up culture. This year, we had 978 respondents.

**DMA survey,**

where we collected our employee's view on key ESG areas, including the importance of these topics for PwC Luxembourg, the perceived effort in advancing them as well as their comments and suggestions. This year we had 725 respondents.

We are aware that these surveys have biases or subjectivity and that they give a measure of perception at any given moment. This is why their analysis is cross-checked with other sources of more tangible and factual information to confirm our assumptions. As we conduct them regularly, the relative evolution of the replies is as important as the absolute value of the indicator.

On top of the engagement with the above stakeholder groups, we also foster a very strong engagement culture among our partnership, including speak-up and listening to diverging views as well as fostering strong social connections among the community. We do believe that our unique partnership spirit and culture set the right tone-at-the-top for our engagement with the other stakeholder groups.

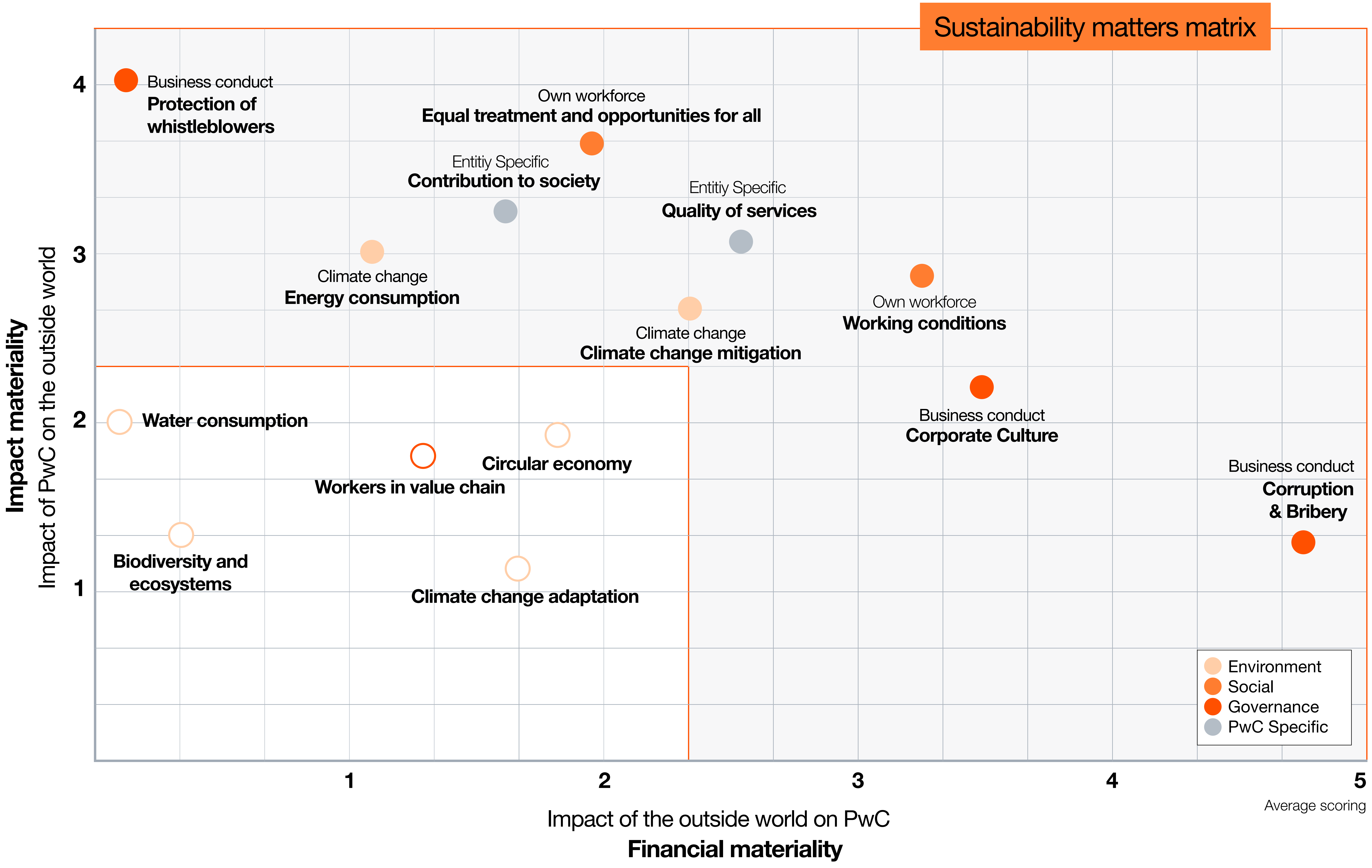
Aside the monitoring and reporting process mentioned above in section GOV-5 Risk management and internal controls over sustainability reporting, our Management Board has been informed by the Chief Sustainability Officer and the Head of Corporate Sustainability about the views and interests of stakeholders in connection to the firm's sustainability-related impact. They reviewed and validated the results of the Double Materiality Assessment at the board management level. During the next fiscal year, we will further operationalise the ownership of our material impacts, risks and opportunities by leveraging on the other bodies of the firm and integrate the monitoring within their own committees.

ESRS 2-SBM-2: 45 (d)

## 3.3. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

### 3.3.1. Results of our materiality assessment

The results of the Double Materiality Assessment is presented in the following graphic. All the material topics are presented in the matrix, according to the impact materiality and financial materiality. The highest number given during the scoring of the IROs defines the related position of the sustainability topic in the matrix.



Building on the DMA, the identified Impacts, Risks, and Opportunities (IROs) are presented in the following sections:

- **G1- Business conduct:**
  - Refer to Material IROs identified through the Double Materiality Assessment.
- **S1- Own workforce:**
  - **Working conditions:**
    See Material IROs related to working conditions.
  - **Equal treatment and opportunities for all:**
    See Material IROs related to training and skills development and material IROs related to Diversity, Equity and Inclusion.
- **E1- Climate change:**
  - Refer to Material IROs identified through the Double Materiality Assessment.
- **Contribution to society:**
  - Covered in Material IROs from the Double Materiality Assessment.
- **Quality of services:**
  - Covered in Material IROs from the Double Materiality Assessment.

ESRS 2-SBM-3: 48 (a), (c)-i iv

### 3.3.2. Effects of material IROs on business model, value chain, strategy and decision making and resilience of the business model

We have integrated sustainability considerations into our overall strategy, vision and purpose. The identified impacts, risks and opportunities have a considerable influence on our business model.

Our material impacts arise from both our operations—such as service delivery, commuting, and internal governance—and our business relationships.

These include client engagements affecting Scope 2 emissions, supplier risks, and partnerships that influence ethical standards and societal contributions, impacts like talent shortages, data privacy risks, and ethical conduct are shaped by both internal processes and external interactions across our value chain. ESRS 2-SBM-3: 48 (c)-iv

As a result of the DMA, our main focus areas:

**Quality of services**
The quality we deliver to our clients, including how we innovate and transform our services based on new possibilities offered by technology, including AI, is our licence to operate in assurance, tax and advisory services, especially towards compliance and regulatory requirements.

**Own workforce**
While high-performance culture and workload pressures can impact wellbeing and talent retention, and inclusion challenges remain across nationalities and backgrounds, we see strong opportunities in the career paths we offer, our flexible working models, multicultural environment, and our commitment to long-term employability through learning and growth.

**Business conduct**
Ethical business conduct and data security remain central to maintaining trust with employees, suppliers, clients and regulators.

**Contribution to society**
Enhance our positive societal impact through well-structured volunteering opportunities, donation via the Fondation de Luxembourg and our extensive engagement in professional associations, advisory bodies and working groups relevant to our clients and for the development of the country.

**Climate change mitigation and energy consumption**
both are directly connected to our service delivery mainly due to communing, business travel and firm events. Anticipated impacts include greater pressure to align with Net Zero targets and increased scrutiny on IT-related energy demand, especially with the expansion of AI and data processing. For more information on Climate Resilience Analysis, see ESRS E1 SBM-3 section.

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The topics highlighted by the IROs identified in our first Double Materiality Assessment performed in 2024 are already part of our business strategy, therefore actions have been put in place to address impacts and risks and pursue material opportunities, as described in each of the sections dedicated per topics. ESRS 2-SBM-3: 48 (b), (c)-ii

Strategic adjustments underway include further integration of IROs into operations, defining clear ownership within responsible departments and a monitoring process led by the CSO. Our ambition is to position ESRS and CSRD as our main non-financial monitoring and reporting framework, connected with the other non-financial reports within the firm. Next year, we plan to connect our double materiality exercise with the HR processes to capture our own workforce feedback, this to confirm or influence the priorities of our corporate sustainability strategy. We also plan to embed even further ESG into our clients and suppliers' due diligence and to connect these processes to our DMA to ensure we constantly update clients` and suppliers` point of view in our IROs. ESRS 2-SBM-2: 45 (c), ESRS 2-SBM-3: 48 (c)-ii

As a result of the above, and due to the actions highlighted in each chapter of this report, we ensure that our business model remains resilient, trusted and aligned with stakeholder expectations in a rapidly evolving environment. The qualitative resilience analysis is an ongoing process informed by the update of our Double Materiality Assessment. On top of that, the climate resilience analysis is also backed up for quantitative information.

ESRS 2-SBM-3: 48 (c)-iii

### 3.3.3. Disclosures' locations in the report related to material impacts, risks and opportunities

Processes to identify and assess material impacts, risks and opportunities (IRO-1) are disclosed in General disclosure (ESRS 2), under Impact, risk and opportunity management section. Disclosure requirements in ESRS covered by the undertaking's sustainability statement (IRO-2) are presented after IRO-1.

### 3.3.4. Current and anticipated financial effects

During our DMA, we identified both risks and opportunities. The current financial impacts will be reflected in our financial statements, while anticipated impacts are not included this year, in line with ESRS 1 Appendix C on phased-in disclosure requirements.

ESRS 2-SBM-3: 48 (d),(e)

### 3.3.5. Changes compared to the previous reporting period

We conducted our first Double Materiality Assessment in 2024, which enabled us to adopt a more structured approach for each material topic. As a result, the depth and structure of each topic is different in this report compared to our previous Annual Reviews. Nevertheless, most of these material topics had already been part of our strategy during the previous reporting period as we continuously assessed and integrated input received through various stakeholder engagement channels, as described in SBM-2 – Interests and view of stakeholders. ESRS 2-SBM-3: 48 (h)

# 4. Impact, risk and opportunity management

## 4.1. Our Double Materiality Assessment process

In 2024, we conducted our first Double Materiality Assessment which enabled us to identify and assess impacts, risks and opportunities in accordance with ESRS 1 guidelines.

We applied the four-step methodology outlined below, in continuous dialogue with internal (employees, experts across several domains, various leadership and management teams) and external stakeholders (clients, suppliers, professional associations), to ensure we capture a wide variety of points of view on two key questions:

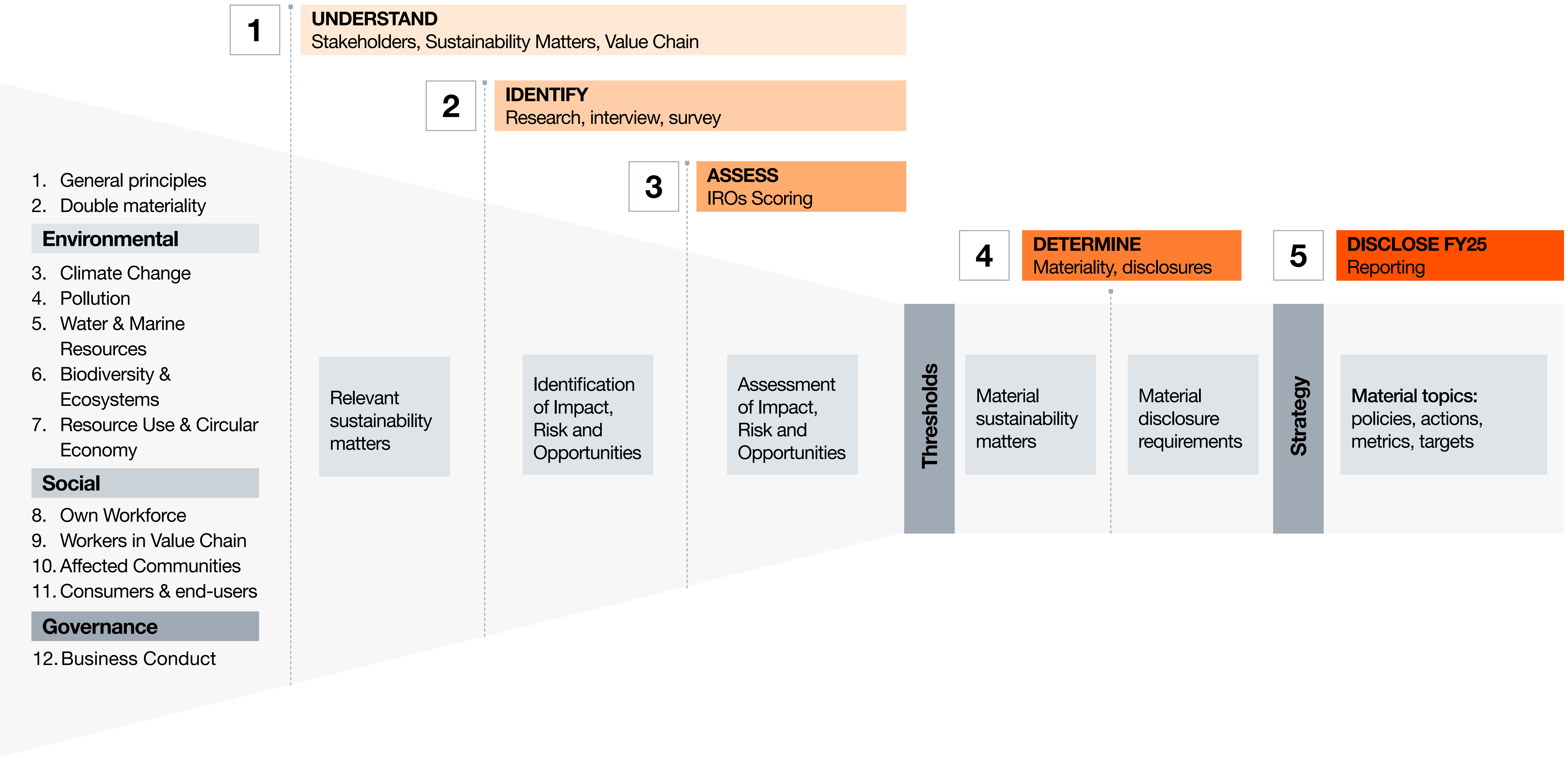
1. What ESG impacts do we have on people and the environment, through our operations and across the value chain?
2. What financial risks and opportunities can arise in relation to the ESG matters?

The DMA has been led by the head of Corporate Sustainability, run by the Corporate Sustainability Office, under the accountability of our Managing Partner acting as our Chief Sustainability Officer in this context. A project was organised to structure the exercise and dedicate a specific steering committee, budget and team for this purpose. The Management Board has also been involved through the full process to confirm or adapt our approach.

In conducting the DMA, several assumptions were applied in line with CSRD requirements.

During the pre-screening phase, we assumed that certain sustainability topics were not relevant to PwC's operations based on their limited exposure or applicability (i.e.: water and marine resources, forced and child labour, communities civil and political rights, animal welfare etc.). We further assumed that topics identified by subject-matter experts warranted a higher weighting in the scoring process (i.e.: climate change mitigation, working conditions, protection of whistleblowers etc). The scoring group was considered to have sufficient overarching knowledge of PwC's business and relevant ESG exposure to reliably assess materiality, supported by input from experts involved throughout the process. For financial materiality, we relied on the financial risk thresholds used in Enterprise Risk Management (ERM) to appropriately reflect potential monetary impacts.

**Figure 1: Four-step methodology for Double Materiality Assessment**

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## 1 UNDERSTAND

The first step of the process focused on gaining a comprehensive overview of:

- Own operations, including detailed insights into the business model, products, and services. We identify the potential sustainability matters that are applicable to our own business and challenge this assumption with our internal stakeholders during the DMA exercise.
- Value chain, by mapping both upstream and downstream components that are relevant for the DMA and identifying ESG 'hotspots' (resources, activities, geographies or relationships within the value chain that present a higher concentration of sustainability matters that could be material for the company).

Based on our understanding our own operation and our value chain, we obtained:

- Out of the 16 sustainability matters listed in ESRS 1, 13 were identified as relevant for us. In addition, we included two entity-specific topics: Contribution to society and Quality of services.
- A list of key stakeholders of each sustainability matters in the full value chain to involve in the identification of the IROs. ESRS 2-IRO-1: 53 (b)-i-ii

## 2 IDENTIFY

We identified IROs associated with shortlisted sustainability matters that could potentially be material. We engaged in this process with the following stakeholders:

- Our own workforce - staff, topic experts, decision makers, governing bodies,
- Our suppliers and members of the civil society,
- Our clients. ESRS 2-IRO-1: 53 (b)-iii

We used various formats to capture their perspectives: face-to face interviews, workshops, internal surveys and conducting desk researches. We also took into consideration existing materials such as:

- Our previous materiality assessment, delivered in 2016 by the Corporate Responsibility Team preceding the Corporate Sustainability Office,
- The content of our previous annual reviews and public commitments we took and targets we fixed,
- The Corporate Sustainability strategy spread by the PwC Network and experiences from the other PwC offices in Europe,
- Previous analysis delivered by experts of sustainability related topics (Net Zero experts, Diversity and Inclusion leaders, Chief Procurement Officer, HR leaders and more),
- Expertise of our client-facing teams delivering sustainability services,
- Recurrent firm surveys (Global People Survey, Ethics survey, mobility survey).

As a result, we identified over 140 IROs. Several IROs show interdependencies or connections, as they often address overlapping topics such as working time, work-life balance, talent management or climate change mitigation. However, we chose not to explicitly map these interconnections. ESRS 2-IRO-1: 53 (c)-i

## 3 ASSESS

We assessed IROs using a set of predetermined evaluation criteria. We established an IRO scoring methodology aligned with both the guidance outlined in ESRS 1, sections 3.4 and 3.5 and with our operational risk scoring methodology.

We used a scale from 1 to 5:

- For impacts, we looked at severity and likelihood. The severity score is calculated as the average of scope, scale and irremediability (only if the impact is negative). This score is then multiplied by the likelihood, which reflects the probability that the impact is actual (5) or that it may occur in the very long term (1). Likelihood also considers the general probability of occurrence. Finally, the result is divided by 5.
- For risks and opportunities, we looked at magnitude and likelihood. Magnitude is calculated as the highest score between use of resources and reliance on relationships. It also considers the general probability of occurrence, ranging from remote to very high, in alignment with our ERM framework. This score is then multiplied by the likelihood, then divided by 5. ESRS 2-IRO-1: 53 (c)-ii

IROs that were mentioned by more stakeholders or by more diverse groups of stakeholders (ie: both internal and external) or by specialists on certain areas (i.e.: ESG experts, Procurement team etc) were scored higher than the others. As a result, the score of an IRO is to a certain extent proportional with the number, diversity and expertise of sources.

The DMA was conducted considering the short term (1 year), medium term (2-5 years), long term (5-10 years), and very long term (more than 10 years) time horizons. ESRS 2-IRO-1: 53 (b)-iv, (c)-ii

## 4 DETERMINE

We identified the sustainability topics to be included in our CSRD report by applying a materiality threshold to determine which matters are most relevant. We considered a topic material if it is above the threshold in either one of the two dimensions:

- **Impact materiality** – we established a threshold at 2.60 (scale 1-5), which represents the average of all positive and negative impacts we identified.
- **Financial materiality** – we used the same logic of establishing the threshold at 2.50 (scale 1-5) by calculating an average score of risks and opportunities.

In addition, we applied an additional threshold to each material sustainability matter identified through the methodology described above: only impacts, risks, and opportunities with an individual score of 3 or higher were considered for further analysis. This threshold ensures that our analysis and subsequent actions are focused on areas with the greatest severity, magnitude, and likelihood. ESRS 2-IRO-1: 53 (b)- iv

## 4.2. Decision-making process and related internal controls

The decision-making process to confirm our list of Impacts, Risks and Opportunities is the following:

- Review by a team made up of core members of the CSO, ESG and CSRD specialists and assurance experts from the firm. We discussed each IROs individually and scored them, then re-discussed the topics near the materiality threshold and used expert judgement to determine final materiality.
- Cross check of sustainability related risks with the firm risk register by the CSO and ERM teams.
- Review with Environment, Social and Governance pillar leaders for the topic(s) in their ownership, at topic then IRO level.
- Four-eyes review by our ESG Assurance leader of the list of IROs and related material sustainability matters.
- Presentation by Head of Corporate Sustainability Office and ESG Assurance Leader to the Management Board of the material sustainability matters and validation of the materiality matrix, including scoring of those matters.

The full validation process is under the supervision of the Head of Corporate Sustainability and the ESG Assurance leader with an assurance expert involved in each step to ensure the proper application of the DMA methodology, including the scoring approach. ESRS 2-IRO-1: 53 (d)

## 4.3. Integration into overall risk management and management processes

The sustainability related risks are integrated into the firm risk register through the Enterprise Risk Management annual exercise, in collaboration with the CSO as described in section GOV 5 - Risk management and internal controls over sustainability reporting. Dedicated meetings are held between the Head of Corporate Sustainability and the risk owners to review the sustainability risks towards the other types of risks and give the proper weight to them. The current opportunities have been identified through the Double Materiality Assessment (DMA) process. ESRS 2-IRO-1: 53 (c)-iii,(e),(f)

## 4.4. Input parameters and changes in them

The main input parameters for our Double Materiality Assessment included expertise of both internal and external stakeholders, desktop research using PwC existing materials, public reporting, industry-specific publications. We took into account our own activities and the geographical areas of our operations, as well as upstream and downstream value chain activities. ESRS 2-IRO-1: 53 (g)

As it is the first time we conducted a Double Materiality Assessment based on the ESRS, we do not report any changes to prior reporting periods. The review of the Double Materiality Assessment is planned for FY26. ESRS 2-IRO-1: 53 (h)

## 4.5. Disclosure requirements in ESRS covered by our statement

### 4.5.1. List of ESRS disclosure requirements

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| **BP-2** | Disclosures in relation to specific circumstances | n.29 |
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| **GOV-2** | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | n.38 |
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| **GOV-4** | Statement on due diligence | n.39 |
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| **SBM-1** | Strategy, business model and value chain | n.42 |
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| **SBM-3** | Material impacts, risks and opportunities and their interaction with strategy and business model | n.49 |
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| **MDR-M** | Metrics in relation to material sustainability matters | n. 72-73; 85-86; 110-114; 117; 122-124; 128; 131; 134; 159; 163-164; 167-168 |
| **MDR-T** | Tracking effectiveness of policies and actions through targets | n. 72-73; 85-87; 110-111; 114; 117; 122-123; 131; 135; 156-158 |
| **ESRS S1: OWN WORKFORCE** | | |
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| **SBM-3** | Material impacts, risks and opportunities and their interaction with strategy and business model | n.89 |
| **S1-1** | Policies related to own workforce | n.92 |
| **S1-2** | Processes for engaging with own workforce and workers' representatives about impacts | n.98 |
| **S1-3** | Processes to remediate negative impacts and channels for own workforce to raise concerns | n.100 |
| **S1-4** | Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions | n.106, 110, 117, 121, 122 |
| **S1-5** | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities | n.110, 117, 122 |
| **S1-6** | Characteristics of the undertaking's employees | n.110, 117, 122 |
| **S1-7** | Characteristics of non-employees in the undertaking's own workforce | n.104 |
| **S1-9** | Diversity metrics | n.123 |
| **S1-13** | Training and skills development metrics | n.118 |
| **S1-15** | Work-life balance metrics | n.112 |
| **S1-16** | Remuneration metrics (pay gap and total remuneration) | n.113 |
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| **E1-1** | Transition plan for climate change mitigation | n.139 |
| **SBM-3** | Material impacts, risks and opportunities and their interaction with strategy and business model | n.144 |
| **IRO-1** | Description of the processes to identify and assess material climate-related impacts, risks and opportunities | n.146 |
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# Entity specific – Quality of services

2

1. Material IROs from our Double Materiality Assessment
2. Strategy
3. Policies
4. Actions
5. Resource allocation
6. Metrics and targets

# 1. Material IROs from our Double Materiality Assessment

Maintaining high-quality service standards is central to PwC Luxembourg's business model and essential to sustaining trust with clients, regulators, and wider stakeholders. Service quality is closely linked to our compliance with laws and regulations, our ability to attract and retain skilled employees, and our capacity to safeguard client data.

Risks such as talent shortages, data privacy and cybersecurity incidents, or failure to embrace innovation could negatively affect the quality of our services and our reputation. At the same time, our global network of PwC firms and globalised services as well as strong partnerships with reputable firms through Joint Business Relationships (JBRs) enhance our ability to deliver innovative and reliable solutions. Ensuring consistent quality and compliance therefore represents both responsibility and an opportunity to strengthen credibility, resilience, and long-term value creation.

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **Entity Specific – Quality of services** | | | | |
| Risk | Ensuring seamless compliance with all laws and regulations and maintaining high quality service standards is critical for PwC Luxembourg's credibility and client trust. Failing to do so could significantly harm its reputation. | Short-term | Anticipated | ◁●▷ |
| Positive impact | PwC strengthens service quality by partnering only with reputable firms that share its standards, across all types of Joint Business Relationships (JBRs). | Short-term | Current | ◁○▶ |
| Opportunity | Embracing innovation and transformation is key to keep competitive edge and good reputation. | Short-term | Anticipated | ◁●▷ |
| Risk | Talent shortages can impact service quality, as employees are the core resource in our service delivery. | Short-term | Current | ◀○▶ |
| Risk | Without strong internal monitoring, PwC faces a significant risk of data breaches, which could lead to legal action, reputational damage, and threaten its licence to operate—particularly as data privacy and cybersecurity are critical to client trust and regulatory compliance. | Mid-term | Anticipated | ◁○▶ |

◀ Upstream ● Own operation ▶ Downstream

# 2. Strategy towards the quality of our services

We define quality service as consistently meeting the expectations and anticipating the needs of our stakeholders, while complying with all applicable standards, policies or regulations. Continuing to enhance this culture of quality is a significant area of focus for our global and local leadership teams and one which plays a key part in the measurement of their performance. We bring a culture of quality in the following dimensions:

**Governance**
Integrating highest governance standards into our operating model by ensuring conflicts of interest management as well as sound independence and arms' length practices.

**Compliance**
Respect and operational implementation of all regulatory standards applicable to our respective core services is a central component to our business and client service model.

**Client services**
Every client interaction reflects our commitment to integrity, consistency, distinctiveness, technical excellence, innovation and trust.

**Investment and Innovation**
Investing in technology infrastructure to ensure sound data management in accordance with professional secrecy standards and deployment of leading client delivery systems.

**People**
Spreading culture of quality in our workforce and cascade it in everything we do in the day-to-day operations of the firm.

FY25 summary

Sustainability statement

## 2.1. Quality in governance and compliance practices

We aim to have the right skills and employees in our organisation, making sure everyone uses our standard methods, processes and technology to deliver high-quality services that meet our clients' and stakeholders' expectations.

### 2.1.1. Governance on quality

Culture, values and behaviours form the foundation of our quality management and permeates how we operate, including guiding our leadership actions, and how we bring trust towards our clients. This culture is supported by an appropriate tone at the top through regular communication from leadership to all partners and staff about the firm's commitment to quality.

The quality management of the firm is owned by the Territory Risk Management Partner (TRMP), together with the risk dimension. This model allows the firm to leverage on the risk management practices (described in ESRS 2) to improve continuously our quality management approach.

The TRMP is supported by its Risk & Quality Committee (R&Q Committee). The primary purpose of the committee is to help our leadership teams to embed a culture of risk management and compliance within the firm that contributes to the PwC Purpose, enhances Quality, protects the firm's Brand, and maintains an appropriate balance between risk and reward. The committee covers the following scope: Compliance, Legal (OGC), Data Protection, Independence, Information Security, Ethics & business conduct and R&Q operations. The committee appoints a Risk and Quality leader from each Line of Services (LoS). This LoS R&Q leader is also member of the dedicated committee of its line of service, to ensure a proper consideration of this scope within the related business and motivates cross line of services collaboration on key aspects of Quality and Risk.

To address the high expectations of quality in our Assurance and Tax line of services, the Management Board is composed of a majority of Réviseurs d'Entreprises Agréés (REA) and a majority of Expert-Comptables (EC) in compliance with the law of 23 July 2016 on the audit profession and the amended law of 10 January 1999 organising the profession of chartered accountant. REA and EC are both considered quality practices and the minimum requirements to be authorised to exercise these functions.

Our sustainability strategy supports this quality approach by bringing long term perspectives in the decisions we make and by highlighting tangible non-financial KPIs to drive the firm. We leverage on this CSRD and ESRS compliance exercise that we apply on a voluntary basis, and we reinforce our practices by being certified CDP (Carbon Disclosure Project, at PwC Network level) and Ecovadis (at PwC Luxembourg level), as described in E1-2 Policy Related to Climate Change Mitigation, and Energy Efficiency). It's a way for us to bring quality and reliability to our sustainability reporting and monitoring practices and walking-the-talk towards our ESG services' clients.

### 2.1.2. Regulatory and compliance practices

Assurance and Tax are heavily regulated businesses and fully answering regulatory and compliance requirement is our licence to operate in those areas. Thanks to this historical business we deliver, each line of services is enjoying the same expectations towards the quality to deliver to clients.

This is why our PwC Network fixes standards applicable to all network firms. Those standards cover a variety of areas including ethics and business conduct, independence, anti-money laundering, anti-trust/fair-competition, anti-corruption, information protection, firm's and partner's taxes, sanctions laws, internal audit and insider trading.

Each line of service has its own set of quality practices:

**Assurance**
The quality is mainly assured through the International Standard on Quality Management 1 (ISQM 1) as described in the policy section below and supported by our PwC Network Quality Management for Service Excellence (QMSE) framework. Other regulations, such as independence, complete the coverage of quality.

**Tax**
Quality in our tax services is maintained through multiple review processes. This includes ensuring compliance with tax legislation and adhering to our tax code of conduct. Every matter undergoes a "four eyes" review, meaning it is checked by either a Partner, Managing Director, or Director. Additional scrutiny is provided by our internal tax technical teams, which consist of experienced experts and Partners, and, where necessary, our Tax Policy Panel.

**Advisory**
Internal quality standards imposed by PwC Network rules encompass the respect of methodology and client deliverable standards, data protection guidelines and general assignment governance standards on conflicts of interest management and service scope (avoidance of scope creep). The advisory practice is subject to the general independence rules as applied to all non-assurance/audit services of the firm.

**Corporate Services**
Our internal services are shaped by regulatory and compliance policies. Our teams of experts are the backbone of our quality practices supporting our business line of services. They cover regulatory and compliance requirements in each key area of our business: information security, data protection, client and services acceptance, independence, legal, assurance method, and more.

## 2.2. Quality for our clients

We are committed to providing reliable, sustainable solutions to our clients, maintaining high-quality standards and adhering to our core values. Our approach prioritises long-term investment and consistency, aiming to act as a trusted strategic partner. We focus on delivering innovative, compliant client experiences that support reinvention, regulatory responsiveness and sustainable growth, with every client interaction guided by our principles and brand promise.

### 2.2.1. Client relationship management

At PwC Luxembourg, our client relationship management embeds different elements:

- **Relationship strategy:**
  A Client Relationship Manager (CRM) can be appointed to act on the execution of the strategy for a specific client's account. The CRM is a Partner and is supported by a multidisciplinary team to exchange views and perspectives. For clients with international dimensions, the local team ensures a deep connection with the other PwC Offices involved on this account from different locations.
- **Business development:**
  We connect regularly with our clients through different channels (benchmarks, studies, and more), on business trends and specific topics related to their industries. To remain pertinent and bring additional value, we also invite them to specific events to bring new perspectives. To reinforce their client proximity and entrepreneur mindset, we also train our client-facing employees on client relationships management.
- **Service quality and client experience:**
  Clients & Markets Committee members as well as the CRMs have the responsibility to ensure the highest rating of satisfaction from clients, enforcing the processes and making sure these are applied for our client's benefits. To do so, we run our Client Listening Initiative on an on-going basis, through different ways and channels.

### 2.2.2. Client acceptance

Our principles for determining whether to accept a new client or continue serving an existing client are fundamental to delivering quality, which we believe goes together with our purpose of building trust in society. We have established policies and procedures for the acceptance of client relationships that consider whether we are competent to perform the engagement and have the necessary capabilities including time and resources, can comply with relevant ethical requirements and have appropriately considered the integrity of the client.

### 2.2.3. Investment and Innovation

Our investment strategy focused on 5 priorities:

| 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|
| **Line of Services Transformation** to constantly adapt ourselves to our client needs, | **Managed Services** as a focus to support our clients' operations, | **Delivery models** new approaches to more agile work models, | **Sustainability services** and corporate sustainability to be confident for our long-term future as well as to support our clients' sustainability agenda, | **IT & data transformation** to enhance our capabilities, support transformation and allow for efficient ICT and data management. |

The PwC Transformation Teams drive the development of new service offerings and foster a culture of innovation within PwC Luxembourg.

The transformation strategy is orchestrated between the centralised Information and Communication Technology (ICT) and Data teams as well as Line of Services included Transformation Teams. These teams jointly identify, validate and scale opportunities that create value for our clients and the business. To do this, they focus on:

**Service innovation**
Anticipate market shifts and proactively develop solutions that address emerging client needs.

**Innovation culture**
Foster a culture of innovation where bold ideas are encouraged, tested, and transformed into real business opportunities.

**Delivery transformation through AI**
Engage in citizen led AI tools (i.e. Microsoft Co-Pilot) and centrally develop cloud native AI solutions allow fundamental changes to the operational risk mitigation, quality enhancement and efficiency of our service delivery.

**Entrepreneurship**
Empower business leaders and teams with the tools, insights, and frameworks needed to continuously evolve and differentiate our services.

**Delivery transformation through sourcing**
Our investment in a subsidiary in Portugal allows for extension of our resources pool as well as a ‘remote team member’ based enhancement of our delivery. This near-shoring model is supported by offshoring capabilities from PwC’s Network delivery centres, enabling PwC Luxembourg to meet client demand and maintain high service quality at all times, without bottlenecks or delays.

Their solution-oriented creativity is applied across the industries in which we operate: Alternatives, AWM, Banking, Insurance, Industry & Private Services, and Government & Public Services. They also contribute to projects aligned with our strategic focus areas, including ESG, Managed Services, AI, Cloud, and Data.

The team works through the following channels:

- **New service scouting and ideation** – Identifying emerging opportunities through market intelligence, industry trends, and cross-functional collaboration.
- **Business validation and feasibility** – Assessing new ideas for financial viability, market demand, and strategic fit using structured frameworks.
- **Innovation engagement and scaling** – Equipping business units with the tools, processes, and leadership support to adopt and implement innovative solutions.

### 2.2.4. Joint business relationship

PwC strengthens service quality by partnering with reputable firms that share its standards, across all types of Joint Business Relationships (JBRs). These partnerships allow us to combine PwC’s deep industry knowledge and trusted methodologies with cutting-edge technologies and niche expertise from our JBRs. By working together, we deliver more comprehensive, forward-looking solutions that create greater value for our clients, helping them address complex challenges and unlock new opportunities for growth.

### 2.2.5. Confidentiality and data privacy

Confidentiality and information security are key elements of our professional responsibilities. Misuse or loss of confidential client information or personal data may expose the firm to legal proceedings, and it may also adversely impact our reputation. Our focus on our clients requires a holistic and collaborative approach to reducing security, privacy and confidentiality risks with significant investment in appropriate controls, monitoring and trainings to embed an effective three lines of defence model as described in ESRS 2. This model has enabled us to strengthen our information security organisation, align to industry good practice and improve our internal control frameworks.

## 2.3. Quality in management of our employees

Our employee strategy is supporting the quality of our services. More details are provided in the ESRS S1 section. To support the quality of services we deliver to our clients, we are committed to putting the right people in the right place at the right time. Throughout our employee's careers, they are presented with career development opportunities, classroom, virtual classroom, on-demand learning, and on-the-job real time coaching/ development. This ensures a constant pipeline of talents to deal with our client, with:

**The right business conduct**

Quality practices are fully embedded in our business conduct and corporate culture as described in the G1 - business conduct and corporate culture section.

**Professional credentials**

Achieving a professional credential supports our firm's commitment to quality through consistent examination and certification standards. Our goal is to provide our employees with an individualised path to promotion and support them in prioritising and managing their time effectively when preparing professional exams. Providing our employees with the ability to meet their professional and personal commitments is a critical component of our employee experience and retention strategy.

**Skills to support our client engagement**

To support them in their client engagements, our client-facing employees are involved in continuous learning and education programmes delivered by our Client Relationship and Sales Team and Senior Partners. We aim to maintain our distinctive manner to interact with our clients, to listen to their needs, to ask for feedback and tailor our services to their specific expectations.

Our Recognition and Accountability Framework (RAF) for our Partners reinforces quality in everything we do, with a focus on the services to our clients, how we work with our stakeholders and driving a high-quality culture. We provide more details on our RAF in our transparency report.

# 3. Policies and processes related to the quality of our services

### 3.1. Policies and processes addressing Material IROs

Our firm-wide quality policies and processes apply to all employees and non-employees, and form an integrated system designed to collectively address the material IROs as disclosed in section Material IROs from our DMA above. The following policies and processes are key to maintain our high quality service standards, critical for our credibility and client trust. MDR-P: 65 (a), (b), ESRS 2-SBM-3: 48 (c)-i, ii, iv

### 3.2. Independence Policy

As auditors of financial statements and providers of other types of professional services, PwC firms and their partners and staff are expected to comply with the fundamental principles of objectivity, integrity and professional behaviour. Compliance with these independence principles is fundamental to serving the capital markets and our clients. Maintaining independence is also critical for ensuring the quality and credibility of our services. MDR-P: 65 (b)

The PwC Global Independence Policy, applying International Independence Standards, contains minimum standards with which every PwC firms of the PwC Network have agreed to comply, including processes that are to be followed to maintain independence from clients, when necessary. We are also in compliance with the independence requirements of the United States Securities and Exchange Commission (SEC) which are, in certain instances, more restrictive than the Global Independence Policy.

PwC Luxembourg has a designated a Partner Responsible for Independence (PRI) with appropriate seniority and standing, who is responsible for the implementation of the PwC Global Independence Policy, including managing the related independence processes and providing support to the business. The PRI is supported by a team of independence specialists and is a member of the Risk and Quality Committee. MDR-P: 65 (c)

The PwC Global Independence Policy covers, among others, the following areas:

- **Personal and firm independence,** including policies and guidance on the holding of financial interests and other financial arrangements, e.g. bank accounts and loans by Partners, employees, the firm and its pension schemes.
- **Non-audit services and fee arrangements.** The policy is supported by Statements of Permitted Services (SOPS), which provide practical guidance on the application of the policy in respect of non-audit services to audit clients and related entities.
- **Business relationships,** including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on purchasing of goods and services acquired in the normal course of business.
- **Acceptance of new audit and assurance clients,** and the subsequent acceptance of any non-assurance services to be provided to those clients.

MDR-P: 65 (a)

### 3.3. Professional Qualifications Policy

The PwC Professional Qualifications Policy provides a clear and structured framework supporting all employees across Lines of Services in obtaining the relevant certifications. While applicable form-wide, approval qualifications is determined on a case-by-case basis, depending on business needs and individual career development. Oversight and implementation of this policy is coordinated by the Professional Qualifications Team. MDR-P: 65 (b),(c)

Within the Assurance Line of Service, the development and recognition of professional expertise are closely linked to career progression. For auditors, the ultimate professional achievement is obtaining the Réviseur d'Entreprises Agréé (REA) title. This designation not only reflects advanced technical and regulatory expertise but also legally authorises the holder to sign statutory audit reports in Luxembourg, as stipulated by the Commission de Surveillance du Secteur Financier (CSSF).

The policy sets out the requirements for progression, including mandatory completion of the Ordre des Experts-Comptables (OEC) and Institut des Réviseurs d'Entreprises (IRE) programmes (with their respective exams and rules), and the Examen d'Aptitude Professionnelle (EAP) exam as the final qualifying step. The policy also allows for recognition of equivalent foreign qualifications, subject to CSSF approval. MDR-P: 65 (a)

By embedding these requirements into career progression, the firm demonstrates its commitment to competence, quality, and compliance with international quality management standards.

## 3.4. Cybersecurity policies

We are accountable for protecting the information of our employees, clients, suppliers, and other stakeholders' information through the PwC Network's Information Security Policy (ISP). This framework is composed of the following set of policies:

- PwC Network's Information Security Policy (ISP) establishes a global baseline to safeguard PwC's information and technology assets across all member firms. It ensures compliance with statutory, regulatory, and contractual obligations and provides consistent security principles aligned with international best practices.
- PwC Luxembourg's Local Information Security Policy complements the global ISP by addressing Luxembourg-specific regulatory requirements and technological contexts. It defines clear roles and responsibilities for employees and third parties, enforces controls for confidentiality and data protection, and promotes continuous improvement through awareness and training initiatives.
- The Information Security Management System (ISMS) Policy, ISO 27001:2022 certified, formalises our commitment to international standards. It sets measurable security objectives aligned with business priorities, ensures secure handling of client data, and enables monitoring, auditing, and documentation for certification and stakeholder assurance.

MDR-P: 65 (a),(b)

The policies are maintained by a dedicated team of information security experts and owned by the Information Security Committee led by the TRMP. Those policies are reviewed at least annually. In addition, PwC Luxembourg is regularly audited to ensure compliance with those policies: by the PwC Network's Global ISP Compliance Team, by the PwC Luxembourg's internal audit department, and by an external independent auditor for the ISO 27001 certifications' scope respectively. MDR-P: 65 (c)

To ensure the security and reliability of our IT systems (servers, networks, and security devices), our data centres are based on redundant infrastructures. We have three comprehensive methods for cloud-based application hosting. We select the most appropriate solution based on the application's nature, security needs, and regulatory demands. This multi-faceted approach ensures that we can provide secure, compliant, and efficient application hosting services:

- PwC Network cloud infrastructure providers offering robust infrastructure services that enable us to host our applications on a scalable cloud platform.
- PwC Luxembourg dedicated cloud for regulated entities managed exclusively by us. This approach provides a secure and compliant environment for hosting applications that are subject to stringent regulatory controls. It ensures that we have full governance over our data and applications, aligning with specific legal and regulatory requirements.
- Software as a Service (SaaS) providers delivered by providers offering a complete package, encompassing both the application and the necessary infrastructure.

Personal data processing by eCollaborative Solution (eCS) used by PwC Tax & Advisory Société Coopérative and PwC Regulated solutions is Europrivacy certified. This certification demonstrates compliance with recognised data protection standards and confirms the organisation's ability to handle sensitive information securely.

## 3.5. Client Data Protection Policy

We define Client Data as all financial, operational, organisational, and/or other data collected from or developed in the ordinary course of the firm's interactions with a client. Our Client Data Use Policy ensures trustworthy stewardship of client, third-party, and PwC data and protects against unethical secondary use, meaning any use unrelated to the contracted service. Our Data Protection Officer is accountable for the policy. MDR-P: 65 (b),(c)

The policy is based on core principles:

**Consent**
According to the secondary use of data can only be performed with client's consent (through engagement letter).

**Secondary use**
Allowed only with client consent (via engagement letter), governance approval, and compliance with GDPR and contractual obligations. Highly sensitive data is excluded from secondary use.

**Governance**
All secondary use cases undergo assessment by the Data Governance Unit and require final approval from the Risk Management Team.

**Safeguards**
Includes de-identification and aggregation to protect confidentiality; only teams delivering services or working on approved projects may access raw client data.

**Accountability**
A designated data owner ensures confidentiality, integrity, availability, reliability, traceability, and proper disposal of data.

MDR-P: 65 (b),(c)

In addition, the policy is complemented by a robust programme for data protection compliance in line with the GDPR directive. Our commitments regarding the processing of personal data is formally set out in our data protection notice, which meets all EU requirements (including Article 28) and can be seen on our dedicated data protection page.

## 3.6. Quality processes and procedures in our Assurance Line of Services

To ensure the quality of our Assurance services, the **International Standard on Quality Management 1 (ISQM 1).** It is an objectives-based approach that expects firms to have a system of quality management (SoQM) that operates in a continuous and iterative manner taking into consideration the conditions, events, circumstances, actions and inactions that impact a firm. The firm is required to establish a SoQM that provides reasonable assurance that all personnel act in line with professional, legal, and regulatory standards, and that the engagement reports issued are accurate and appropriate for each situation. This system helps ensure consistent compliance and quality across all engagements.

We also apply the PwC Network **Quality Management for Service Excellence (QMSE)** framework aligned with the International Standard on Quality Management 1 (ISQM 1) and integrating quality management into business processes and risk management. The key components of this framework include governance, ethical requirements, client acceptance and engagement, engagement performance, resources, and communication. Continuous investment in quality infrastructure, people, technology, and innovation supports the achievement of these QMSE objectives.

The achievement of these objectives is supported by a **Quality Management Process (QMP)** established by our firm and Assurance leadership, who hold ultimate accountability for its implementation. This process is further supported by business process owners, partners and staff. MDR-P: 65 (c)

This quality management process includes:

- Identifying risks to achieving the quality objectives.
- Designing and implementing responses to the assessed quality risks.
- Monitoring the design and operating effectiveness of the policies and procedures.
- Continuously improving the system of quality management.
- Establishing a quality-related recognition and accountability framework.

Together, ISQM1, QMSE and QMP frameworks enhance our ability to manage compliance and service quality risks, address talent shortages (see section 8 on working conditions in S1), and mitigate data security vulnerabilities, while fostering innovation and reinforcing trusted partnerships (see 2.2 Quality for our clients section on Investment and Innovation). These quality management practices are applicable to all employees and non employees of our Assurance Line of Services. MDR-P:65 (a),(b), ESRS 2-SBM-3: 48 (c)-i, ii, iv

# 4. Actions related to the quality of our services

The following list of actions illustrates how we strengthen service quality and proactively anticipate client needs. These initiatives complement and enhance the activities across our service lines of our firm. MDR-A: 68 (b)

## 4.1. ESG services as an opportunity

The growing landscape of ESG regulations presents an opportunity for us to expand our service offerings and further strengthen our assurance and advisory expertise. This investment reflects our focus on transformation, ensuring we remain innovative and competitive by delivering differentiated value to clients.

Our role is to support our clients in navigating complex sustainability requirements and frameworks. By sharing our knowledge and experience, we aim to help them address challenges such as climate change mitigation and compliance with evolving regulations. In doing so, we seek not only to provide practical guidance but also to contribute to broader progress on sustainability, enabling businesses to move forward with confidence.

We are deeply committed to enhancing our capabilities, from both a resource and a technology perspective. This represents a key asset and differentiator to our clients, particularly concerning the Corporate Sustainability Reporting Directive (CSRD), which began implementation in 2024 and requires some market players to report timely, accurately and with proper assurance levels in successive waves.This report will be published an annual basis. MDR-A: 68 (a),(b)

## 4.2. PwC next era "Value in Motion"

The PwC Network launched the "Value in Motion" strategy in FY25. This is a forward-looking framework designed to help businesses navigate and thrive amid transformative global shifts such as AI adoption, climate change, and geopolitical tensions. It emphasises the reconfiguration of industries into new domains of growth—cross-sector ecosystems that meet fundamental human needs like mobility, health, and connectivity. MDR-A: 68 (a),(b)

By aligning with evolving customer demands and leveraging technology responsibly, we encourage organisations to reinvent their strategies, operations, and partnerships to unlock long-term value and resilience in a rapidly changing world. The expected outcome is a measurable shift in client engagement quality, trust in PwC's tech-enabled services while embedding sustainability and future-focused thinking into every interaction. MDR-A: 68 (a),(b)

In FY26, a detailed approach will be prepared by the Clients and Markets Committee and shared with CRMs to deploy "Value in Motion" by considering the specificities of the Luxembourg's market and answer our clients' needs and deliver the expected level of quality through this new go-to-market framework. We will speed up the adoption by leveraging on our Knowledge Management Team already involved in that topic. MDR-A: 68 (a),(b)

To support this go-to-market evolution and PwC's "Value in Motion" agenda, our Client Listening Programme is evolving to enable deeper, forward-looking conversations with clients. We capture insights that inform reinvention and strengthen trust by encouraging client-facing teams to ask strategic questions and practice active listening. This shift is not only about improving engagement—it is a lever for anticipating future client needs and driving. It also reinforces quality and IRO management by proactively identifying potential risks to meeting quality objectives and client expectations. We expect these changes to translate into actionable insights and outcomes that help clients grow and succeed. MDR-A: 68 (a)

## 4.3. Artificial Intelligence

With the advent of AI, several levels of control have been implemented during the reporting period to ensure the best level of security and our alignment with best practices. These measures include comprehensive awareness training for our employees and strict business rules governing the authorised use of various AI applications.

Any tool handling client information undergoes a rigorous assessment process at PwC Luxembourg. This process includes a third-party risk management analysis and an AI-specific analysis. Our primary AI solutions utilised are based on Microsoft Copilot and Azure OpenAI Service. Those solutions are hosted in a PwC-managed Microsoft Azure environment operated by PwC Luxembourg only. Both Microsoft and OpenAI were thoroughly evaluated, and no major security concerns were identified. As AI impacts several areas of our firm, its implementation is integrated considering long-term perspectives. MDR-A: 68 (a),(b)

AI represents an opportunity to enhance the way we work by responsibly embracing innovation— improving efficiency, reducing operational risk, and unlocking new ways to deliver quality and insight to our clients. MDR-A: 68 (a)

## 4.4. Innovation in the service of our clients

Innovation and entrepreneurship are part of our corporate culture and are integrated into our daily operations. MDR-A: 68 (b)

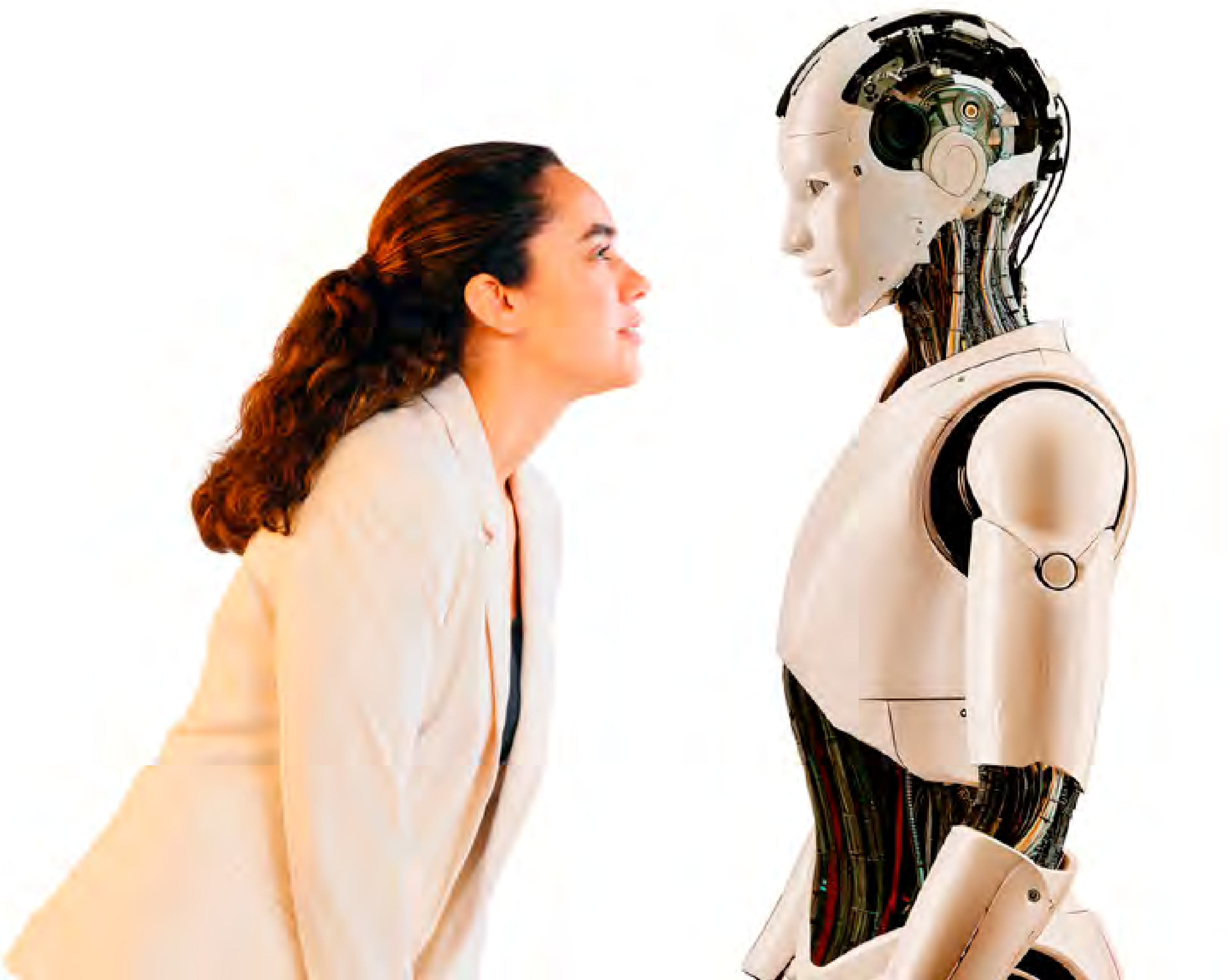
In FY25, we focused on developing a portfolio of precooked ideas in line with the innovation focus areas and market demand, to give our employees a head start into customising and developing them further based on their clients` needs. Our strategic investments are in sustainability services and on Artificial Intelligence, which is our focus on innovation, including the launch of the GenAI Business Center in 2024. This relates to our material opportunity on innovation, as by investing in emerging technologies and structured innovation processes, we aim to deliver differentiated solutions that anticipate client needs, strengthen quality, and create long-term value. MDR-A: 68 (a)

Internally, we also launched the innovation Champions Programme, positioned as primary source of innovation opportunities. It establishes a structured and recurring process for generating and managing innovation across industries, evolving the process from being spontaneous and occasional to predictable, measurable, and continuously improvable. MDR-A: 68 (a)

## 4.5. Professional qualifications

At PwC Luxembourg, the pursuit and attainment of professional qualifications are integral to maintaining audit quality and supporting our employee's professional growth. Our PwC Professional Qualifications Policy provides a structured framework that supports employees in obtaining the relevant certifications across all Lines of Service.

Completion of the OEC and IRE certificates is now required for career progression in our Assurance Line of Services, as mandated by our professional qualification policy effective July 2024, with a transition period until July 2027. We also provide the opportunity for employees to be sponsored for other professional qualifications, such as the French Diplôme d'Expertise Comptable (DEC), the Association of Chartered Certified Accountants (ACCA), or the German Wirtschaftsprüfer (WP). In such cases, employees may apply for recognition of a foreign statutory auditor title with the CSSF. MDR-A: 68 (a),(b),(c)



# 5. Resource allocation

Our quality management practices are mainly covered by the Risk and Quality stream led by the TRMP, embedding the following departments: Compliance, AML, Office of the General Counsel (OGC), Data Protection Office (DPO), Independence, Information Security and R&Q operations.

In FY25, our Innovation team comprised five members and operated with a budget of €1 million dedicated to projects. This budget covered the costs for events, innovation competition, community sharing and engagement, scouting, support in ideation and incubation. MDR-A: 69 (a)

The Client Relationships and Sales Department, involving nine employees, aims to establish a streamlined client journey that fosters strong relationships and delivers a distinctive client experience. It promotes a sales culture supported by Customer Relationship Management, and data analytics to drive business development and training programmes for our client-facing employees. MDR-A: 68 (a),(b)

# 6. Metrics and targets on quality of services

The frameworks presented below are ongoing, apply across all service lines, and help maintain trust, credibility, and resilience in our client relationships. They guide improvements in areas identified by our DMA, as outlined in the section Material IROs from our DMA, covering compliance, talent, innovation, partnerships, or information security, each representing a critical dimension of quality.

Quantitative metrics, targets and related methodologies cannot be disclosed in accordance with MDRs due to commercial sensitivity (see ESRS 2 section on Omission of Information and use of exemption for disclosure). However, the following sections set out how we currently monitor and track the effectiveness of our policies and actions in relation to the material IROs identified for Quality of Services. These activities are designed to enable ongoing monitoring rather the to achieve a predefined level of ambition. None of the measurements have been externally validated.

MDR-M: 75,76,77 (a),(b), MDR-T: 79 (d), MDR-T: 81 (a)

## 6.1. Client Listening Programme

Our Client Listening Programme helps us to have strategic discussions with our clients and measure their satisfaction level. We identify together with them attention points and structure remediation strategies. The Client Relationships and Sales Team of PwC Luxembourg manages the different processes involved as well as the strategic purpose and outcome of the Client Listening initiatives.

- **CSAT** measures clients' satisfaction with specific interactions or deliverables, offering a direct indication of how well we meet their expectations in the moment. We use a scale from 1 to 5.

- **NPS** assesses clients' likelihood to recommend our services to others. It is a strong predictor of trust and loyalty. The standard scale ranges from -100 to +100.

In FY25, our results show robust performance across both dimensions, with a CSAT of 4.5/5 and an NPS of 60, based on feedback from more than 550 respondents. These outcomes confirm that clients are not only satisfied with the quality of our work but also inclined to recommend us.
MDR-M: 75,76,77 (c)

We combine a mix of tools, from surveys to direct face-to-face conversations, which enables us to include different types of feedback giving us insights to maintain our trusted relationship with them. Face-to-face interviews are led by a Partner being independent from the client's relationship to avoid any bias when capturing the feedback. This Partner is from the top management (members of our Country Leadership Team, or a member of the clients and Market Committee) and add credibility to the initiative. On the client side, these conversations target CEOs or top executives.
MDR-T: 81 (b)-i

All verbatims are analysed and outcomes are provided to the relevant clients' engagement teams. When we receive feedback not in line with our ambition, a member of our Clients and Markets Committee has the responsibility to contact the client to investigate on the situation and share the outcome to the engagement teams. MDR-T: 81 (b)-ii

## 6.2. Information security

The information security management system has the objective to report, investigate and address all the security breaches and suspected vulnerabilities. The Information Security Team, once a month, calculates the Information Security Incident Management which evaluate and analyse the incident handling progress (within 24 hours). In FY25, the average value has been of 94%, meaning that the handing of security incidents is sufficient, and no immediate action was required. MDR-M: 75, 76, 77 (c)

## 6.3. Tone at the top

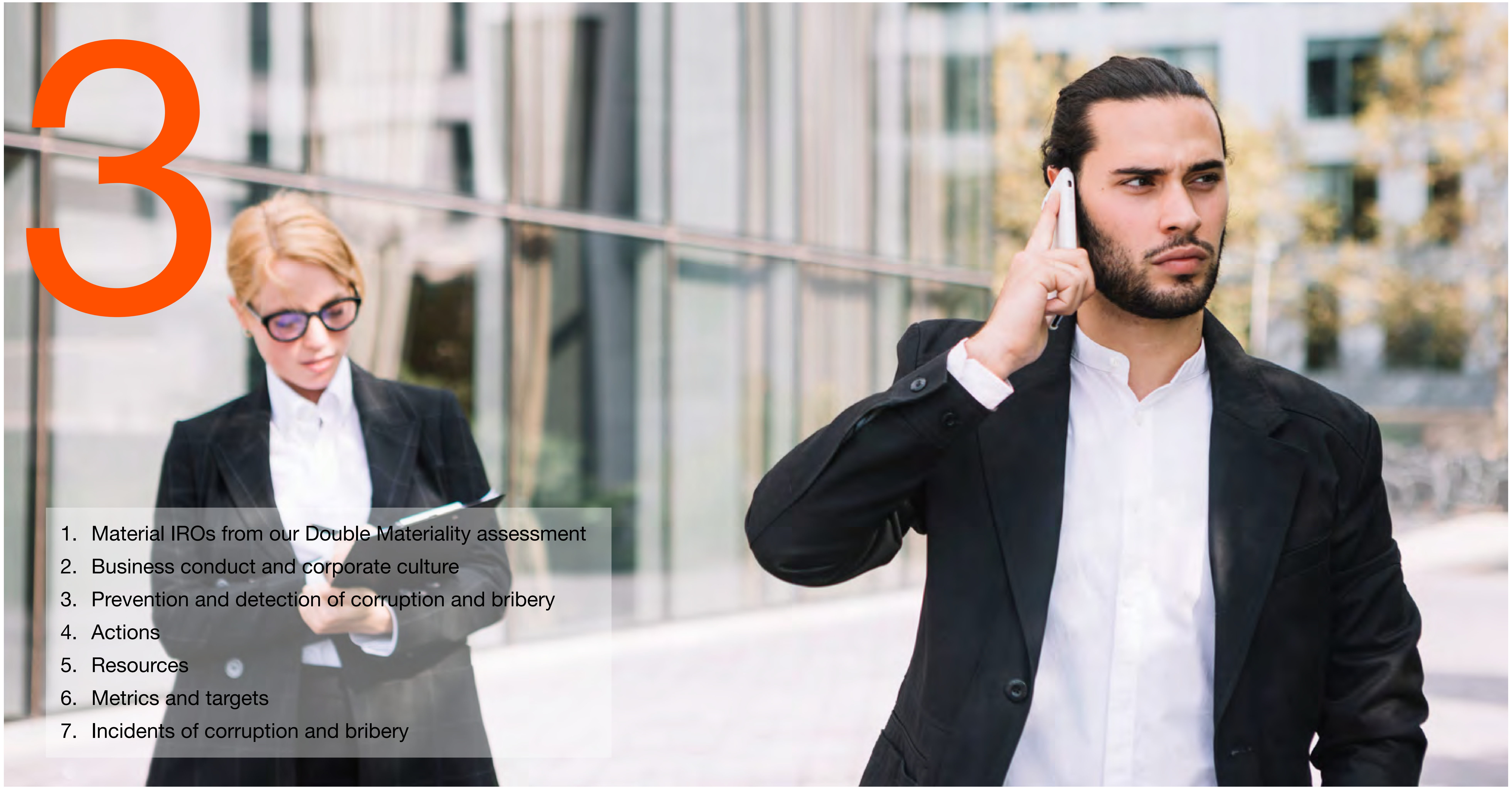
We measure through our Global People Survey (GPS) exercise, whether our employees believe that our leaders' messaging conveys the importance of quality to the success of our firm. MDR-M: 75,76, MDR-T: 79 (a)

Our leaders set a clear tone from the top to ensure that everyone understands and embraces our quality objectives. Delivering service of the highest quality is core to our purpose and our strategy, the focus of which is to strengthen trust and transparency in our clients, in the capital markets and wider society. MDR-T: 81 (b)-i

## 6.4. Audited System of Quality Management

Our System of Quality Management (SoQM) requires to annually complete a performance assessment and to communicate the results of these assessments to global leadership. These results are then discussed in detail with the leadership of each local firm and if they are not at the level expected, a remediation plan is agreed with local leadership taking personal responsibility for its successful implementation. MDR-M: 75, 76, MDR-T: 79 (a), MDR-T: 81 (b)-i

# ESRS G1 – Business conduct



3

1. Material IROs from our Double Materiality assessment
2. Business conduct and corporate culture
3. Prevention and detection of corruption and bribery
4. Actions
5. Resources
6. Metrics and targets
7. Incidents of corruption and bribery

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# 1. IRO-1: Material IROs from our Double Materiality Assessment

Business conduct is a critical aspect of our business model, as identified through the Double Materiality Assessment (ESRS 2-IRO 1) and our established risk management framework. Policies and monitoring procedures are in place to address related impacts, risks and opportunities. For description of the role of the administrative, supervisory and management bodies, refer to section ESRS 2-GOV 5. For description of the processes to identify and assess material impacts, risks and opportunities, refer to section ESRS 2-IRO 1. G1-ESRS 2 IRO-1: 6

Our business conduct principles are contained in the Ethics and Business Conduct Framework. Our purpose is based on trust and our commitment to delivering trust through integrity and strong moral principles in everything we do. We are committed to embedding ethical values across our operations, with a structured approach to promoting integrity, accountability and responsible business conduct. In line with our material topics of ethics, corporate culture, protection of whistleblowers and prevention of corruption and bribery, we have established policies and mechanisms designed to safeguard ethical behaviour and ensure consistent application throughout the organisation.

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **ESRS G1 – Business Conduct - corporate culture** | | | | |
| Positive impact | By applying ESG criteria in client selection, PwC can promote responsible business practices and avoid partnerships with high-risk projects or services. | Short-term | Potential | ◁●▷ |
| Risk | A decline in ethical standards may harm service quality, damage the firm's reputation and lead to employee disengagement. Moreover, this risk is enhanced by increased pressure leading to human errors. | Short-term | Anticipated | ◁●▷ |
| Risk | A lack of transparency may lead to perceptions of ESG-washing, potentially affecting employer branding and client relationships. | Short-term | Anticipated | ◁●▷ |
| Opportunity | Integrating sustainable practices into strategy and core operations can help PwC build long-term resilience and responsibility. | Short-term | Anticipated | ◁●▷ |
| **ESRS G1 – Business Conduct - corruption and bribery** | | | | |
| Opportunity | Maintaining high level compliance enablers (ie: anti-corruption and anti-bribery, client acceptance committee, whistleblower policy etc) is essential for building client trust. | Short-term | Current | ◁●▷ |
| **ESRS G1 – Business Conduct - protection of whistleblowers** | | | | |
| Negative impact | There is a risk that employees may feel uncomfortable or unsafe expressing concerns, offering feedback, or challenging decisions due to a perceived lack of psychological safety, fear of retaliation, or a culture that does not actively encourage open dialogue. | Short-term | Actual | ◁●▷ |

◀ Upstream ● Own operation ▶ Downstream

# 2. G1-1: Business conduct and corporate culture

## 2.1. Our corporate culture

Our purpose is to build trust in society and solve important problems. While we come from different backgrounds and cultures, our values are what we have in common. They guide how we work with each other (Partners and employees), with our clients and with other third parties, shape the type of work we do and hold us accountable to do our best. They govern our actions and determine our success. Our corporate culture is based on the following values part of our worldwide Evolved PwC Professional Framework: G1-1: 9

**Act with integrity** | **Make a difference** | **Care** | **Work together** | **Reimagine the possible**

At PwC Luxembourg we developed a local initiative called The Firm Cultural Evolution, with the purpose to embed these values in our day to day work, shift our mindset and embrace new ways of working. Our corporate cultural framework focuses on three priority cultural traits: "Walk the Talk," "Entrepreneurship," and "Excellence". These traits clearly define the behaviours we aim to consistently exhibit to achieve our strategic objectives and are pivotal for our growth and success. By embracing our culture and keeping it at the forefront, we foster trust in our employees, clients and society. G1-1: 9

**Walk the talk** | **Entrepreneurship** | **Excellence**

Our Management Board and People Leader are directly responsible for the implementation, promotion and monitoring of how our corporate culture is transposed into our daily work and throughout all steps in the employee journey. Our roadmap to embed our cultural traits through our systems and practices span across multiple channels:

- We integrated behaviours underpinning three cultural traits in organisational goals and throughout various HR processes such as recruitment, employee onboarding or performance reviews.
- We developed training modules dedicated to each cultural trait as well as team presentations.
- We launched this initiative through a local event Lëtz Talk About Culture, where our Managing Partner and various speakers highlighted the practical meaning of each trait.
- We implemented the Continuous Feedback Module in our performance review tool My Contribution, designed to embed behavioural dimensions and cultural traits into everyday feedback practices. This module encourages a culture of openness, recognition, and continuous dialogue and improvement. It reinforces our core values and provides an ongoing mechanism that supports the health of our corporate culture. For further details on the feedback culture, please refer to S1-4 Actions in Section 8.1. G1-1: 9

Our corporate culture has integrity as fundament and we are continuously striving to embed responsible choices as part of our daily activity. We are committed to fostering a safe, inclusive, and ethical workplace, where all employees, clients, and stakeholders can feel confident raising concerns without fear of retaliation, according to our core values and expectations outlined in the PwC Code of Conduct.

### 2.1.1. Ethics and business conduct principles

We believe a strong corporate culture and sound governance—built on impeccable business conduct and ethical behaviour—are essential for operating with integrity and achieving long-term growth. Our main focus areas are:

**Safe working environment**
Fostering a culture where employees feel safe to speak up and challenge decisions is critical to trust and collaboration.

**Ethical standards and compliance**
Upholding high ethical standards and maintaining strong compliance mechanisms (e.g. anti-bribery, whistleblowing, compliance with the professional standards) are essential to protect our reputation and service quality.

**Transparency and accountability**
Ensuring clear communication and transparency helps prevent perceptions of ESG-washing and strengthens stakeholder trust.

**Sustainable practices**
Integrating sustainability into core operations enhances long-term resilience and governance effectiveness.

Our internal **Ethics and Business Conduct Committee (EBCC)** is composed of the Ethics and Business Conduct Leader, the independent chair of Ethics and Business Conduct investigations, a college of Partners and an Ethics Officer. In addition, we have also an Ethics Assistant and and Ethics Investigation Assistant, who support the activity of the EBCC. The committee supports the Management Board to embed our values and ethical behaviours into our daily operations and is devoted to creating an open culture where everyone feels respected, included, and valued while being able to bring their whole self to work. ESRS 2-GOV-1: 5 (a),(b)

## 2.2. Business conduct policies

We have established key policies to uphold ethical standards, protect our reputation, and ensure legal compliance, forming the foundation of our business conduct framework and supporting material IROs. The Code of Conduct and Speak Up Policy promote transparency and open dialogue, while the Third Party Code of Conduct helps prevent ESG-washing by setting expectations for suppliers. The PwC Global Independence Policy reinforces compliance in client acceptance and conflict management, and the Gift and Entertainment Policy mitigates corruption and bribery risks.

While these policies contribute to responsible business conduct, we acknowledge the absence of a dedicated policy for integrating ESG criteria into client selection and sustainable strategy, key IROs including ESG-washing and long-term sustainability.

### 2.2.1. Policies and key aspects covered

Our main policy is the Code of Conduct, which outlines a framework of internal and external expectations and requirements for our conduct within PwC and it is applicable to all employees. It guides our employees by highlighting the main principles of our corporate culture and giving practical advice so that everyone is able to make the right choices in their everyday work, within the teams, with clients, suppliers and other internal or external stakeholders. The Code of Conduct is structured against the following dimensions:

**Speak up**
As a cornerstone of our ethical culture and integrity, and a key element of our Code of Conduct. It outlines the process for reporting potential concerns confidentially, with strong protection for whistleblowers and safeguards against retaliation. To ensure employee understanding, the Speak Up Policy is communicated through multiple channels including internal compliance training, and regular reminders via digital platforms, and face to face channels. Given the importance of this topic, we also maintain a dedicated internal policy on Speak up, which is available exclusively to employees.

**Build trust with each other**
Enabling trust and collaboration among teams, promoting a safe environment, with zero tolerance for harassment, discrimination, retaliation or intimidation. Diversity of perspectives is critical to innovation.

**Build trust in how we do business**
We adhere to the fundamental principles of ethics set out in the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants (the Code), which are: integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

**Build trust in our communities**
By using our skills and experience, we help solve important problems for our community, while focusing on ethics and quality. In line with this, we review ESG issues that are most impactful to our business, by both embedding ESG principles in our firm governance and by providing services more focused on business and civil society transformation.

**Build trust in how we use information**
We resect the privacy and confidentiality of information of our clients, our employees and others with whom we do business. Our ability to protect confidential information is critical to our ability to maintain trust.

G1-ESRS 2-MDR-P: 65 (a)

To strengthen even further our Code of Conduct, PwC Network put in place a Tax Code of Conduct targeting our employees working in the tax line of service. It extends the scope of the Code of Conduct to provide clear principles for our tax professionals specifically in their judgments on tax matters. Tax is a matter of public interest, this is why we have the responsibility to serve our clients with integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We also apply the **PwC Global Independence Policy** containing minimum standards with which PwC firms comply, including processes that are to be followed to maintain independence from clients, when necessary. It covers areas as personal and firm independence, non-audit services and fee arrangements, business relationships and acceptance of new audit and assurance clients.

We formalised a clear **gift and entertainment policy** (gifts, hospitality, and other business courtesies) to ensure integrity and transparency in our professional relationships. These guidelines are designed to prevent any actual, potential, or perceived conflicts of interest and to uphold our standards of independence and professional conduct. The policy sets strict thresholds for gifts, meals, or entertainment, and requires pre-approval from the Ethics and Business Conduct Leader for any exceptions. It also prohibits cash or cash-equivalent gifts and outlines specific rules for interactions with public officials, including EU representatives, to ensure compliance with legal and ethical standards. The frequency and nature of such courtesies must remain reasonable and aligned with both our values and the counterpart's own policies, with the most restrictive rule applying when in doubt.

### 2.2.2. Third party policies

As we expect the same level of ethical behaviour and business conduct from our suppliers and their personnel as we do from our own workforce, we formalised the Third Party Code of Conduct. The document is based on our Code of Conduct and explain how it applies to a third party. Our procurement department is in charge to ensure its proper implementation. G1-ESRS 2-MDR-P: 65 (f)

These expectations are also fully formalised in the Charter of Responsible Purchases that our suppliers need to acknowledge, comply with and sign. It establishes a common framework in line with the Universal Declaration of Human Rights (UDHR), the Charter Relations fournisseurs responsible (Charter of Responsible Supplier Relations) drawn up by the Conseil national des achats (French National Procurement Council) and the French Médiateur des entreprises. Furthermore, it states to seek the purchase of goods and services that minimise negative and enhance positive impacts on the environment and society whilst meeting our business requirements.

### 2.2.3. Third party standards

As stated in the Code of Conduct and Third Party Code of Conduct, PwC Luxembourg honours the International Bill of Human Rights, United Nations Global Compact, UN Guiding Principles on Business and Human Rights and ILO Declaration on Fundamental Principles and Rights at Work and is expecting the same standard from its suppliers.
G1-ESRS 2-MDR-P: 65 (d)

### 2.2.4. Scope, approval, implementation and monitoring process

All the policies mentioned above are applicable to the entire firm, except for Tax Code of Conduct, which targets our employees working in tax line of service. G1-ESRS 2-MDR-P: 65 (b)

Our EBC Leader (EBCL), as the most senior authority in this area, holds ultimate responsibility for approving, overseeing, and being accountable for the assessment and implementation of PwC Network standards and policies. This is done in close collaboration with the Management Board to ensure alignment and effective execution.
G1-ESRS 2-MDR-P: 65 (c)

Our ethics and compliance principles are publicly available for everyone. One important channel to ensure everyone receives the necessary updated information on this topic is represented by the compliance curriculum training courses, compulsory for all our colleagues on a yearly basis. They are designed and delivered by our experts in the form of practical and interactive e-learnings and face to face training courses, annually updated by our Learning and Development Team. The content of the ethics-related training courses is reviewed annually by EBCL and is meant to show in practice the key principles of our corporate culture, ethics, business conduct and compliance principles, how they apply in our day-to-day activities and how to report on potential breaches. Further details are provided in the Compliance with PwC Network standards section below. G1-ESRS 2-MDR-P: 65 (e)

## 2.3. Reporting misconduct and protecting whistleblowing

### 2.3.1. Mechanism for reporting misconduct – our speak up culture

We are committed to creating an environment where everyone feels safe to speak up, supported by a formal Speak Up Policy that governs the reporting and investigation of misconduct. We put in place various channels to report misconduct, including our network-wide Ethics Helpline, which allows employees, clients, and third parties to raise questions or concerns in a secure and anonymous manner. We define misconduct as behaviours which are not consistent with the PwC values, violations of the Code of Conduct or internal policy or violations of professional, regulatory or legal requirements. These topics are also addressed in our mandatory compliance training.

Our misconduct reporting process operates as follows:

**Speak-up**
Several channels are available to provide different options and ensure employees are comfortable to speak up, based on how they feel most comfortable: The Ethics Helpline, along with other reporting channels such as Ethics and Business Conduct Leaders, Ethics Contacts, Team Leaders, Human Capital, Risk Management (RM), and the Office of General Counsel (OGC).

**Registration**
Once a complaint is received, it is registered in the PwC ethics register owned by the EBCC, ensuring that all reports are formally documented and addressed, regardless of their source (employees, suppliers, clients, or other external parties) or their nature (related to human rights or whistleblowing). After a preliminary analysis by the EBC leader or independent head of investigation, the person who made the complaint is informed about the next steps in the process.

**Investigation**
Investigations are conducted by experienced members of the Ethics and Business Conduct Committee (EBCC), who are trained to handle reported concerns objectively and promptly. New investigators complete dedicated e-learning modules before taking on cases.

**Conclusions**
The Investigator, EBCL and head of investigations put together conclusions and make recommendations based on the gathered information. Those recommendations are reviewed by the EBCC. The conclusion consists of a reasoned opinion as to whether the claim is substantiated and if it concludes as an ethical violation. Depending on the case, the recommendations may range from soft skills/coaching recommendations to applying sanctions like financial sanctions, warning letter, temporary suspension or dismissal. The recommendations in case of ethical violation are shared either with the Management Board (if the subject is a Partner) or the Line of Service Leader (for any other cases), who will decide on the action to be taken, including sanction.

For PwC Services Portugal, we adapted our procedure to Portugal`s local regulations and labour code. In that context, the EBCC collaborates with PwC Portugal's Ethics Leader and the Office of General Counsel (OGC Portugal) to conduct the investigation. Once an investigation is closed, the conclusion and recommendation are communicated to PwC Services Portugal Management, which makes the final decision after consultation with the Luxembourg Ethics Leader and Portugal Ethics Leader to ensure alignment. PwC Services Portugal Management decides on the appropriate final decision, including the disciplinary sanction if any and/or any additional remedial actions if deemed necessary. Luxembourg Ethics Committee and Portugal Ethics Leader are informed of the mentioned outcome.

Complaints related to human rights are addressed using the same procedures as other ethics-related misconduct complaints and are monitored through a dedicated indication in the register. To know more, see the section Metrics and targets in ESRS G1. G1-1: 10 (a)

## 2.4. Independent incident investigations

We appointed an independent internal Head of Investigations to ensure that investigations are conducted and concluded without risk of conflict of interest. This is a senior role with responsibility for directing and overseeing business conduct investigations, ensuring independence, impartiality and adherence to our standards on business integrity and ethical behaviour. G1-1: 10 (e)

For further objectivity, the investigator is chosen from a different Line of Service (LoS) than that of the individual investigated, whether the case is connected to protection of whistleblowers or corruption and bribery. Outcomes of investigations, including statistics and the nature of cases (in an anonymous format), are reported twice a year to the Management Board by the EBCL. G1-3: 18 (b),(c), G1-ESRS 2-MDR-P: 65 (a),(b),(c)

The EBCL, in collaboration with the Independent Head of Investigation and the EBCC, is responsible for reviewing and investigating concerns, while ensuring timely, independent and fair resolution. Every case is treated with appropriate confidentiality and retaliation against those who report a case is not tolerated.

## 2.5. Protection of whistleblowers

The processes described in the paragraphs above are based on the following principles, meant to protect the whistleblowers and the business integrity principles of our firm:

- **Aiming at a fair and fact-based approach** – The assessment of the situation must be based on facts and evidence. The investigations must be handled in an objective, fair, respectful and manner. All our colleagues are expected to cooperate with any investigation.
- **Not tolerating retaliation** – Retaliation is a serious misconduct and won't be tolerated. We are committed to protecting anyone who reports any ethical violation. Any alleged retaliation actions or repetitive unfair claims will be investigated and appropriate disciplinary action will be taken based upon the results of the investigation.
- **Ensuring confidentiality and anonymity** – This is always the case towards external stakeholders. Depending on each investigation, we try our best to maintain confidentiality and anonymity, to the extent that this does not endanger the process and outcome of the investigation itself.
- **Ensuring a rapid and efficient process** in handling any claims.

G1-1: 10 (c)-i

Moreover, our internal processes are in line with the applicable law transposing the EU Directive 2019/1937 of the European Parliament and of the Council related to protection of whistleblowers. G1-1: 10 (c)-ii

# 3. G1-3: Prevention and detection of corruption and bribery

The PwC Network, and PwC Luxembourg, has zero tolerance for bribery and other forms of corruption. All member firms are subject to the Anti-Corruption Network Standard, which establishes protocol and guidance for member firms to identify and implement controls to mitigate corruption risk. In PwC Luxembourg, we implemented a robust framework to prevent, detect, investigate, and respond to corruption and bribery incidents.

In this context, the firm carries out, on an annual basis, an anti-corruption risk assessment to evaluate the level and type of corruption risks it faces and to ensure it has in place policies and procedures to respond to local anti-corruption risks. Further, the firm develops and implements an annual anti-corruption action plan which addresses anti-corruption risks identified in the risk assessment. Given the profile of the country and the full compliance of the firm to the Anti-Corruption Network standard, the focus of our action plan in on internal communication and in mandatory compliance curriculum, as described in the Actions section below. Checks are also performed to monitor the compliance of the firm, with a focus on charity donations, expenses and contracts. The checks are run yearly by our internal audit department. On an on-going basis, our firm is also mapping the subcontractors involved in service delivery on behalf of our suppliers, as part of our supplier acceptance process.

We utilise the same governance structure, the same channels and follow the same processes for employees and third parties to report allegations for corruption and bribery incidents as for other ethics-related complaints, in order to tackle them promptly, independently and objectively (for more information see reference to corporate culture, Speak-up and protection of whistleblowers). G1-1: 10 (e)
As per the procedure, any confirmed cases is to be reported to the Management Board, together with a recommendation for resolution, and the Management Board is ultimately in charge of deciding upon the appropriate course of action.

G1-3: 18 (a),(b),(c), G1-3: AR 5, G1-ESRS 2-MDR-P: 65 (a),(b),(c)

## 3.1. Client selection

When we select our clients, we take into account different dimensions, as anti-money laundering, risk management and independence checks. The Client Acceptance Committee (CAC) is in charge of the client selection process and has the role to determine whether to approve or decline new clients, evaluating high-risk clients and specific services, such as domiciliation and liquidation, for PricewaterhouseCoopers, Société coopérative, PricewaterhouseCoopers Academy S.à r.l., and PwC Regulated Solutions.

In addition to this, the CAC is responsible for endorsing the AML (Anti-Money Laundering) policies and procedures, ensuring they comply with all relevant laws and regulations. This includes defining high-risk triggers, like country risk lists, restricted activities and high-risk services.

The committee also ensures that all actions are in line with sanctions regimes and works closely with PwC Legal to maintain consistency in their decisions.

Since this topic is connected to business integrity, we also provide mandatory compliance training on this aspect to our employees, based on their management level. Please refer to S1-Equal treatment and opportunities for all – Training and skills development. In the next fiscal year, we will explore to determine if we can further embed ESG principles into client acceptance practices.

## 3.2. PwC Network standards

As member of the PwC Network, our firm has access to a number of systems and tools to execute and comply with our independence policy and procedures, including:

- **Entity management tool –** helps determine the independence restriction status of clients of the PwC firm and those of other PwC firms before entering a new non-audit service or business relationship.
- **Independence tool –** facilitates the pre-clearance of publicly traded securities by all partners and practice managers before acquisition and is used to record their subsequent purchases and disposals.
- **Authorisation for Services tool –** facilitates communication between a non-audit services engagement leader and the audit engagement leader, regarding a proposed non-audit service.
- **Joint Business Relationships tool –** used to clear joint business relationships from an independence perspective.
- **Breaches Reporting tool –** designed to report any breaches of external auditor independence regulations (e.g., those set by regulation or professional requirements) where the breach has cross-border implications (e.g., where a breach occurs in one territory which affects an audit relationship in another territory).
- **Compliance dashboards –** global compliance system that facilitates annual compliance confirmations, engagement independence confirmations and reporting.

## 3.3. Compliance with PwC Network standards

All our employees comply with the standards developed by the PwC Network, ERM team and our leadership in PwC Luxembourg monitors compliance with these obligations. In addition, they undertake annual mandatory training, as well as submitting annual compliance confirmations, as part of the system to support appropriate understanding of the ethical requirements under which we operate. G1-1:10 (g)

Furthermore, we provide all our colleagues mandatory training on independence, anti-corruption and anti-bribery, as part of the mandatory yearly compliance framework.

G1-3: 20, G1-3: 21 (c), G1-ESRS 2-MDR-P: 65 (a),(b),(c)

The independence training typically focuses on milestone training relevant to a change in position or role, changes in policy or external regulation and, as relevant, provision of services.

The anti-corruption and anti-bribery training provides clear guidance on what corruption is and the different forms it can take. This training is designed for all employees, including members of administrative, management, and supervisory bodies. It outlines key risk indicators screening practices, and methods for assessing potential risks. It is also essential for reinforcing a top-down commitment to zero tolerance for corruption and for empowering every individual, regardless of their role, to act as a safeguard against unethical conduct.

All mandatory communications related to corruption and bribery policies are communicated on a quarterly basis. G1-3: 21 (a), G1-ESRS 2-MDR-P: 65 (a),(b),(c)

As a result of the processes described in the sections above, we have no functions that qualify as being more at risk with respect to corruption and bribery.
G1-1: 10 (h), G1-3: 21 (b), G1-ESRS 2-MDR-P: 65 (a),(b),(c)

For further information, you can have a look at our Transparency Report and section Equal treatment and opportunities for all – Training and skills development in ESRS S1.

# 4. Actions

Our action plan this year was a continuation of our overall strategy mainly to:

1. Further reinforce our speak up practices across the firm
2. Offer support to our employees to prevent and detect any unethical practices

These priorities are reflected in ongoing actions such as compliance training to uphold ethical standards (see also section S1-Equal treatment and opportunities for all – Training and skills development), protect our reputation, and ensure compliance with legal requirements.

While we do not have actions in place to fully integrate ESG criteria into client selection, we acknowledge the relevance of ESG criteria and we are considering how to embed them into client acceptance and risk management. Currently, the Client Acceptance (CAC) provides recommendations, while the Management Board retains ultimate decision-making power and can, in specific cases, decide not to accept a client. Similarly, although ESG-washing and sustainability governance are not directly covered in this year's action plan, we continue to reflect on how transparency and governance practices can be strengthened as part of our broader strategic development. G1-ESRS 2-MDR-A: 68 (a)

## 4.1. Further reinforce our speak up practices across the firm

In order to monitor the speak-up practices across the firm, our starting point was the **Ethics Behavioural Index**, as part of our annual Global People Survey (GPS). (To know more, see metrics and targets section).

We complemented our understanding of this index with the findings in an annual **Ethics Pulse Survey**. We targeted all our colleagues, with the objective to understand at more granular level the Ethics Behavioural Index, assess overall ethics awareness across teams, increase visibility and accessibility of the EBCC and ethics contacts.
G1-ESRS 2-MDR-A: 68 (e)

We observed that while the awareness of the speak up process was at a good level, we still needed to work on speak up barriers. To make sure we take the appropriate actions, we explored the main perceived barriers to speaking up (coming from more than 950 respondents) :

- Fear for retaliation (e.g. fear for consequences, possible impact on my development, fear of hierarchy).
- Tone at the top (e.g. missing management support, lack of open and inclusive work environment).
- Confidence in the process (e.g. confidentiality, independence, effectiveness, cost/benefit, process unknown/not clear enough).
- Personal barriers (e.g. do not feel comfortable, are afraid of the judgment of others, consider that nobody will believe, shyness, shame).

As a result of the observations above and in line with our overall strategy to evolve our speak up practices, one main action was to organise dedicated workshops for business units with an ethics behavioural index below 50% or where a significant decline in results has been observed. These included individual interviews and team discussions.

At a more general level, we have been raising awareness of ethics topics through multiple channels such as Partner meetings, digital screens across our offices and all our new joiners onboarding events in which PwC provides training on several key topics. We regularly review our HR processes and practices to ensure that ethics is embedded from recruitment, to onboarding, career progression and overall engagement with our teams. As part of this approach, we also address HR-related questions concerning culture and management to reinforce an ethical work environment.

Our EBC Leader and People Leader constantly work together to continuously improve ethics practices in HR strategy, processes and policies. G1-ESRS 2-MDR-A: 68 (b),(c),(d)

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### 4.2. Offer support to our People to prevent and detect any unethical practices

Behaving ethically is fundamental in our business conduct and we are aware that it is a key element enabling us to deliver high-quality services to our clients. Hence, we have developed a mandatory e-learning training course aligned with the principles, policies and frameworks established by the PwC global network to ensure consistency, quality, and ethical conduct across all member firms.

We have also launched an integrity awareness campaign and reinforced our corruption policy to our colleagues working for public services. All policies are made available to all our employees via our internal platforms, either on our intranet or Policy Hub. Their contents are clearly explained and exemplified with real life situations through yearly mandatory trainings applicable for all employees, including Management Board members.

We constantly update our training contents connected to ethics, in close collaboration with the Learning and Development Team. To know more, see S1 - Equal treatment and opportunities for all – Training and skills development and G1-3 Client Selection sections. G1-3: 16, G1-3: 20, G1-3: 21 (a),(c)

Based on insights gathered through our surveys and workshops, we are currently evaluating additional measures to further reduce barriers to speaking up, including enhancing leadership engagement, improving process transparency, and reinforcing psychological safety. These considerations will shape the next phase of our ethics and compliance strategy.

# 5. Resources

To ensure proper and timely handling of ethics cases internally and externally (including incidents of corruption and bribery, whistleblowing and corporate culture), we have a core ethics team in place, made up of 4 members, with time allocation between 25% and 50% of their total time. The fourth member joined the team in April 2025 and is 50% dedicated to investigations of ethics and business conduct cases as of June 2025. To further strengthen the core team, an extra member has joined 50% in July 2025.

Broader than the core ethics team, the EBCC also supports with conducting investigations, but their time allocation varies and is in general lower. The Office of General Counsel (OGC), who is responsible for all legal issues within PwC, is also supporting mostly when topics require legal advice. They are specifically responsible and actively monitor topics concerning corruption and bribery.

In order to encourage colleagues to speak up, we put an Ethics Helpline in place and we created a broader network of ethics contacts (approximately 20 members in FY25) throughout all business units, whose main purpose is to have the first conversation with our colleagues and then support with filing the cases further. G1-ESRS 2-MDR-A: 69 (a),(b),(c)

# 6. Metrics and targets

We have set metrics and targets to support our Speak Up culture, such as the Ethical Behavioural Index and Ethical Culture Perception. However, we currently lack specific metrics and targets for ESG criteria in client selection, sustainable strategy, reputation, and legal compliance.

## 6.1. Evolution of our corporate culture and protection of whistleblowers

We monitor two indexes from our annual Global People Survey (GPS) that reflect not only the evolution of our corporate culture but also the level of trust employees place in our ethical framework and reporting channels:

- **Ethical Behavioural Index,** part of our GPS, sent yearly to all our colleagues, consisting of the three statements below. Our colleagues need to evaluate each statement on a scale of 1-5, where 4 and 5 are considered favourable, 3 neutral and 1 and 2 unfavourable. For each statement, we calculated the result as % of favourable answers from total number of respondents. The index was calculated as an average of the percentages resulted from the three statements, as explained above.

  – I can voice my opinions and raise concerns even when my views are different from others,
  – At PwC, I feel comfortable discussing or reporting ethical issues and concerns,
  – The people I work with demonstrate conduct consistent with PwC's Code of Conduct.

These statements directly measure whether employees feel safe and supported to speak up, which is an essential indicator of trust in the process. The result this year was 69%, -6pp versus our target of 75%, but with a slight increase versus previous year.

To understand how our ethical culture is perceived, we zoomed in on the first statement above that we consider our **Ethical Culture Perception Index**, which registered a score of 65%, -5pp lower than our target of 70%, but increasing versus previous year.

Our local **Ethics Pulse Survey** went deeper to bring more insights into the two indexes mentioned above and measured:

- **Awareness level for EBC framework at 96%** and for **available ethics contacts at 91%**, with significant increase versus previous year. This shows that the awareness campaigns organised internally have been effective.
- **Percentage of the perceived unethical situations that have been reported to EBCC**, with a result of **26%**, on an increasing trend versus previous year. However, this shows that our work on removing barriers to report, by actively improving mindset and culture, remains essential in the upcoming years, as described in the section dedicated to actions.

G1-ESRS 2-MDR-A: 68 (e)

| Index | FY25 | Long-term Target |
|---|---|---|
| Ethical Behaviour Index | 69% | >75% |
| Ethical Culture Perception | 65% | >70% |

On top of the above, we are actively monitoring, investigating and following up on discrimination, harassment and human rights incidents and complaints. Although S1-17, incidents, complaints and severe human rights is not material under ESRS S1 as a result of our DMA, we structured our complaints register in line with the areas indicated by ESRS, as we see it closely connected to our speak-up and human rights policies and it supports us to distinguish between types of cases and follow up on them individually. We detail the numbers for FY25 in the table below:

| Reported incidents | Action | FY25 results |
|---|---|---|
| **1. Number of discrimination complaints** | Reported during FY25 | **3** |
| | Carry forward from FY24 | **1** |
| | Closed as substantiated or partially substantiated during FY25 | **1** |
| | Closed (all) during FY25 | **4** |
| | Ongoing at the end of FY25 and carry forward to FY26 | **0** |
| **2. Number of harassment incidents** | Reported during FY25 | **11** |
| | Carry forward from FY24 | **0** |
| | Closed as substantiated or partially substantiated during FY25 | **4** |
| | Closed (all) during FY25 | **10** |
| | Ongoing at the end of FY25 and carry forward to FY26 | **1** |
| **3. Number of complaints filed through channels available for own workforce to raise concerns (excl. discrimination)** | Reported during FY25 | **47** |
| | Carry forward from FY24 | **9** |
| | Closed as substantiated or partially substantiated during FY25 | **14** |
| | Closed (all) during FY25 | **51** |
| | Ongoing at the end of FY25 and carry forward to FY26 | **5** |
| **4. Number of human rights issues and incidents connected to own workforce** | Reported during FY25 | **0** |
| | Carry forward from FY24 | **0** |
| | Closed as substantiated or partially substantiated during FY25 | **0** |
| | Closed (all) during FY25 | **0** |
| | Ongoing at the end of FY25 and carry forward to FY26 | **0** |
| **5. Number of human rights issues and complaints related to own workforce that are cases of non-respect of UNGP, ILO and OECD** | Reported | **0** |
| **6. Number of human rights incidents where the company played a role in securing remedy for those affected** | Involvement in remedy | **0** |
| **7. Total number of fines, penalties and compensation for damages as a result of the incidents and complaints disclosed in this table** | Monetary compensation, fines | **0** |

S1-17: 103 (a),(b),(c), S1-17: 104 (a),(b)

### 6.2. Prevention and detection of unethical behaviour

Specifically for prevention and detection of unethical behaviour, irrespective of its nature, we reached our target of 100% completion rate for mandatory training on ethics, business code of conduct, anti-money laundering, anti-corruption, economic sanctions, information protection, insider trading and anti-trust/anti-fair competition. The target is defined as percentage of employees, including Partners and members of the Management Board, who completed the e-learning in FY25. This information is extracted from the Learning & Development (L&D) Team. New joiners are required to follow this curriculum during the onboarding process. To know more, see S1 - Equal treatment and opportunities for all – Training and skills development. G1-4: 22

# 7. G1-4: Incidents of corruption or bribery

When it comes to monitoring the cases of corruption and bribery related to individuals in our firm, the ultimate metric we look at is the number of confirmed incidents of corruption and bribery.

Our General Counsel is responsible to monitor and report on incidents of corruption and bribery to authorities within the context of the fight against money laundering. Our target is to have zero cases of corruption and bribery. PwC Luxembourg was not involved in any cases related to corruption or bribery during the reporting period; hence no proceedings related to convictions or fines took place. Additionally, no actions were required to address any breaches of anti-corruption and anti-bribery procedures or standards. G1-4: 22, G1-4: 24 (b)

| Indicator | FY25 results |
|---|---|
| Total number and nature of confirmed incidents of corruption or bribery; | **0** |
| Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents; | **0** |
| Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery; and | **0** |
| The number of sanctions (convictions and fines) related to anti-corruption and anti-bribery laws. | **0** |
| The total amount of fines for violation of anti-corruption and anti-bribery laws | **0** |

G1-4: 24 (a), G1-4: 25 (a),(b),(c),(d)

# S1 – Own workforce

4

1. Material impacts, risks and opportunities and their interaction with strategy and business model
2. Policies
3. Processes to engage with own workforce and workers' representatives
4. Processes to remediate negative impacts and mechanisms for employees to voice concerns
5. Characteristics of own employees
6. Characteristics of non-employees
7. Working conditions – Working time, work-life balance, talent management and remuneration
8. Equal treatment and opportunities for all – Training and skills development
9. Equal treatment and opportunities for all – Diversity, Equity and Inclusion

# 1. SBM-2: Interests and views of stakeholders

The interests and views of stakeholders are reported in ESRS 2 in the section dedicated to SBM-2.

# 2. SBM-3: Material impacts, risks and opportunities and their interaction with Strategy and Business Model

## 2.1. Interaction with the strategy and business model

### 2.1.1. Vision

At PwC Luxembourg we aim to create an environment where people thrive, grow and find purpose. We cultivate a workplace where wellbeing and career growth go hand in hand, preparing our employees to seize every business opportunity. Our strategy focuses on proximity with our employees by fostering close interactions, talent management to unlock their potential, and ensuring their physical, emotional, and mental well-being.

We also take practical steps to promote diversity, beyond gender, equity, and inclusion in our employee's lives. Luxembourg is a highly international city, home to a wide range of cultures from across Europe and beyond. This multiculturalism presents both opportunities in terms of diversity and inclusion as well as challenges from integration perspective.

Our business model is essentially based on the engagement and commitment of our employees to deliver value for our clients. This is why a significant portion of the impacts on our workforce relate to our way of working. The wide range of flexibility options we offer boosts motivation, reduces stress and allows our employees to be more in control of their time. On the other hand, some of our activities are impacted by higher workload at times, which can lead to work-life integration difficulties. S1- ESRS 2-SBM-3: 13 (a)-i, ii

Addressing these actual and potential negative and positive impacts can help mitigate financial risks including voluntary turnover, reputational damage and declining service quality. Conversely, opportunities like fostering career development, employee welfare, and diversity and inclusion contribute to our talent attraction and retention and enhance the value and quality delivered to clients. S1-ESRS 2-SBM-3: 13 (b)

Please refer to the section on S1- Own Workforce – Working Conditions for further details on work practices, policies, actions metrics and targets designed to anticipate and mitigate potential negative impacts arising from our business model.

## 2.1.2. Governance

At PwC Luxembourg, employees are at the core of our business and purpose. Hence, the employee strategy is a key pillar of our firm strategy and directly supervised by the Management Board under the accountability of the People Leader being a member of the Management Board. The People Leader is the chair of the Human Resources Leadership Team (HRLT). The committee involves the line of services People Leaders having the responsibility to cascade down the HR strategy in their respective scope.

The strategy is supported operationally by our HR department directly under the accountability of the People Leader. The department owns every key dimension of our HR strategy: recruitment, talent management, compensation and benefits, HR operations, learning and development, diversity equity and inclusion and wellbeing. Our People Relationship Management Team supports and advises all employees and team leaders throughout the employee lifecycle enhancing our proximity management strategy.

This governance model ensures focus on priority areas across the firm:

**Proximity management**
Create an environment that encourages regular and meaningful exchanges and feedback between team members and their team leaders.

**Talent attraction, management and development**
Creating environments where employees can thrive, grow, and find purpose.

**Learning and development**
Ensure the learning curriculum stays relevant in line with the evolving employee and business needs.

**Wellbeing and inclusion**
Promoting physical, emotional and mental wellbeing, while embedding Diversity, Equity, Inclusion and Wellbeing (DEIW) across the employee lifecycle.

**Communication and engagement**
Celebrating achievements, encouraging reflection, and fostering a sense of pride and belonging among employees.

## 2.1.3. Types of employees and non-employees

Both employees and non-employees are involved in our operations. For further information, refer to the sections: S1-6 Characteristics of employees and S1-7 Characteristics of non-employees below.

S1-ESRS 2-SBM-3: 14 (a)

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## 2.2. Material impacts, risks and opportunities related to own workforce and their interaction with the strategy and business model

All identified material IROs concern large employee groups and are therefore considered widespread. Detailed descriptions are provided in the respective IRO tables. The following sections present a high-level overview of the main themes. For more information on the interaction of the material IROs with our strategy and business model, refer to section SBM 3 - Material impacts, risks and opportunities and their interaction with strategy and business model in ESRS 2.

### 2.2.1. Material positive impacts

Flexibility, Learning & Development, and Diversity & Inclusion initiatives enhance well-being and career growth for employees across Luxembourg and Porto, benefitting all workforce groups through flexible work, training (including AI, hard and soft skills), and inclusive practices. S1-ESRS 2-SBM-3: 14 (c)

### 2.2.2. Material negative impacts

High workload, proximity management, and integration challenges reduce well-being and cohesion across teams, with these issues being widespread rather than isolated cases. S1-ESRS 2-SBM-3: 14 (b)

### 2.2.3. Material risks and opportunities

Talent management, DEI, attraction and retention, and leadership consistency arise from dependencies on workforce engagement and capability, influencing long-term sustainability and service quality. S1-ESRS 2-SBM-3: 14 (d)

### 2.2.4. Material impacts arising from the transition plan

In E1 section of this report, we outline the elements of our transition plan and are commitment to completing it in the next reporting period. Based current measures, we do not consider that our transition plan has a material impact on our employees. S1-ESRS 2-SBM-3: 14 (e)

## 2.3. Operations at risk of incidents linked to child labour and/or forced labour

We recognise the importance of proactive human rights due diligence as part of our shared commitment to responsible business conduct. Following a comprehensive assessment of our respective operations and value chain, no direct risks of child labour, forced or compulsory labour were identified within our own operations. Employment practices are governed by national labour law as well as PwC's global Code of Conduct, ensuring robust protections against such violations. S1-ESRS 2-SBM-3: 14 (f), (g)

Nevertheless, we remain vigilant and committed to identifying and mitigating potential risks in our extended value chains. This includes:

- Mapping and screening suppliers and partners, especially those operating in high-risk jurisdictions.
- Requesting suppliers to sign the Charter of Responsible Purchasing, which obliges them to respect the Universal Declaration of Human Rights (UDHR) and follow social, ethical, and environmental requirements.
- Maintaining grievance mechanisms enables our colleagues to raise concerns, by contacting both their team leader and the Ethics Helpline - known as the Speak Up platform. (see G1-Business Conduct section for further details).

All in all, we will continue to monitor, report and improve our processes to uphold human rights and transparency requirements.

## 2.4. Potential workforce groups at risk

We actively monitor if any employee group is at higher risk of harm, through GPS, internal surveys, or any other channels. We have not identified any specific groups at risk, nor significant risks and opportunities related to specific groups of employees. S1-ESRS 2-SBM-3: 15 , S1-ESRS 2-SBM-3: 16

# 3. S1-1: Policies

The key policies linked to our own workforce are represented by the **Code of Conduct**, **Speak up Policy**, and **Human Rights Policy**. They are enforced by the law in Luxembourg, our PwC Network policies and values and relate to all the identified S1 material topics:

- Working conditions, including working time and work-life balance.
- Equal treatment and opportunities, including gender equality and equal pay, training and skills development, and diversity and inclusion.

These policies are complemented by additional initiatives developed by the firm to further support and engage PwC Luxembourg's workforce. More details can be found in the Complementary Initiatives section below. S1-1: 19

## 3.1. Key contents of the policies

### 3.1.1. Code of Conduct

Our Code of Conduct describes a common set of expectations for our conduct, helping to build trust:

- In how the firm does business
- With each other
- In our communities
- In how the firm uses information

It ensures that all our colleagues follow our ethical principles, by setting standards and giving practical advice. It reinforces our commitment to diversity, equity and inclusion, ensuring that all individuals are respected, valued, and treated fairly across the employee lifecycle—from recruitment to promotion. The code also supports our wellbeing strategy, promoting a safe and inclusive environment where employees feel empowered to speak up and thrive. By embedding these principles into our daily actions and leadership expectations, we uphold the highest standards of business conduct, fostering a culture of integrity, trust, and accountability. For further details, please refer to the actions, metrics and targets mentioned in S1-Working conditions and Equal treatment and opportunities for all as well as G1-Business Conduct.

S1-ESRS 2-MDR-P: 65 (a)

### 3.1.2. Speak Up Policy

Our Speak Up Policy is a key element of the Code of Conduct. It aims to facilitate anonymous communication process in relation with any claims about personal or professional misconduct in the context of working relationships.
We believe it is important that we put in place the right environment where people inside or outside our firm report possible violations connected to integrity. For more information, please refer to G1-Business Conduct.

S1-ESRS 2-MDR-P: 65 (a)

### 3.1.3. Human Rights Policy

The rights outlined in our Human Rights Policy were informed by an analysis of the human rights issues that are material to our business. The principles are directly informed by internationally recognised instruments, including the **UN Guiding Principles on Business and Human Rights (UNGPs), the Universal Declaration of Human Rights (UDHR), Organisation for Economic Co-operation and Development (OECD)** guidelines for multinational organisations and the **ILO Declaration on Fundamental Principles and Rights at Work.** These instruments have guided our analysis of material human rights topics and the development of our internal policy. S1-1: 21

The policy encompasses the following human rights principles:

**Health and safety,** which involves identifying, assessing, and mitigating risks to create a safe working environment.

**Inclusion and diversity,** which promotes non-discrimination and respects individual differences (Refer to in S1- Equal treatment and opportunities for all).

**Harassment prevention,** which ensures a workplace free from abuse and violence (Refer to G1- Business Conduct).

**Human trafficking,** prohibiting forced and child labour and modern slavery (Refer to G1- Business Conduct).

**Freedom of association,** which recognises employees' rights to form and join organisations without fear of retaliation.

**Fair wages,** for which PwC Luxembourg sets working hours, wages and overtime pay in compliance with applicable laws and regulations (Refer to S1- Equal treatment and opportunities for all).

**Protection of personal data,** which safeguards personal information against unauthorised use (Refer to Quality of services). S1-ESRS 2-MDR-P: 65-(a)

We explicitly do not accept the use of forced labour, bonded labour, slavery, child labour, nor any form of modern slavery within our firm or supply chain. These commitments are also embedded in our Code of Conduct and Third-Party Code of Conduct, reinforcing our expectations across all business relationships. S1-1: 20 (a), S1-1: 22

In addition, network-level monitoring of human rights is conducted through our participation in the UN Global Compact. Relevant disclosures are available in our Communication on Progress Report, which includes detailed information on our global approach to human rights and labour practices. Although the report covers the period ending 30 June, 2024, the data remains accurate and applicable to our current operations.

Due to the nature of the services we deliver, we do not maintain a separate workplace accident prevention policy. Nevertheless, we have put in place several procedures and recurrent activities to ensure health and safety at work, including an annual safety risk assessment for employees and an HR incident procedure. Our building security handle all matters related to workplace safety, access management, first aid and fire prevention training, ensuring that our technical facilities comply with relevant regulations to guarantee the safety of our employees and assets. S1-1: 23

## 3.2. Policies aimed at eliminating discrimination

Both our Code of Conduct and our Human Rights Policy contribute to eliminating discrimination and ensuring a diverse and inclusive environment for the firm's workforce. Our Human Rights Policy specifically mentions various grounds of discrimination as individual's race, ethnicity, colour, age, sex, gender, gender identity or expression, sexual orientation, political beliefs, citizenship, national origin, ancestry, language, religion, mental or physical disability, medical condition, marital status, parental status, pregnancy status, economic and class status, veteran status or any other characteristics protected by law.

The policies are implemented through different due diligence processes which enable us to get insights and perspectives from our employees, such as GPS, employee representatives and Speak Up channels. Further information can be found in the sections S1-2 Processess to engage our own workforce and S1-3 Processes to remediate negative impacts and mechanisms for employees to voice concerns.

We have not identified any groups within our workforce or value chain that face risks of vulnerability. We will pursue proactive monitoring and engage with stakeholders to ensure that any emerging risks are identified and addressed. S1-1: 24

## 3.3. Scope, accountability, stakeholders, availability and third-party standards

Our Code of Conduct, Human Rights Policy and Speak Up Policy structure the backbone of our ethical and responsible business practices. These policies apply across all departments, covering all our colleagues (in Luxembourg and in Porto), clients, and third parties, with clear expectations for behaviour, reporting misconduct, and respecting human rights. For PwC Services Portugal, we adapted our procedure to the local regulations and labour code, further described in the G1 section of this report. S1-ESRS 2-MDR-P: 65-(b)

The Ethics and Business Conduct Committee is accountable for the policies described above, in close collaboration with the People Leader. The Management Board receives regular updates from EBCC and is involved into decision making with regards to specific cases when disciplinary actions are proposed by the EBCC. S1-ESRS 2-MDR-P: 65-(c)

Employees, clients, suppliers and other external parties are encouraged to engage with these policies through accessible channels like the Ethics Helpline. Internally, all our employees have access to a network of ethics contacts and can also raise issues to their team leaders. Where relevant, the development of these policies considers the interests and perspectives of key stakeholders, HR department at first, ensuring that their views help shape the firm's approach and priorities. The policies are available to all our employees through the firm's internal website and are communicated actively through dedicated campaigns.

S1-ESRS 2-MDR-P: 65-(d), (e), (f)

## 3.4. Human Rights Policy commitments related to own workforce

We comply with all applicable local laws and regulations, including the Luxembourg Constitution, the Labour and Criminal Codes, and the EU Charter of Fundamental Rights. In addition, we adhere to the **PwC Global Human Rights Policy**, which serves as the foundation for our commitments toward our own workforce. This policy integrates internationally recognised human rights principles and reflects PwC's global standards for ethical conduct, inclusion, and workplace wellbeing.

As disclosed in the S1-1: Human Rights Policy section, the policy outlines key commitments relevant to our workforce, including:

- Promoting a safe and healthy working environment.
- Ensuring fair and equitable treatment.
- Respecting freedom of association.
- Prohibiting all forms of forced labour, child labour, and modern slavery.
- Safeguarding personal data and privacy.

These commitments are embedded in our internal policies and practices and are supported by mechanisms such as the **Ethics Helpline**, team leader engagement, and the **GPS platform**, which allow employees to raise concerns confidentially and securely.

In FY26, we will start performing a human rights risk assessment, meant to identify, evaluate and address actual or potential adverse impacts our operations, supply chain or business relationships may have on our employee human rights. We will finalise the assessment during FY26. S1-1: 20 (b)

## 3.5. Remedy for human rights impact

Based on our DMA, we identified two distinct negative impacts related to human rights. The first refers to workload, which is addressed under the S1 - Working Conditions section. The second relates to the speak up culture, covered in the G1 - Business Conduct section.

The identification of these two human rights impacts is grounded in our Human Rights Policy, which outlines our commitment to promoting mental health as a fundamental component of wellbeing, as well as our zero-tolerance stance toward discrimination, retaliation, and intimidation.

These impacts were mapped to the relevant human rights as defined by the **Universal Declaration of Human Rights (UNDHR), the International Covenant on Civil and Political Rights (ICCPR), and the International Covenant on Economic, Social and Cultural Rights (ICESCR)**. We also assessed how these rights are reflected in PwC's Human Rights Policy.

Together, these three documents form the International Bill of Human Rights, which serves as the foundation for key global frameworks we adhere to, including the UNGPs, the OECD Guidelines for Multinational Enterprises, and the ILO Declaration on Fundamental Principles and Rights at Work. For further details,  please refer to the 3.1 Human Rights Policy section above.



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| Type of material IRO | Impact description | Related human rights as per UNDHR, ICCPR, and ICESCR | Reflected in PwC's HR policy | Time horizon | Status |
|---|---|---|---|---|---|
| **Business Conduct** | There is a risk that employees may feel uncomfortable or unsafe expressing concerns, offering feedback, or challenging decisions due to a perceived lack of psychological safety, fear of retaliation, or a culture that does not actively encourage open dialogue. | 1. Freedom of opinion and expression (UDHR Art.19) & (ICCPR Art.19)<br>2. Freedom of assembly and association (UNDR Art.20) & (ICCPR Art.22) | 1. No harassment, cruel or degrading treatment<br>2. Freedom of Association | Short-term | Actual |
| **Own workforce** | Employee wellbeing is impacted by the high-performance culture and workload combined with insufficient disconnection. | 1. Right to just and favourable working conditions (UDHR Art.23) & (ICESR Art.7)<br>2. Right to rest and leisure (UNDR Art.24)<br>3. Right to health (ICESCR Art.12) | 1. Health and Safety<br>2. Fair wages, income and working hours | Short-term | Actual |

### 3.5.1. Remediation of human rights impacts

Remediation of negative human rights impacts currently remains limited to the mechanisms described below:

**Speak Up culture**

This is addressed through our Ethics Helpline initiatives, which encourage open expression of concerns. The primary channel is the **Speak Up platform**, designed to provide an anonymous and secure way for employees to report issues or unethical behaviour. While this mechanism supports a safe working environment and freedom of expression, its effectiveness depends on continued cultural reinforcement and trust-building. Further detailed in sections S1-3 Processes to remediate negative impacts and the G1- Actions and Resources.

**Workload and wellbeing**

Our wellbeing strategy, as outlined in section S1-Actions and Resources mitigates the wellbeing impacts spotted by the DMA, aims to mitigate the impacts identified through our DMA. These include initiatives to promote work-life balance, mental health, and sustainable performance. At present, our approach focuses on proactive measures and does not include formal grievance or redress mechanisms specifically addressing workload-related stress.

Our Human Rights Policy, implemented globally in June 2024, was formally transposed to the Luxembourg firm in March 2025. HRLT and EBCC will need to assess in FY26 the policy's effectiveness and ensure appropriate remediation pathways are in place. This includes evaluating how well the policy is embedded in practice and identifying any gaps in protection or response mechanisms.

Additionally, we recognise the need to strengthen the connection between the Human Rights Policy and other internal policies and processes—such as those related to wellbeing, leadership, and performance management—to ensure a coherent and integrated approach to human rights across the organisation. S1-1: 20 (c)

## 3.6. Complementary principles and processes

In addition to the policies presented above, PwC Luxembourg has also structured and widely communicated HR procedures and processes in place for topics relating to career management, diversity, equity and inclusion, wellbeing, compensation and benefits, learning and development and proximity management. We aim to structure policies on top of the addressed dimensions to sustain our employee strategy.

### 3.6.1. Proximity management

We recognise the importance of management being closely connected to their teams, to foster employee wellbeing, a supportive working environment and to ensure a good level of quality of service for our clients. We rely on our team leaders that are supported and empowered to ensure we spread the expected proximity management culture and apply the same practices and standards throughout the firm. To know more please refer to the action in S1-Equal treatment and opportunities-Training and Skills development.

### 3.6.2. Career management

Our career journey begins with a structured recruitment process and includes four key steps: CV screening, interview, final feedback and contract signature. Once onboarded, employees are supported through a comprehensive career development framework that includes personalised career plans, continuous feedback and contribution assessments. Growth is further enabled through a promotion framework, differentiated career paths, and access to learning and development opportunities. We also encourage internal and PwC Network mobility, allowing employees to explore new roles and experiences within the firm and other PwC Offices, fostering long-term engagement and progression. To know more please refer to the action in S1-Equal treatment and opportunities-Training and Skills development.

### 3.6.3. Compensation and benefits

The remuneration is designed to reflect local reality, role and responsibilities of the function, individual contribution and express the career progression of our employees. It is allocated based on performance, in a transparent and fair manner. For employees located in Luxembourg, it consists of a monetary component determined by salary, year-end premium, annual bonus and meal vouchers.

We finance inpatient care for our employees and offer them the opportunity to subscribe at a discounted rate to an insurance policy with external insurance companies. This policy extends reimbursement coverage for medical fees not related to hospitalisation for both employees and their family members. We contribute to a pension scheme programme for our employees, covering extra pension, invalidity and death. For the pension plan specifically, we participate from a certain seniority level and employees can also choose to contribute to their own as from day one.

For our employees in PwC Services Portugal, the base salary is paid fourteen times per year, they benefit from credits allocated to a flexible benefits plan, meal allowance and a potential annual bonus.

We also finance a life insurance and a personal accident insurance for all our employees and offer them the opportunity to subscribe to additional benefits through their flexible benefits plan: additional health insurance, pension plan, expenses for early childhood education and general education, commuting mobility solutions, connectivity, etc.

In addition, there is a non-monetary component consisting of access to learning and development, professional mobility, and differentiated career paths. To know more please refer to the action in S1-Equal treatment and opportunities-Diversity, Equity and Inclusion.

### 3.6.4. Working time

In line with Luxembourgish and Portuguese law, working time is 40 hours per week, split equally between Monday to Friday, 8 hours a day. Our employees can choose between working full time (40 hours per week) and part time. For part-time arrangements, a range of work patterns is available to suit employee needs. The final schedule is agreed upon with the team leader and HR representative and subsequently formalised in the employment contract.

### 3.6.5. Learning and development

Learning and development is a cornerstone of our firm's professional services model. The firm strongly invests in developing the skills of its employees to provide the best quality of services for our customers. A wide range of training resources, platforms, and development pathways are available on the intranet, covering technical expertise, leadership skills, and personal growth. These tools are integrated into our career framework and accessible to all employees, supporting both individual aspirations and firm-wide excellence. To know more please refer to the action in S1-Equal treatment and opportunities-Training and Skills development.

### 3.6.6. Well-being, health and safety

We aim to provide our employees with the opportunity to enhance their wellbeing and their physical, emotional and mental health, for their own prosperity and a sustainable future for our firm. This is why we foster a culture where wellbeing is a core pillar of the employee's experience. To know more please refer to the action in S1-Working Conditions-Working time and work-life balance.

### 3.6.7. Diversity, Equity and Inclusion

Diversity, Equity and Inclusion (DEI) are embedded across the lifecycle of our employees. The DEI strategy is built around five key drivers for change: Gender, LGBT+, disability, multiculturalism and generational collaboration. These are supported by dedicated employee networks such as SHINE, Women and Men, Ability Diversity, Lëtz Embrace, and SAGE, which foster inclusion and belonging across all dimensions. To know more, refer to the action section in S1-Equal treatment and opportunities for all-Diversity, Equity and Inclusion.

# 4. S1-2: Processes to engage with own workforce and workers' representatives

## 4.1. Workforce and representative engagement methods

We have implemented due diligence processes and dedicated channels to identify actual and potential impacts, both positive and negative on the workforce. These mechanisms help the firm mitigate adverse impacts, notably through the Global People Survey (GPS) and the "Speak Up" platform, which are further detailed in section G1- Actions and Resources.

We maintain direct engagement with our employees through various other touchpoints, such as team leaders interactions, "Sit & Talks", as part of our talent management processes, and the Diversity, Equity & Inclusion (DEI) programme. In parallel, the firm upholds an active dialogue with employee representatives to ensure transparency and responsiveness.

PwC Luxembourg is managed by around 200 partners. Having a consistent application of our employee strategy requires a strong alignment within the partnership. This is why the Management Board and its People Leader connect regularly with them through dedicated events and meetings. S1-2: 27 (a),(c)

### 4.1.1. Global People Survey

The Global People Survey (GPS) is a PwC network-wide initiative that allows to gather consistent feedback from our employees across all territories on a yearly basis. Through this global framework, we assess the same key dimensions of engagement, leadership, and culture worldwide, ensuring comparability and alignment across the PwC network. In addition, we tailor the survey with a set of local questions to capture insights specific to our context and priorities, allowing us to better understand and address the unique needs of our employees. This survey gives our colleagues the chance to express their opinions and concerns. As a result, our top management gathers insights and initiates meaningful dialogue within our organisation about our strengths and areas for improvement. It also enables us to monitor our progress on several targets over the years.

The GPS includes topics such as flexibility and wellbeing, diversity, equity and inclusion, ethics, quality behaviours, growth and development, leadership effectiveness and more. From these areas, we identify the corresponding indices based on several statements. For example, the People Engagement Index measures employee engagement within PwC Luxembourg and is based on five statements. This year our response rate was 76% (2,789 employees). This indicates a steady interest from our employees in sharing their points of view and make suggestions for improvement.

In the context of our Double Materiality Assessment, the CSO sent an additional survey and organised interviews and workshops with various internal stakeholders, to identify the material topics for PwC Luxembourg, targeting all our colleagues. It included questions on sustainable related topics such as wellbeing, diversity, equity and inclusion, transportation, and community engagement. For more details, please refer to section IRO 1 in ESRS 2.

S1-2: 27 (b),(e)

### 4.1.2. Dialogue with employee representatives

PwC Luxembourg operates under labour law, employment contracts, and internal guidelines, rather than any collective agreement. Our employees are therefore not subject to a collective working agreement. According to Luxembourg labour law, we have a Staff Delegation Committee, established every four years, with the current one set up in April 2024. This committee consists of 21 primary members and 21 substitute members. Among the full members, roles such as chairperson, vice-chairperson, secretary, health and safety officer and equality officer are appointed.

The committee's purpose is to protect and defend employees' interests regarding working conditions, job security, and social status. It has various responsibilities, including being informed, consulted, and involved in certain decisions and aspects of internal organisation. The overarching role of the staff delegation is to safeguard and defend employees' interests with regard to working conditions, job security and employment status. Thus, it acts as a mediator between the employees and employer. In recent years, the Staff Delegation has participated in key projects such as implementing home-based work, returning to the office after COVID 19 pandemic and establishing flexibility rules.

Quarterly meetings are being held between the Staff Delegation and the Management Board to deal together with the key concerns of PwC employees and influence the firm employee strategy accordingly. Employees are also free to join a union of their choice. All this information is provided to all our employees through the available internal communication channels. S1-2: 27 (b),(d)

### 4.1.3. Other engagement channels

The Management Board is connecting through regular events with the staff, to share both strategic insights of the firm (through events such as spring/autumn town hall meetings, Lëtz Connect or ad hoc communications) and celebrate success together (such as Staff Day and Christmas Market event). Each year, our management meeting gathers Partners, Managing Directors, Directors, and Managers to align on the strategy for the new fiscal year and foster stronger collaboration across the leadership team.

Furthermore, team leaders play a crucial role in fostering engagement across the organisation. They serve as a key link between leadership and employees, helping to translate strategy into action, share feedback from the ground, and create an environment where employees feel informed, valued, and connected. The aim overall is to create an open and transparent culture. This is why we also hold regular strategic meetings within the partnership to ensure full alignment between them.

Another important channel for dialogue is offered by the Diversity, Equity & Inclusion and Wellbeing (DEI&W) Team, who contributes to the development of a diverse and inclusive workspace community. The team promotes inclusive culture and work community through tangible actions, in line with the strategic focus areas. See more about our S1-Equal Treatment and opportunities for all- Diversity, Equity and Inclusion section. S1-2: 27 (b)

# 5. S1-3: Processes to remediate negative impacts and mechanisms for employees to voice concerns

## 5.1. Approach to workforce impacts, channels for raising and addressing concerns

We foster a respectful workplace where all our colleagues are empowered to voice concerns, helping to prevent misconduct and build a culture of trust. Team leaders serve as the primary point of contact for raising concerns and are trained to engage in structured follow-ups through regular touchpoints such as "Sit & Talk" sessions and career development planning. These processes aim to support remediation and continuous improvement. S1-3: 32 (a)

For raising concerns, all employees can contact the HR department, their team leader or the Ethics Helpline, known as the Speak Up platform. This channel is available to both internal and external stakeholders and allows for the reporting of potential violations of company policy, professional standards or legal requirements. S1-3: 32 (b),(c),(d)

To assess the effectiveness of our remediation processes and speak-up practices, we rely on tools such as the Ethics Behavioural Index from our annual Global People Survey and the Ethics Pulse Survey, which help identify barriers to speaking up and guide targeted actions for improvement. For more information on how we assess our remediation processes, please refer to the ESRS G1 section dedicated to actions. For details on how issues are tracked, monitored, and raised, please refer to the ESRS G1 section on Reporting Misconduct and Protecting Whistleblowing. These sections, along with the Business Conduct Policies, also tackle the awareness and trust dimensions. S1-3: 32 (e), S1-3: 33

# 6. S1-6: Characteristics of own employees

## 6.1. Headcount

As of 30 June 2025, PwC Luxembourg had **3,665 employees**, including those based in the Luxembourg headquarters and the Porto subsidiary. The tables below present the breakdown of our employees by gender, grade and type of employment contract, as well as the number of employees who left the firm. Non-guaranteed employees are not applicable for PwC Luxembourg. For further clarity on the employee categories, refer to the Methodologies and Assumptions to Compile the Headcount and the Average Across the Reporting Period section.

During this fiscal year, our headcount remained stable compared to the previous year, as the number of new hires was very similar to the number of employees who left the firm. We registered 3,567 permanent employees, with 94% based in Luxembourg and 6% based in Porto. Additionally, we also have 98 temporary employees, all located in Luxembourg.

S1-6: 50 (e),(f)

**Headcount employees by contract type**

| | Female | Male | Not reported | Total |
|---|---|---|---|---|
| Permanent employees | 1583 | 1979 | 5 | 3567 |
| Temporary employees | 40 | 58 | 0 | 98 |
| **Total** | **1623** | **2037** | **5** | **3665** |

S1-6: 50 (b)-i, ii

## 6.2. Headcount by gender

The workforce distribution was 55.6% male, 44.3% female, and 0.1% not declared in FY25. We are in our 40%/60% targets (both ways) but we know we can act to do better. Our recruitment practices have been adjusted this year to reinforce the importance of a diverse workforce in terms of gender and beyond, through gender targets and gender sourcing tools and mechanisms. We focus on audit functions (40,3% of female in assurance) and hiring processes in our newly opened office in Porto (40,7% of female overall). S1-6: 50 (e)

**Headcount employees by gender per LoS - all firm**

| | Female | | Male | | Not declared | | Total |
|---|---|---|---|---|---|---|---|
| Assurance | 716 | | 1062 | | 3 | | 1781 |
| Tax | 286 | | 322 | | 0 | | 608 |
| Advisory | 246 | | 297 | | 1 | | 544 |
| Corporate services | 375 | | 356 | | 1 | | 732 |
| **Total** | **1623** | **44%** | **2037** | **56%** | **5** | **—%** | **3665** |

**Headcount employees by gender per Los - Luxembourg**

| | Female | | Male | | Not declared | | Total |
|---|---|---|---|---|---|---|---|
| Assurance | 644 | | 952 | | 3 | | 1599 |
| Tax | 275 | | 310 | | 0 | | 585 |
| Advisory | 240 | | 291 | | 1 | | 532 |
| Corporate services | 372 | | 350 | | 1 | | 723 |
| **Total** | **1531** | **45%** | **1903** | **55%** | **5** | **—%** | **3439** |

**Headcount employees by gender per Los - Porto**

| | Female | | Male | | Not declared | | Total |
|---|---|---|---|---|---|---|---|
| Assurance | 72 | | 110 | | 0 | | 182 |
| Tax | 11 | | 12 | | 0 | | 23 |
| Advisory | 6 | | 6 | | 0 | | 12 |
| Corporate services | 3 | | 6 | | 0 | | 9 |
| **Total** | **92** | **41%** | **134** | **59%** | **5** | **—%** | **226** |

| Headcount employees by gender per management level - all firm | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Female | | Male | | Not declared | | Total |
| Partner | 48 | | 140 | | 0 | | 188 |
| Managing director | 13 | | 27 | | 0 | | 40 |
| Director | 82 | | 156 | | 0 | | 238 |
| Senior Manager | 166 | | 211 | | 0 | | 377 |
| Manager | 224 | | 291 | | 0 | | 515 |
| Senior Associate | 538 | | 587 | | 2 | | 1127 |
| Associate | 463 | | 563 | | 3 | | 1029 |
| Administrative | 60 | | 16 | | 0 | | 76 |
| Intern/Trainee | 29 | | 46 | | 0 | | 75 |
| **Total** | **1623** | **44.3%** | **2037** | **55.6%** | **5** | **0.14%** | **3665** |

S1-6: 50 (a)

## 6.3. New hires by gender

Overall, our new hires gender balance is within our 40%-60% target both ways, but we still face issues to hire women in some functions. Despite our efforts, as in previous years, we observe a female talent shortage in schools and universities, which leads to an unbalanced proportion of men and women in our new joiners at junior level.

To reverse this trend, and recruit a more gender-balanced workforce, we promote our opportunities to a gender-diverse student audience: we are present at early stages in students' lives, bringing gender-diverse PwC representatives to universities and schools to promote our careers and give testimonials of successful professional experiences. Looking at our current status, gaps are smaller at the manager level and below, which suggests that efforts made over the past few years to build a stronger succession pipeline for senior roles with more women are beginning to show results. S1-6: 50 (e)

| New hires by gender | | | | | | | |
|---|---|---|---|---|---|---|---|
| LoS | Female | | Male | | Not declared | | Total |
| Advisory | 47 | | 71 | | 1 | | 119 |
| Tax | 43 | | 46 | | 2 | | 91 |
| Assurance | 221 | | 310 | | 3 | | 534 |
| Corporate services | 91 | | 80 | | 4 | | 175 |
| **Total** | **402** | **44%** | **507** | **55%** | **10** | **1%** | **919** |

S1-ESRS 2-MDR-M: 75, 77 (c)

## 6.4. Turnover

We believe that a voluntary turnover between 10% and 15% is a healthy rate for ensuring we remain innovative and diverse, allowing both a natural renewal of skills and perspectives as well as relevant opportunities for our employees to grow and develop. This year, we maintained a steady voluntary turnover rate at 13.1%. This overall level of stability indicates that our recruitment processes and retention tools provide results.

The overall turnover rate is a few percentage points higher, at 18.1%, since it includes non-voluntary exits as well (i.e: retirement, dismissal), with a total of 954 employees. We include here the cases where the end of the probation period was initiated by the employer. S1-6: 50 (c)

Methodology-wise, internship positions as well as short-term assignments were excluded from the calculation to ensure the data reflects permanent and long-term employment trends.

S1-6: 50 (e)

| Turnover by management level | | |
|---|---|---|
| Management level | Voluntary turnover % | Total turnover % |
| Partner | 1.00% | 5.60% |
| Managing director | —% | —% |
| Director | 4.60% | 8.50% |
| Senior Manager | 8.10% | 12.20% |
| Manager | 10.40% | 13.70% |
| Senior Associate | 18.90% | 22.50% |
| Associate | 14.60% | 22.80% |
| Administrative | 11.20% | 18.60% |
| **Total** | **13.10%** | **18.10%** |

S1-6: 50 (c)

## 6.5. Methodologies and assumptions to compile the headcount and the average across the reporting period

The number of employees was calculated based on the headcount as of the fiscal year-end (30 June 2025), without accounting for fluctuations throughout the reporting period, in line with S1 Application Requirements - 57. We disclosed the data as headcount and not as full time equivalent, meaning one employee equals one headcount.

The number of burnout cases and absenteeism rate are provided by Association pour la Santé au travail des secteurs Tertiaire et Financier (ASTF) and they do not include information for our PwC Services Portugal entity since they are not in scope of ASTF due to the geographical location. S1-ESRS 2-MDR-M: 77 (b)

Following S1-6: 50 (a)-(c), we established the following definitions:

**Employees**

The headcount of people who have an employment relationship with the firm on 30 June 2025: Partners, determined duration and undetermined duration contracts, trainees/interns and employees on long-term assignment who are in PwC Luxembourg and PwC Services Portugal on 30 June 2025.

**Non-employees**

The headcount of people who are not employed by PwC Luxembourg and PwC Services Portugal but performing work for PwC on 30 June 2025. These include contingent workers (freelancers), STAs (short term assignment) inside PwC Luxembourg and PwC Services Portugal and LTAs (long term assignment) who work on missions in other PwC offices outside PwC Luxembourg and PwC Services Portugal.

**Total number of employees**

The total headcount of employees.

**Total number of employees by gender**

The total headcount of employees divided by “male”, “female” and “not reported”.

**Full-time equivalent (FTE)**

The headcount of employees with a contract of 40 hours at PwC Luxembourg on 30 June 2025.

**Permanent employees**

We included all employees with a permanent contract.

**Temporary employees**

We included all the employees with a temporary contract (including interns and short-term assignment).

**Non-guaranteed hours employees**

Is not applicable.

**Turnover**

Refers to the rate at which employees left our organisation during the reporting period. Interns and colleagues on STA are excluded from calculation. The formula we use to calculate the rate is: total number of contract terminations divided by the average headcount. We calculate the average headcount by dividing the sum of the monthly headcount by number of months from the beginning of the fiscal year. We distinguish between two types of turnover:

- **Voluntary turnover:** resignations and end of probation period initiated by the employee.
- **Total turnover:** includes voluntary turnover, but also includes the number of dismissals, retirements and deaths.

S1-6: 50 (d)-i-ii, S1-7: 55 (b), S1-ESRS 2-MDR-M: 75, S1-ESRS 2-MDR-M:76, S1-ESRS 2-MDR-M: 77 (a),(c),(d)

# 7. S1-7: Characteristics of non-employees

As of June 30, 2025, PwC Luxembourg had **143 non-employees**, comprising contractors and individuals on STA from other PwC Network offices. The contractors who account for approximately **85% of the total** are brought in on a project-specific basis, contributing with their expertise for a defined period and scope. The remaining **15%** of non-employees are part of **Short-Term Assignments (STA)**, comprising professionals temporarily seconded from other PwC Network offices.

These assignments typically last up to one year and are intended to foster collaboration, facilitate knowledge exchange and support strategic priorities across the network. S1-7: 55 (c)

| Headcount non-employees | |
|---|---|
| Contractors | 122 |
| Short Term Assignment | 21 |
| **Total non-employees** | **143** |

S1-7: 55 (a)

# 8. Working conditions – Working time, work-life balance, talent management, and remuneration

The material topics of working time, work-life balance, talent management, and remuneration have been grouped under the broader theme of working conditions, as they are closely interrelated. While each topic involves distinct actions, metrics and targets, they share synergies in terms of resources allocation and organisational practices aimed at supporting employee well-being and operational efficiency.

Although talent management is not explicitly covered under ESRS S1, it has been identified as both a material risk and one opportunity in our DMA. We consider it a strategic priority, as it underpins long-term success through talent acquisition, retention, and development. It also supports leadership development, and employer brand positioning in a competitive market.

According to ESRS, remuneration metrics are typically reported under the sub-topic "Equal treatment and opportunities for all". However, given the strategic link between remuneration and talent management, and its direct relevance to working conditions, we have chosen to report it under the working conditions section. This reflects the operational realities of our business and aligns with how we manage and monitor employee-related impacts, risks and opportunities.

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **ESRS S1 – Own workforce – Working conditions** | | | | |
| Negative impact | Employee wellbeing is impacted by the high performance culture and workload combined with insufficient disconnection. | Short -term | Actual | ◁●▷ |
| Positive impact | Flexible work options—including remote work, satellite offices, and international mobility—contribute to a positive and motivating work environment. | Short -term | Actual | ◁●▷ |
| Negative impact | Differences in location and legal frameworks may lead to variations in integration and management of PwC Services Portugal. | Short -term | Potential | ◁●▷ |
| Risk | PwC Luxembourg incurs a risk on talent attraction and retention due to wages, housing situation in Luxembourg, attractivity of Luxembourg, intense work environment and attractivity of audit profession. | Short -term | Current | ◁●▷ |
| Opportunity | Providing clear career paths and development opportunities to a diverse workforce are a differentiator for PwC in terms of talent attraction, ensuring also future employability of our People. | Short -term | Current | ◁●▷ |
| Risk | Variations in team management practices and skills have pose a risk of negatively affecting employee engagement and increasing turnover. | Short -term | Current | ◁●▷ |
| Opportunity | Improved working conditions and wellbeing could be a solution to maintain high level of quality of services. | Short -term | Anticipated | ◁●▷ |

◀ Upstream ● Own operation ▶ Downstream

## 8.1. S1-4 Actions

Our well-being strategy is one of the key pillars of the working conditions we propose to our employees. We integrate well-being principles in our employee's management processes and policies in the following areas:

| Proximity management | Talent management | Flexibility and work-life balance | Be Well, Work Well programme | Absenteeism rate and burnout |
|---|---|---|---|---|

S1-4: 37, S1-ESRS 2-MDR-A: 68 (a)

### 8.1.1. Preventing, mitigating or remediating negative impacts and determining appropriate actions

We are committed to ensuring that our policies, actions and strategic targets do not cause or contribute to any material negative impacts or risks to our workforce. To ensure well-being strategy is not only aspirational but also actionable in our daily operations, we integrate it into key strategic dimensions, including:

- **Evolved PwC Professional framework (EPP)** which outlines leadership capabilities that support a sustainable firm. Walk-the-Talk, Excellence, Entrepreneurship are behavioural traits that we consider key to spread the proper culture within our firm. (see G-1 Business Conduct).
- **Firm values** – to act with integrity, make a difference, care, work together, and reimagine the possible – which promote care and respect in daily interactions (see G-1 Business Conduct).
- **Code of Conduct,** which defines ethical standards aligned with the firm's values (see G-1 Business Conduct).
- **Corporate responsibility ambition,** which focuses on long-term thinking and sustainable growth and also identifies employee wellbeing as a key topic for long-term sustainability (see ESRS 2 SBM1 –Strategy, business model and value chain and Contribution to Society).

S1-4: 38 (a), S1-4: 39, S1-4: 41

This integrated approach ensures that wellbeing-related decisions are informed by structured feedback, ethical standards and strategic priorities, enabling the firm to prevent, mitigate and remediate negative impacts.

With regards to remediating negative impacts related to working conditions, we describe in detail the process to raise concerns and access remediation solutions in sections S1-3: Processes to remediate negative impacts and mechanisms for employees to voice concerns and G1-2 Reporting misconduct and protecting whistleblowers.

S1-4: 38 (b); S1-ESRS 2-MDR-A: 68 (d)

### 8.1.2. Proximity management

Being close to our employees leads to people feeling seen, heard, and valued, which leads to a better feeling of belonging. Our HR teams are devoted to supporting and guiding our team leaders through their journey to ensure that they become 'proximity' managers.

Team leaders now have generally up to six employees under their supervision, which enables them to create true connection and allow for more regular interactions. We formally appointed more than 600 team leaders this year compared to about 440 in the year before (excluding Partners).

Going forward, for FY26, we will specifically work on how to enhance criteria to select our team leaders as well as providing them the means to play their role at their best. We want to create a community of team leaders and equip them with the necessary skills for their role (talent Management Framework, soft skills and continuous training and presentation).

In Porto, given that the team leaders of the newly hired teams are in Luxembourg, a dual-support system was implemented: team leaders to provide remote guidance and proximity coaches to offer local support during onboarding, career progression, engagement, and communication.

In FY26, we will continue developing the Empowered Team Leader (ETL) programme by deploying three key building blocks, in alignment with our leadership strategic priorities and informed by the GPS feedback and action plan:

**Role and responsibilities of ETLs**

Revamp to promote empowerment and reduce administrative burden.

**Assessment and recognition of ETLs**

Develop a fair, structured, standardised and data-driven evaluation model.

**Development, growth and engagement of ETLs**

Tailored learning journeys and community-building through events and co-development opportunities.

S1-4: 38 (a),(c), S1-4: 40 (a),(b)

### 8.1.3. Talent management

Building the right workforce is critical not only to meet today's needs but also to secure the skills and leadership we require for the future. This year, we advanced our talent acquisition approach to be more selective and impactful, while also strengthening our talent management framework to foster engagement, growth, and alignment with our cultural traits.

#### Talent attraction and acquisition

FY25 has been a period of transition in talent acquisition, with hiring numbers decreasing compared to FY24.

We organised and participated in 170 campus events in Luxembourg and 24 in PwC Services Portugal, ranging from job fairs and firm presentations to workshops, networking events, and in-house sessions. Moreover, we launched a brand ambassador community where employees share initiatives—such as employee benefits—on their social media to build authentic engagement and run cost-effective campaigns.

In addition, and to attract more junior profiles, one key initiative was the creation of a brand ambassador community made up of employees, acting as micro-influencers to build authentic engagement and deliver cost-effective campaigns.

Looking ahead, in FY26 we will focus on finalising and launching our Talent Attraction and Acquisition Dashboard, allowing us to monitor hiring metrics and recruitment efficiency. We focus to actively recruit employees with diverse skill sets, as this variety of expertise is essential to the strength and sustainability of our business model. We monitor our campus strategy via the existing campus dashboard and we monitor activities on our social media channels via metrics provided by our marketing and communication professionals.

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### Talent retention and development

Our Talent Management Framework is designed to align with employee aspirations and promote continuous development. It integrates our cultural traits into core processes such as the Contribution Framework across all management levels, the Promotion Framework and a new feedback platform playing a significant role in this transformation, enabling:

- Behavioural monitoring through structured feedback aligned with the cultural traits.
- Continuous feedback culture, encouraging employees to both give and request multidirectional feedback regularly.
- Team Leader assessments, supporting informed and consistent evaluations.

To ensure clarity and impact, training content to equip team leaders for feedback and career conversations was developed in collaboration with our Learning & Development Team. We used several internal communication platforms to drive awareness and engagement on the new processes.

Looking ahead, we will continue to further stabilise and improve our Talent Management Framework in FY26.

S1-4: 40 (a),(b)

## 8.1.4. Flexibility and work-life balance

The "time-flexibility" initiative supports work-life balance and mitigate negative impacts. It targets employees in Luxembourg and Porto offices. Currently, we implemented a range of time-flexibility options in Luxembourg and Porto:

S1-4: 38 (a),(b),(c)

### Daily flexibility

Employees can adapt their working hours to accommodate personal obligations.

### Bi-monthly flexibility

Partners, Directors, and Managers can adjust their working time over two-week periods.

### Extra holidays

Employees can purchase additional leave using bonuses or gross salary.

### Working from abroad

Under certain conditions, our employees can work outside Luxembourg.

### Work from home

Employees residing in Luxembourg are entitled to work from home, with a mandatory presence in one of PwC Luxembourg's offices at least twice per week. Non-resident employees may also benefit from home-based working, provided it complies with the fiscal regulations of their country of residence. In Portugal, employees are allowed to work remotely up to two days per week, except for Long Term Assignments (LTAs), who are expected to be on premises every working day.

### Satellite offices

This measure only concerns employees working at PwC Luxembourg and enables employees to use one of the eight satellite offices, located in Luxembourg and near residency areas in Belgium, Germany, and France, hence reducing their commuting time.

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### 8.1.5. Be Well, Work Well programme

We created the "Be Well, Work Well" programme with the purpose to enhance the wellbeing of our employees based in Luxembourg. The programme promotes a corporate culture of physical, mental, and emotional wellbeing. Current actions are focusing on the following areas:

- **Physiological and physical wellbeing:** On-site sports sessions, partnerships with personal trainers, physiotherapy and chair massage services, nap and relaxation room and aromatherapy.
- **Psychological and mental health:** Access to mindfulness meditation app, external professional support for individuals showing risk of "close to burnout", including psychological counselling and workload adjustments, coaching sessions, hypnosis sessions, post-parental leave reintegration coaching sessions.

Our colleagues in Porto benefit from the "Lift Your Wellness" programme, which provides access to individual psychological support and counselling sessions. We offer three sessions with Outcome, a provider with a specialised team of experienced clinical psychologists. These services are delivered with full respect for confidentiality and anonymity. S1-4: 38 (a),(b),(c)

### 8.1.6. Absenteeism rate and burnout

We take a proactive approach to preventing burnout through our flexibility and wellbeing actions. Additionally, we provide external professional support to those who expressing signs of exhaustion by providing psychological support and adapting the workload. We want to ensure we can identify employees with mental and physical difficulties caused by stress, anxiety and significant workload. We are looking at several indicators in that field, including the absenteeism rate for illness-related absences. S1-4: 38 (a),(b),(c)

The actions mentioned above are meant to target our employees, irrespective of their physical location. They are not limited in time but rather based on a continuous improvement logic. S1-ESRS 2-MDR-A: 68 (b),(c)

## 8.2. S1-4 Resources

Our HR department manages the strategy and the day-to-day operations as well as any new projects in connection with the topics described above. We allocate both human and financial resources to address the material impacts identified through our IRO assessment. To strengthen proximity management programmes specifically, we assigned more than fifteen team members on leaders' empowerment, soft skills and managerial development related projects.

In line with our focus on employee wellbeing, we allocated four employees at 100% and a total budget of €500,000 for the implementation of various components of the "Be Well, Work Well" programme. This funding also encompasses Diversity, Equity, and Inclusion (DEI) initiatives, further contributing to the management of social and cultural impacts. For more information, refer to the section on Equal treatment and opportunities for all.
S1-4: 43, S1-ESRS 2-MDR-A: 69 (a),(b),(c)

### 8.2.1. Scope and time horizon of actions

All initiatives outlined in ESRS S1 section are applied consistently across the entire organisation, covering all our employees. "Be Well, Work Well" programme is offered exclusively to Luxembourg-based employees, while PwC Services Portugal employees benefit from the 'Lift Your Wellness'. Our DEI actions were not available for our Porto-based employees this year, but will be introduced as of FY26. The actions are not limited in time but are operated on a continuous basis and enhanced year after year. S1-ESRS 2-MDR-A: 68 (b),(c)

## 8.3. S1-4 / S1-5 – Metrics and targets

### 8.3.1. GPS metrics and targets

We monitor the well-being of our employees through five Indexes.

| Index | FY25 | Target |
|---|---|---|
| Flexibility & Empowerment Index | 58% | 65% |
| Wellbeing Index | 65% | 70% |
| People Engagement Index | 71% | 80% |
| Intent to stay Index | 75% | 75% |
| Proximity Management Index | 68% | 75% |

- **The Flexibility and Empowerment Index** and the **Wellbeing Index e**xplore how employees perceive their ability to maintain personal wellbeing and pursue careers within PwC Luxembourg. The indexes are based on statements covering leadership support, healthy lifestyle, and career progression. They provide insight into employee satisfaction help identify and mitigate wellbeing risks and guide future improvements.
- **The People Engagement Index (PEI)** reflects how connected and committed employees feel within our firm. For FY25, the PEI stands at 71%, although below the 80% target, it indicates that a significant majority of our employees are fully engaged. The PEI index is based on key statements including, enjoyment at working, alignment with PwC's Luxembourg values, and sense of belonging. As a professional services partnership, the firm's employees are central to delivering client impact, executing strategy, and living the firm's values. This explains why PEI is a critical leadership metric.
- **The Intent to Stay Index** stands at 75%. This index reflects employees' willingness to remain at PwC Luxembourg over the next 12 months and reinforces the strong sense of engagement and connection highlighted in the PEI.
- **The Proximity Management Index** monitors our progression towards a closer management of our employees and assesses the quality of relationships between employees and their managers. It focuses on key dimensions such as transparency, coaching, feedback, and developmental support. S1-5: 44 (a),(b),(c)

The five indexes provide valuable insight into employee satisfaction, engagement, wellbeing and leadership dynamics, enabling us to identify risks, guide improvements, and ensure alignment with our values. S1-4: 38 (d), S1-ESRS 2-MDR-T: 80 (a),(b),(c),(d),(e),(j)

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### 8.3.2. Voluntary employee turnover rate

This rate is calculated as the ratio between the number of voluntary terminations—defined as resignations and end-of-probation cases initiated by employees—and the average headcount. The average headcount is determined by summing the monthly headcount figures from the beginning of the financial year and dividing them by the number of months. S1-ESRS 2-MDR-T: 80 (b),(f)

We consider it healthy to have a minimum voluntary turnover between 10% and 15% to foster innovation, diversity, and career development opportunities. It may differ upon the specificity of certain departments: in some, a more stable workforce is expected to better support the business continuity, in others, a higher turnover is the reality and considered within good limits. Being in that healthy turnover rate is influenced by external factors such as mobility constraints and a tight, expensive real estate market. S1-ESRS 2-MDR-T: 80 (j)

This metric slightly differs from the one required under ESRS S1-6(c), which includes all employees' departures (e.g. dismissals, retirements, deaths in service). Historically, PwC Luxembourg has only considered voluntary departures when calculating this rate, and targets have been defined accordingly. We monitor both and fix a target between 10% to 15% for voluntary turnover. S1-5: 44 (a),(b),(c), S1-ESRS 2-MDR-T: 80 (c),(i)

### 8.3.3. Absenteeism and burnout cases

Absenteeism and burnout cases metric serve multiple purposes such as reducing negative impacts, advancing positive impacts and managing material risk and opportunities. Although not required by ESRS, we decided to voluntarily report on those metrics. S1-ESRS 2-MDR-T: 80 (a),(b)

At PwC Luxembourg, The Luxembourgish Association pour la Santé au Travail du Secteur Financier (ASTF) is our official source to report our absenteeism rate and number burnout cases. Based on their data, our total absenteeism rate was **3.93%**, in line with the average sector rate of **3.87%**. The total number of burnout cases was 20 for the entire duration of the fiscal year, in line with the results from previous year. S1-ESRS 2-MDR-T: 80 (j)

Despite our efforts, burnout still occurs. There may be cases not recorded by the ASTF, as the employee may prefer a purely private path or to be qualified differently. Additionally, as we report in fiscal years, running from July till June, the ASTF reports on full calendar years. Considering this, we potentially have more cases than are reported. Even with a decreasing number of cases reported, we will relentlessly continue our work-life balance initiatives to enhance our healthy working environment, physically and mentally.

### 8.3.4. Talent management

No specific numerical targets have been set for talent management at this stage, however we track the progress through various metrics across the talent management journey. The five GPS metrics and targets described in the section above GPS metrics and targets offer insights into key areas of the talent journey, offering important information to guide and target our actions. Training and skills development represents another key area to monitor talent and career progression, as described in section Equal Treatment and Opportunities for All - Training and Skills development. S1-ESRS 2-MDR-T- 81 (a),(b)

### 8.3.5. Methodology, monitoring, and improvement process

The process to define, monitor and report on both quantitative and qualitative metrics and targets related to our workforce is led by the HR department under the accountability of the People Leader. A dedicated HR team is in place to deal with HR related processes and policies, metrics and figures and provide standardised KPIs for internal and external purposes. S1-5: 47 (a), S1-ESRS 2-MDR-T: 80 (h)

In FY25, in the context of the CSRD implementation project, we clarified and standardised our HR qualitative and quantitative KPIs related to the employee dimension. We applied the ESRS requirements precisely and ensured that what we share externally is the same as what we use internally to monitor, report and make decisions on our employee strategy, including reports given to the HR Leadership Team and the Management Board. To identify the relevant data to gather and the proper KPIs to monitor, we leveraged on the Double Materiality Assessment (DMA) take aways, as described in ESRS 2 – DMA section. S1-ESRS 2-MDR-T: 80 (h)

Targets are developed using internal benchmarking, historical performance data, alignment with global goals or local priority areas, always considering local operational realities. They were validated by the People Leader, in alignment with the importance of these topics as per the DMA. All metrics and targets are validated by the Management Board. They are set up either annually or for longer terms and monitored constantly to track progress and identify gaps through quarterly reports. S1-5: 47 (a), S1-ESRS 2-MDR-T: 80 (f)

Communicating publicly our targets is a way for us to commit ourselves to improve our sustainability journey by fixing a path, actions and objectives. We publish a full set of targets since our FY23 annual reports. Reporting under the CSRD for FY25 is a continuation of our sustainability practices already in place.

Performance is tracked by our HR department using defined KPIs, internal dashboards, and regular reporting cycles. This integrated approach allows us to reduce negative impacts, advance positive outcomes and manage material risks and opportunities related to our workforce. S1-5: 47 (b),(c), S1-ESRS 2-MDR-T: 80 (j)

The CSO is in charge to report publicly through the CSRD report and to ensure a full consideration of impacts, risks and opportunities in our employee strategy. The team works closely with the HR Leadership Team and the HR department to define actions to manage the IROs, to monitor their execution during the year, and to ensure a full alignment with ESRS guidelines. S1-5: 47 (b)

## 8.4. S1-15: Work-life balance metrics

As mentioned in section S1-4 Actions and Resources – Working Conditions, we are committed to supporting work-life balance through a range of employee benefits, including parental leave, paid leave, healthcare, and flexible working arrangements, both in terms of time and location. All employees are eligible for family-related leave. The table below provides a breakdown of employees who have taken family-related leave, disaggregated by gender.

Luxembourg’s parental leave policy is a strong asset of the country, one we fully embrace and integrate into our wellbeing strategy. We have reached this year an almost equal balance of men and women taking parental leave, reflecting a positive shift towards shared responsibilities.

Our “Back & Happy Parents” programme currently provides dedicated support to parents returning from maternity and/or parental leave, helping ease their transition back to work and reinforcing our commitment to employee retention. Recognising the value of a supportive re-onboarding experience, we are actively working to broaden the programme's scope in FY26, to include employees returning from other types of long-term absence, such as extended medical leave.

We introduced a late-year review process that allows employees on parental leave to remain eligible for promotion. Upon their return, parents benefit from individual coaching sessions focused on reintegration and career development, along with access to a dedicated Mother's Room offering comfort and privacy. Parents are also invited to join a community that connects through expert-led workshops and informal gatherings. S1-ESRS 2-MDR-M: 75, S1-ESRS 2-MDR-M: 77 (c)

**Utilised family-related leave**

| Gender | Number | Total headcount by gender | Percentage |
|---|---|---|---|
| Male | 425 | 2037 | 21% |
| Female | 455 | 1623 | 28% |
| Not Reported | 1 | 5 | 20% |
| **Total** | **881** | **3665** | **24%** |

S1-15: 93 (a),(b), S1-ESRS 2-MDR-M: 77 (c)

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### 8.4.1. Methodologies and assumptions

The starting point for the calculation is the list of employees who were still in service on 30 June 2025. This approach results in the exclusion of employees having left before the end of the fiscal year. The percentage of employees who have taken family-related leave is calculated by dividing the number of employees who used the leave, disaggregated by gender, by the total number of employees of that gender. This calculation is based on internal data collected throughout the reporting period. Family-related leave includes: child illness leave, bereavement leave (compassionate leave), adoption leave, maternity leave, paternity leave, parental leave, caregiver leave, breastfeeding leave, leave for other family reasons. S1-ESRS 2-MDR-M: 77 (a)

## 8.5. S1-16: Remuneration metrics

Remuneration emerged as a material risk in our DMA, particularly in connection to talent attraction and retention. The risk appears to be influenced by several observable trends: persistent challenges in the housing market continue to affect affordability and quality of life; indicators of national attractiveness show signs of decline; and the audit profession is experiencing workload pressures that may impact its appeal to current and prospective professionals.

### 8.5.1. Remuneration principles

We conduct annual market benchmark studies and compare how entry-level salaries for qualified employees evolve relative to the social minimum wage in Luxembourg. These evaluations inform salary reviews for specific employee groups. For PwC Services Portugal, we relied on the assessment provided by PwC Portugal, knowing the local context.

In terms of remuneration package for our client-facing employees, the FY25 minimum entry salary is set at 115% of the Minimum Social Salary in Luxembourg and 132% in Portugal. We believe that this gap reflects the comparatively high Luxembourg minimum social salary compared to wages fixed freely in the private sector.

We have launched a project to align our remuneration practices with the EU Pay Transparency Directive, treating this as a strategic priority. This initiative aims to embed clear, objective and bias-free pay systems across the firm to reduce unconscious bias and foster employee trust. The outcome of this alignment process will be published in the next CSRD report, covering the FY26 period.

For more details on remuneration, please see sections S1-1 Policies - Compensation and benefits and Equal Treatment and Opportunities for All. S1-16: 97 (c)

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### 8.5.2. Gender pay equality (Equal pay for equal work)

Beyond unadjusted gender pay gap described above, we apply the principle of "equal pay for equal work". The calculation methodology as well as the purpose of this metric is very different from the metric described below. It is meant to assess if men and women in comparable roles receive the same total compensation. We take into account fixed and variable pay, with justified and explainable outliers excluded. For comparison accuracy, we do not take into account part time employees and overtime. This supports a positive working environment and long-term competitiveness. Our goal is to offer meaningful careers that reflect each person's skills and ambitions.

To assess our progress on gender pay equality, we use LOGIB, a tool provided by the Swiss Federal Office for Gender Equality, which applies multiple linear regression analysis. The model accounts for variables including gender, education, skill level, and job complexity, aligned with the firm's internal management levels.

This year, we expanded our analysis to include gender pay equality among Partners for the first time, revealing a 0.4% difference in favour of women. At the same time, with 74.5% of our Partner population being men, we recognise the need to continue strengthening our efforts toward achieving a more balanced representation at this management level, in line with our 40–60% gender balance target.

For staff, the pay gap stands at 0.6% in favour of men, a slight improvement compared to last year. For now, we will continue reporting separately on Partners and staff, as the evaluation frameworks for the two groups follow different logics. S1-ESRS 2-MDR-M: 77 (a)

| Gender pay equality (Equal pay for equal work) | FY25 | Target |
|---|---|---|
| Staff | 0.6% | <1% |
| Partners | 0.4% | <1% |

S1-16: 97 (a), S1-ESRS 2-MDR-M: 75, S1-ESRS 2-MDR-M: 77 (c)

### 8.5.3. Unadjusted gender pay gap

We calculate the unadjusted gender pay gap as the difference between the average gross hourly pay for men and the average gross hourly pay for women, divided by the average hourly pay for men, in line with ESRS application requirements. We took into account the total gross remuneration as defined by ESRS, for full time employees, excluding overtime (assuming a 40-hour work week). This calculation method highlights that a pay gap arises when there are more men in senior positions in an organisation. For FY25, the unadjusted gender pay gap is 26%, which underpins the importance of increasing female representation in senior positions. For more information on our actions and targets in connection to this topic, refer to section Equal treatment and opportunities for all - Diversity, Equity and Inclusion.

### 8.5.4. Ratio between the highest paid individual and the median total remuneration

We calculated the ratio between the annual total remuneration of the highest paid individual and the median annual total remuneration for all the employees (excluding the highest-paid individual), in line with ESRS requirements, which for FY25 is 37.8. S1-16: 97 (b)

### 8.5.5. Methodology and assumptions

The gender pay equality analysis is externally validated using LOGIB, while the gender pay gap and remuneration ratio are calculated internally and included in the limited assurance scope of the audit process performed by our external auditor. Both metrics related to pay gap are considered material to the firm's DEI strategy and are used to guide ongoing improvements in pay equity. For FY25 data, we have not included in our calculations the employees in PwC Services Portugal, due to differences in methodology to assess job complexity and the fact that they represent a small proportion from our total number of employees (6%).

We will however assess during FY26 how we can adjust the calculation methodologies in order to include PwC Services Portugal as well in all remuneration metrics. Minor uncertainties may arise from classification inconsistencies or incomplete records. These are not expected to materially affect the reported outcomes but are disclosed to ensure transparency. S1-ESRS 2-MDR-M: 77 (b)

# 9. Equal treatment and opportunities for all – Training and skills development

We have identified one of the positive impacts related to training and skills development, which highlights the investment done by the firm in technical, hard and soft skills enhance long-term employability.

**Material IROs related to training and skills development**

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **ESRS S1 – Own workforce – equal treatment and opportunities for all** | | | | |
| Positive impact | Ongoing investment in employee technical skills, including AI, soft skills and technical skills trainings supports long term employability in a changing market. | Short -term | Actual | ◁●▷ |

◀ Upstream ● Own operation ▶ Downstream

## 9.1. S1-4 Actions

### 9.1.1. Learning and development

Investing in and upskilling our employees is essential to fostering engagement and driving firm performance. Our development model is grounded in three complementary dimensions of learning:

| Experiential learning | Social learning | Structured learning |
|---|---|---|
| Employees build capabilities through hands-on experience, working directly with clients and colleagues to solve real-world challenges. This practical exposure is the foundation of their growth. | Development is enriched through collaboration, feedback, and mentorship. By learning from peers, role models, and coaches, employees gain insights and refine their skills in a supportive environment. | Formal training opportunities such as workshops, classroom sessions, e-learning, and research provide targeted knowledge and help deepen specific competencies. |

S1-4: 37, S1-ESRS 2-MDR-A: 68 (a)

In FY25, we continued to reinforce our offering of talent programmes, technical certifications and compliance trainings. These initiatives not only build critical skills across the organisation but also help mitigate operational and regulatory risks. A key focus was placed on innovation, particularly co-developing AI capabilities with business to ensure that employees are equipped to responsibly navigate emerging technologies. Themes such as inclusion, culture and entrepreneurship were embedded throughout learning experiences, reinforcing our employee's value proposition centred on growth and purpose.

As an audit firm, we also have to continuously improve our compliance training curriculum for all employees and newly promoted colleagues, covering ethics and business conduct, anti-money laundering, anti-corruption, and firm-specific policies. These training courses align with our network standards and strengthen awareness of key compliance topics. We describe them more precisely in the G1 – Business conduct section.

Every year, we also organise training sessions for the *réviseurs d'entreprises* (statutory auditors) and the *réviseurs d'entreprises agréés* (approved statutory auditors), to maintain high standards of theoretical knowledge, professional skills, and ethical values. These sessions comply with CSSF requirements, including documented evidence of content, duration, provider, and attendance.

To complement local initiatives, we leverage various PwC Network offerings that strengthen technical and leadership capabilities. EMEA programmes like Tax Academy, Advisory University build deep technical expertise and other communities, while the Senior Manager/Director Leadership Curriculum accelerates leadership growth through curated learning journeys for our key talent. These initiatives ensure our talent remains future-ready and aligned with strategic priorities.

Looking ahead to FY26, the firm's focus will shift toward a more integrated and experiential approach to learning. It will transition from traditional programme portfolios to curated learning journeys that emphasise exposure, experience and timely enablement. This evolution will support skill proficiency and leadership development, particularly through enhanced pathways to empower team leaders following our proximity management strategy. Executive development will be prioritised to equip senior leaders with tools to shape organisational culture and strategic direction. L&D will increasingly co-create learning experiences with the business Line of Services, fostering a culture of continuous growth, innovation and leadership excellence. S1-4: 38 (a),(b),(c), S1-ESRS 2-MDR-A: 68 (b),(c)

### 9.1.2. Performance management

We take a proactive approach to workforce development by embedding continuous performance management into our culture. Rather than relying solely on short-term evaluations, we assess employee contributions throughout the fiscal year, considering both staff and Partners. This approach is built around two dimensions:

- **Employee conduct:** KPIs reflecting the alignment with the firm's culture, purpose, and values. At management level, a specific emphasis is put on employee satisfaction, employee development and overall management skills.
- **What employees deliver:** measured through KPIs linked to client service, strategic priorities, and departmental goals.

Employees and Partners performances are evaluated differently:

**For employees**, performance objectives are set at the start of the fiscal year and revisited through regular "Sit & Talk" coaching conversations. Team leaders gather feedback from multiple sources including peers, clients, and project teams, to contextualise individual contributions. The process is supported by the evolved PwC's professional framework that integrates business priorities, expected behaviours and key skills, enabling tailored development and early identification of challenges.
This contribution-based model promotes a sustainable view of employee value and fosters a culture of recognition, growth and accountability. At year-end, performance is summarised into three clusters guiding development plans and career progression. In FY25, all eligible employees received performance reviews.

**For Partners**, performance is evaluated from two different angles. The Market Rating reflects client-centric achievements, including business development and client feedback.
The firm rating assesses individual contribution to collective firm-level priorities including employee leadership (e.g. training and coaching, DEI, hiring, helping our talents to grow), financial KPIs, strategic initiatives, internal roles and cross departmental collaboration on priority areas. The Overall Performance Rating is a weighted blend of market and firm ratings, depending on each partner's agreed focus and profile. A structured rating framework ranks performance from Exceptional (1) to Low (5).

S1-4: 38 (a), S1-ESRS 2-MDR-A: 68 (b)

### 9.1.3. Connection between performance management and remuneration

Performance management is not only a tool for evaluating contributions but a strategic mechanism to support employee development and manage talent-related risks and opportunities. The firm's contribution-based model —anchored in continuous feedback, coaching, and multidimensional performance assessments—directly informs remuneration decisions across all levels of the organisation.

Our employees' performance outcomes are categorised into three clusters reflecting both what employees deliver and how they behave, aligning with the firm's values and strategic priorities. Tangible rewards are linked to these evaluations.

Due to the diversity and expertise of our employees in our internal corporate services, remuneration is determined through a multifactor approach, considering role advancement, scope expansion, and market comparability. This ensures fair and market-aligned compensation practices, while also recognising individual growth and evolving responsibilities.

For Partners, remuneration is connected to both firm and individual performance. The split between these two dimensions is determined annually by the Management Board, depending on overall firm performance and market context. Firm performance is correlated to the principle of solidarity and focuses on collective KPIs all Partners are striving for.

This integrated approach ensures that performance management is not an isolated process but a foundational element of our Talent Management Framework. It supports the firm's efforts to prevent negative impact —such as skill stagnation or lack of recognition — and to manage workforce-related risks and opportunities by aligning development, feedback, and reward systems. S1-ESRS 2-MDR-A: 68 (a)

## 9.2. S1-4 Resources

Our Learning & Development (L&D) Team plays a pivotal role in advancing our employee agenda. Comprising 11 dedicated professionals, the team is structured around three core focus areas: strategic business L&D engagement, leadership development, and operational excellence. This is underpinned by a strong governance framework that ensures alignment with firm-wide priorities.

In response to evolving needs, we have recently introduced a new pillar, innovation, designed to explore and embed cutting-edge learning practices and technologies in FY26. This robust structure reflects our deep commitment to continuous learning and capability building. In FY25, the firm made a significant financial investment of over €4.3 million into L&D, reinforcing our belief that empowering our employees is essential to driving sustainable performance and growth.

S1-4: 43, S1-ESRS 2-MDR-A: 69 (a),(b),(c)

## 9.3. S1-4/S1-5 - Metrics and targets

We monitor our workforce development initiatives through the Future-focused Growth and Development Index.

S1-4: 38 (d)

This index evaluates how well the organisation supports employee learning and career progression, based on key indicators such as opportunities to develop and apply new skills, the relevance of performance and development discussions and access to coaching and guidance for delivering quality work. It also supports us to actively monitor the effectiveness of our training and development policies and actions in relation to material sustainability-related impacts, risks, and opportunities. S1-5: 44 (a),(b),(c)

| Index | FY25 | Target |
|---|---|---|
| Future-focused growth and development | 73% | 85% |

## 9.4. S1-13: Training and skills development metrics

### 9.4.1. Training and performance management

We monitor and evaluate training and skills development through a set of structured metrics designed to assess both reach and impact. S1-4: 38 (d)

We believe that a structured performance review process is key to supporting our employee's development. All employees, with the exception of those who recently joined the firm or are on long term leave, have gone through a performance assessment. As a result, 9 in 10 employees were eligible for a performance review process, with no major variation between women and men, reflecting our commitment to fair growth and advancement opportunities. The colleagues who did not go through this process, were either since less than five months in the firm or were on long term leave for various reasons (maternity, parental, sick leave etc), hence they were not eligible to undergo this process.

In terms of average training hours per employee, we did not set a specific target. This is due to the wide diversity of roles, skill sets, and learning needs across the Lines of Services, which makes a uniform target neither practical nor meaningful. We prioritise a personalised approach for learning and development, tailoring training plans at both individual and team levels to ensure relevance, effectiveness and alignment with strategic priorities.
S1-ESRS 2-MDR-T: 81 (a),(b)

This year, 74% of the training hours offered to employees were completed, with no significant variation between men and women. In terms of total hours offered and total hours completed, we observe a gender gap of approximately 35% and 32%, respectively, between men and women. However, when considering average hours completed, the gap narrows to 19%, and to 16% for average hours offered.

The difference on average hours offered and completed is due to various factors. The most prominent is the rates of maternity and full-time parental leave taken by female employees. As a result, when adjusting for these factors, the difference in average hours offered further decreases to 12.4%, even without accounting for shorter and part-time parental leave. Another contributing factor to the disparity is the higher number of male interns (37% more than female). Notably, in Porto where there are no interns and no employees taking maternity/parental leave, the gender gap for average hours completed and offered is 5% and 4%, respectively. S1-ESRS 2-MDR-M: 77 (a)

**Participation regular performance and career development in %**

| | Female | Male | Not declared | Total |
|---|---|---|---|---|
| Assurance | 89% | 89% | 100% | **89%** |
| Tax | 86% | 89% | 100% | **88%** |
| Advisory | 86% | 91% | 100% | **89%** |
| Corporate services | 97% | 91% | 100% | **94%** |
| **Total** | **90%** | **90%** | **100%** | **90%** |

S1-13: 83 (a)

**Training hours per employee**

| | Female | Male | Not declared | Total |
|---|---|---|---|---|
| Total training hours completed | 76,822 | 117,644 | 8,267 | **202,733** |
| Total training hours offered | 106,538 | 157,387 | 9,594 | **273,519** |
| Average completed trainings hours per employee | 48 | 59 | 127 | **55** |

S1-13: 83 (b)

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### 9.4.2. Promotions

We monitor promotions from a gender perspective, to ensure a balanced pool of employees evolves to the top as our main challenge is to have a balanced men and women diversity at higher grades of the firm. In FY25, we promoted 238 women and 304 men, 44% and 56% respectively (effective promotion date 1st July 2025).

FY25's focus has been to work on clear actions towards a better balance at all levels by working on the recruitment process of the junior population (associates) and promotion process at director level and above, as the higher grades have seen a clear gap historically. Currently, women are filling 34% of director positions and 26% of partner positions. The proportion of promotions reflect a more balanced gender split compared to the overall population per grade. Newly promoted partners were evenly split between women and men (50%-50%), whereas director promotions comprised 39% women and 61% men.

S1-5: 47 (b), S1-ESRS 2-MDR-T: 80 (j)

**Number of promotions by LoS - all firm**

| LoS | Female | | Male | | Not declared | | Total |
|---|---|---|---|---|---|---|---|
| Assurance | 124 | | 162 | | 0 | | 286 |
| Tax | 36 | | 43 | | 0 | | 79 |
| Advisory | 40 | | 47 | | 0 | | 87 |
| Corporate services | 38 | | 52 | | 0 | | 90 |
| **Total** | **238** | **44%** | **304** | **56%** | **0** | **0%** | **542** |

**Promotions by management level**

| | Female | Male | Not declared | Total |
|---|---|---|---|---|
| Partner | 6 | 6 | 0 | 12 |
| Managing director | 0 | 1 | 0 | 1 |
| Director | 9 | 14 | 0 | 23 |
| Senior Manager | 38 | 43 | 0 | 81 |
| Manager | 47 | 73 | 0 | 120 |
| Senior Associate | 128 | 165 | 0 | 293 |
| Associate | 5 | 2 | 0 | 7 |
| Administrative | 5 | 0 | 0 | 5 |
| **Total** | **238** | **304** | **0** | **542** |

### 9.4.3. Methodology and assumptions

Training hours are calculated using our Learning Management System (LMS), which serves as central repository for all learning records. The calculation includes all completed training hours for permanent employees and interns. Training hours are counted for both classroom-based sessions (as defined in our Learning Management System), e-learning modules and self-paced materials. The training hours were calculated only for the employees that were active on 30 June 2025. Contractors and fixed-term employees are excluded from the scope.

The data was separated into training hours offered (total number of hours of training opportunities made available to employees) and training hours completed (actual number of hours employees spent participating in and completing the training), in alignment with ESRS requirements. S1-ESRS 2-MDR-M: 75, S1-ESRS 2-MDR-M: 77 (a),(b),(c)

# 10. Equal treatment and opportunities for all – Diversity, Equity and Inclusion

The material topics including diversity, integration and multiculturalism have been regrouped due to their shared relevance. Equal pay for equal work, although not specifically mentioned in one of the material topics, is closely connected to our strategy for a fair workplace and gender equity. This topic is covered by S1-16 under Working Conditions.

While the specific actions, metrics, and targets may differ, they are closely aligned and often rely on similar resources and strategic approaches.

### Material IROs related to Diversity, Equity and Inclusion

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **ESRS S1 – Own workforce – Equal treatment and opportunities for all** | | | | |
| Positive impact | PwC promotes diversity by recruiting people of various backgrounds, contributing to an inclusive workplace. This commitment is already reflected in our workforce, which is notably diverse—particularly in terms of nationalities represented. | Short -term | Actual | ◁●▷ |
| Negative impact | Although PwC Luxembourg actively advances multiple DEI priorities, a relatively lower focus on cultural and nationality integration may affect the overall employee experience. | Short -term | Actual | ◁●▷ |
| Opportunity | Fostering multicultural integration supports talent attraction and retention and improves the quality of our services due to integrating diverse perspectives. | Short -term | Current | ◁●▷ |

◀ Upstream ● Own operation ▶ Downstream

## 10.1. S1-4 Actions

### 10.1.1. Diversity, Equity and Inclusion

The Diversity, Equity and Inclusion (DEI) topic is part of our PwC Network strategy led by the Diversity, Equity & Inclusion and Wellbeing (DEI&W) leader. Locally, a dedicated partner is identified as the sponsor of every DEI initiative and is supported in its mission by the DEI&W team within the HR department. The team ensures the PwC Network and local DEI strategy is moved to actions and obtains the expected impact in our operations.

The DEI strategy is integrated across the entire employee lifecycle, from recruitment and onboarding to performance evaluation and promotion, aiming to foster inclusive mindsets, raise awareness, and ensure representation. To integrate further DEI in our practices, our DEI&W team hosted this year a full day of training related to cultural competencies, inclusive language and unconscious biases for the entire HR department, with an attendance rate of 90%. We address both visible and invisible dimensions of diversity, including gender, disability, cultural background, sexual orientation and generational differences.

We have established five employee "Networks", each dedicated to a specific diversity dimension:

**Women and Men**

Promotes gender equity and leadership development through women in finance, women in tech and allyship initiatives. During FY25, we organised role model sessions with PwC women Partners, AI innovation events and training, some of them in collaboration with Microsoft (Girls in Tech), mentorship programmes with 50+ participants.

For FY26, we plan to expand network reach, foster intersectionality with other DEI networks and enhance social media presence.

**Ability Diversity**

Supports employees with disabilities and neurodiverse conditions through awareness campaigns, events and accessibility improvements. During FY25, we organised Disability Day and awareness sessions and had several collaboration with local organisations such as IMS (Inspire More Sustainability) and ASTF. In FY26,  we will continue our path by integrating disability awareness into our learning programmes and seek for opportunities to scale them up at PwC Network level.

**SHINE**

Advances LGBTQ+ inclusion through internal engagement and external advocacy. During FY25, we organised several internal events like monthly Shine lunches and afterwork events, we sponsored and participated in Pride and Global Shine Summit. In FY26, we plan to further improve the governance impact by implementing the Shine agenda with defined KPIs and an extended contribution to the Luxembourg LGTBQ+ business community.

**LËTZ EMBRACE**

Promotes cultural integration and cross-cultural collaboration. In FY25, we launched a cultural competency training programme during the “Diversity Week” which is now part of our Soft Skills Catalogue, accessible to everyone. In FY26, we plan to introduce cultural competency trainings for team leaders, organise quarterly listening circles with cultural advisors and enhance our collaboration with IMS to increase our impact outside PwC.

**SAGE**

Encourages intergenerational collaboration and supports senior employees. In FY25, we organised an interview and video series with retirees and formalised retirement training materials. In FY26, we plan to focus on intergenerational collaboration.

S1-4: 37, S1-4: 38 (a),(c), S1-4: 40 (b), S1-ESRS 2-MDR-A: 68 (a)

### 10.1.2. Actions to support the provision of remedy

For details on how concerns are raised and addressed, including structured follow-ups and access to remedy channels, refer to the section S1-3: Processes to remediate negative impacts and mechanisms for employees to voice concerns. S1-4: 38 (b), S1-ESRS 2-MDR-A: 68 (d)

### 10.1.3. Preventing, mitigating or remediating negative impacts and determining appropriate actions

We have identified one material negative impact related to integration. With a very diverse workforce, with employees from almost 100 different nationalities and cultures around the world, comes also the challenge to integrate them into effective teams working and innovating together. We are committed to ensuring that our actions do not negatively impact our workforce and we are conscious of the fact that inclusion and integration are more difficult due to our multicultural population. Therefore, we established a cultural competency training and we offer our employees the possibility to achieve the inclusive mindset badge by following 10 hours of training provided by our PwC Network.

We foster a culture of belonging — one where all individuals feel valued, supported and empowered to thrive. More details in the section Equal Treatment and Opportunities for All – Diversity, Gender Equality and Equal Pay for Equal Work. S1-4: 38 (a)

## 10.2. S1-4 Resources

To support the DEI strategy, The HR department has allocated two people in the DEI&W team. They are connected to each employee network initiative to which partners and employees from various departments are contributing actively. They are engaged in these initiatives on a cross-functional basis, ensuring broad ownership and collaboration across the organisation.

From a financial perspective, €500,000 has been dedicated to supporting both the “Be Well, Work Well” programme, as already mentioned in S1 “Resources Dedicated to Managing Material Impacts- Working Conditions”, and also for DEI and employee resource groups initiatives which involve employees from various departments on a cross-functional basis. S1-4: 43, S1-ESRS 2-MDR-A: 69 (a),(b),(c)

## 10.3. S1-4 / S1-5 – Metrics and Targets

### 10.3.1. Diversity, Equity and Inclusion metrics and targets

To support our DEI strategy, we apply a data-driven approach by monitoring several metrics and targets:

**Inclusion and diversity index** via the GPS, with a target of 75%.

**Target corridor of 40%-60% male-female,** in both directions, at firm-level, but also per grade and per the Line of Service. **Pay gap of <1%** to ensure equal pay for equal work, detailed in S1-16 under Working Conditions section above.

**Age** – we use it as a metric to understand the structure of our population and to ensure we keep a balance between young and more experienced employees.

**Seniority** – in close connection with turnover, we use this as a metric for our ability to keep talent, while allowing new employees to join with new skill-sets and perspectives.

**Nationality** – diversity of culture and nationality is a current reality, with almost 100 different nationalities.

S1-4: 38 (d), S1-5: 44 (a),(b),(c), S1-ESRS 2-MDR-T: 80 (a),(b),(c),(e),(j)

| Index | FY25 | Target |
|---|---|---|
| Inclusion and diversity | 68% | 75% |

### 10.3.2. Gender diversity targets in leadership

As part of PwC Luxembourg's commitment to inclusive leadership and balanced representation, the firm has established a gender balance approach to reach 40%–60% in both directions for top management roles, applicable to the Management Board, Supervisory Board, and all committees referenced in ESRS 2 section. This approach is designed to address underrepresentation of women at higher level of the firm. The process for setting this target follows the methodology outlined in the section Targets Related to Own Workforce. No updates have been made to the target principle, metrics, or methodology in 2025, ensuring consistency in the firm's approach. S1-ESRS 2-MDR-T: 80 (a),(b),(c),(d),(e),(f),(h),(i),(j)

To achieve this objective, we have embedded a series of policies and actions within its DEI strategy, including:

- Monitoring gender representation and promotion rates by management level. See section S1-13 Training and skills development metrics.
- Recruitment practices to support balanced candidate pipelines as described in the section S1-13 Training and skills development metrics.
- Committee composition guidelines in each committee charter that ensure gender balance is actively considered during formation and renewal.

### 10.3.3. Actions to manage material risks and opportunities related to own workforce

No material risks were identified in our Double Materiality Assessment in relation to diversity. The actions to seize material opportunities related to equal treatment and opportunities for all are aligned with those aimed at generating positive impacts, as outlined earlier in this section, under S1-4 Actions. S1-4: 40 (a),(b), S1-4: 41

## 10.4. S1-9: Diversity metrics

To assess progress toward the targets disclosed in section S1-5 Metrics and Targets related to diversity, we track a comprehensive set of diversity-related metrics. They include gender composition in top management, as well as additional indicators such as age distribution, seniority, nationality, residency status, and gender breakdown of new hires. The data is presented in the tables below and forms part of the firm's broader DEI performance monitoring framework. For detailed information on gender representation in top management, please refer to section ESRS 2 - GOV 1: Diversity of Governance Bodies.

S1-9: 66 (a)

### 10.4.1. Age diversity

Over 42% of our employees are under the age of 30, while 52% are between 30 and 50 years old. We have overall a young population, with a pyramidal age structure, that reflects and supports our business model.

| Age diversity | | | | |
|---|---|---|---|---|
| | <30 years old | ≥ 30 years and < 50 years old | ≥ 50 years old | Total headcount |
| Number | 1570 | 1908 | 187 | 3665 |
| Percentage | 43% | 52% | 5% | 100% |

S1-9: 66 (b), S1-ESRS 2-MDR-M: 77 (c)

### 10.4.2. Employee seniority in the firm

The total average seniority across our firm is 6.30 years. By having a closer look at our Line of Services, we note a lower seniority in assurance (5.31 years), due to the nature of the function, characterised by higher turnover and a large proportion of early-career professionals.

The internal function is characterised by the highest average seniority with 8.26 years, due to low turnover and a strong presence of experts owning key roles in the firm.

We have similar values as Assurance for Advisory with 5.96 years old, suggesting a dynamic environment with frequent career mobility. Tax and Corporate Services show a higher average seniority of 7.15 and 8.26 years old, indicating a more stable workforce. From gender perspective, we do not see significant variations at LoS level. Overall at firm level, women have slightly higher seniority than men, mainly driven by Assurance LoS and Corporate Services. These differences highlight the diverse nature of work and career progression paths across functions.

| Average employee seniority FY25 - all firm | | | | |
|---|---|---|---|---|
| **LoS** | **Female** | **Male** | **Not declared** | **Total** |
| Assurance | 5.85 | 4.96 | 0.68 | 5.31 |
| Tax | 7.19 | 7.12 | 0 | 7.15 |
| Advisory | 5.79 | 6.11 | 1.78 | 5.96 |
| Corporate services | 8.31 | 8.22 | 2.33 | 8.26 |
| **Total** | **6.65** | **6.04** | **1.23** | **6.3** |

S1-ESRS 2-MDR-M: 77 (c)

### 10.4.3. Nationalities and residences

Thanks to our geographical specificities, our distribution by nationality of our employees highlights the great diversity within our workforce. Employees come from a wide range of backgrounds, with significant representation from France, and Belgium, as well as many other nationalities. This diversity is further reflected in residency data, where 45% of our employees live in the Greater Region—Belgium, France, and Germany. The identification of “Greater Region” is intentional as it reflects a specific cross-border dynamic in our firm.

Our multicultural environment is a strong asset. It helps our commitment to fostering diversity and inclusion, and it strengthens our ability to deliver more perspectives to our clients. As highlighted in our IRO, “Fostering multicultural integration supports talent attraction and retention and improves the quality of our services due to integrating diverse perspectives.”

| Number of employees per nationality FY25 | | |
|---|---|---|
| **Nationality** | **Number** | **Percentage** |
| France | 1375 | 37.5% |
| Belgium | 483 | 13.2% |
| Germany | 243 | 6.6% |
| Portugal | 208 | 5.7% |
| Italy | 200 | 5.5% |
| Other | 1156 | 31.5% |
| **Total** | **3665** | **100%** |

| Number of employees per residency FY25 | | |
|---|---|---|
| **Residency** | **Number** | **Percentage** |
| Luxembourg | 1771 | 48.3% |
| Portugal (Porto) | 226 | 6.2% |
| Greater Region (Belgium, France, Germany) | 1662 | 45.3% |
| Other | 6 | 0.2% |
| **Total** | **3665** | **100%** |

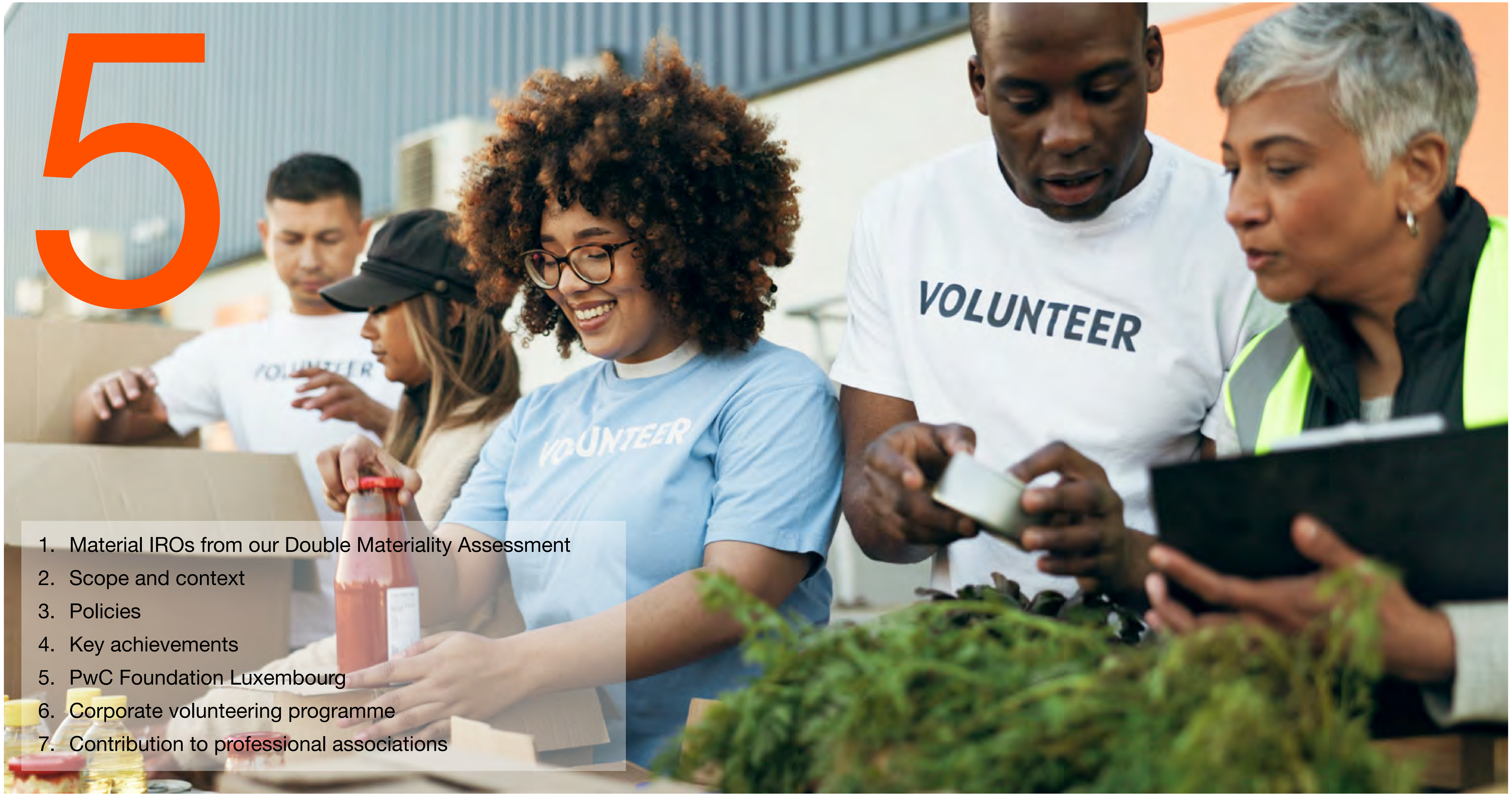
S1-ESRS 2-MDR-M: 77 (c)

### 10.4.4. Methodology and assumptions

We do not have any significant assumptions or estimations applied in the calculation or interpretation of our DEI metrics. S1-ESRS 2-MDR-M: 77 (c)

# Entity specific – Contribution to society

5




1. Material IROs from our Double Materiality Assessment
2. Scope and context
3. Policies
4. Key achievements
5. PwC Foundation Luxembourg
6. Corporate volunteering programme
7. Contribution to professional associations

# 1. Material IROs from our Double Materiality Assessment

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **Entity Specific – Contribution to Society** | | | | |
| Positive impact | As a major employer, PwC Luxembourg contributes to the local economy and promotes trust through its compliance services and ethical standards. It expands its positive societal impact by supporting key community projects and by encouraging employee engagement and volunteering. | Short-term | Actual | ◁ ○ ▶ |
| Positive impact | PwC Luxembourg has the potential to lead by example in sustainability by fostering dialogue with other companies, our clients and more widely the local Luxembourg sustainability ecosystem, contributing to knowledge enhancement and supporting on sustainability practices. | Short-term | Potential | ◁ ○ ▶ |

◀ Upstream ● Own operation ▶ Downstream

# 2. Scope and context

The 'Contribution to Society' pillar reflects PwC Luxembourg's commitment to the societal aspect of its purpose. It ensures that our engagement with the community is structured, impactful, and aligned with our broader values.

Our Contribution to Society is structured around three main areas:

**PwC Foundation Luxembourg (the "Foundation")**

Our philanthropic efforts are primarily channelled through our foundation under the aegis of Fondation de Luxembourg.

**Corporate volunteering programme and other donations**

We empower our employees to contribute through volunteering and skills-based sponsorships. PwC also supports local associations through in-kind or financial donations, complementing the Foundation's efforts.

**Professional and industry associations**

Through active involvement in industry and professional bodies, we provide thought leadership that supports the development of a more responsible business environment.

Together, these areas reflect our commitment to creating positive social and economic impact, offering our employees meaningful ways to contribute to society, not only beyond their core roles, but also by actively engaging in industry associations, leveraging their professional skills to drive critical topics for our clients and for the country.

The corporate volunteering programme is fully managed by us and applies to all PwC Luxembourg employees and legal entities, except our Porto office as this stage. In contrast, the Foundation and the professional associations are independent entities where we play a collaborative and contributing role. The Foundation focuses on external beneficiaries such as associations, institutions, and individuals, while the professional associations serve member companies and professionals within their respective sectors. MDR-A: 68 (a), MDR-T: 80 (c)

# 3. Policies and procedure related to contribution to society

We have implemented a "Community Engagement Policy" applicable to our corporate volunteering programme, Time to Engage. The objective is to guide how employees contribute to local communities through volunteering, addressing material social impacts and opportunities aligned with our sustainability priorities. MDR-P: 65 (a)

We do not maintain a separate policy relating to PwC Foundation Luxembourg. However, we do have a procedure for our engagement with professional and industry associations.

## 3.1. Community Engagement Policy

This policy enables employees to participate in meaningful community initiatives and apply their skills where they create tangible benefits. Through structured volunteering and collaborative efforts, we reinforce our role as a responsible business and extend our impact beyond compliance. MDR-P: 65 (a)

The policy covers all Luxembourg-based employees under permanent or fixed-term contracts of at least nine months and excludes contractors. MDR-P: 65 (b)

It applies to activities within Luxembourg and the Greater Region, focusing on priority topics such as education, social inclusion, culture, and humanitarian aid, while allowing flexibility for employee-proposed initiatives that meet acceptance criteria. Oversight and accountability for the policy rest with the Client & Market Leader, supported by the CSO. MDR-P: 65 (c)

In setting the policy, we considered our long-standing involvement in community initiatives and stakeholder expectations. MDR-P: 65 (e)

The policy is accessible internally via our engagement platform and communicated to employees through dedicated channels to ensure understanding and implementation.
MDR-P: 65 (f)

## 3.2. PwC Foundation Luxembourg

We do not require a specific policy to manage our foundation, as we rely on the Fondation de Luxembourg policies and comply with the conditions of our convention.

## 3.3. Procedure for engagement with industry associations

We do not maintain a formal policy on engagement with professional and industry associations. However, we have an internal procedure, only applicable to employees in Luxembourg, to ensure transparency when our employees contribute to such associations.

Employees who dedicate time to professional associations are required to record this time in their timesheets. Oversight and accountability for this procedure rest with the Clients & Markets Leader, supported by the Marketing and Communications Team. Detailed guidance is documented in our procedures manual accessible to all employees. MDR-P: 65 (a),(b),(c)

# 4. Key achievements of our contribution to society

FY25 marks the first full year of operations for both PwC Foundation Luxembourg (the “Foundation”) and our corporate volunteering programme, called “Time to engage”. Our community contribution (PwC Foundation Luxembourg, corporate volunteering programme and other donations) amounted to €1.7m, reflecting our engagement to our community:

€1m+ donated through PwC Foundation Luxembourg to support non-profit organisations.

About 50 organisations supported through financial, time or in-kind donations in FY25.

A total of 278 employees participated in at least one social activity, representing nearly 8% of our average workforce. These "distinct PwC volunteers" contributed to a broader engagement, with volunteering activities involving 349 participants overall - 71 of whom supported multiple associations throughout the period.

Over 1,600 hours dedicated to managing our social engagement initiatives covering the planning and coordination of volunteering activities with partner associations, employee mobilisation, training and preparation, mission follow-up, in-kind donations and application of our internal acceptance procedures.

A total of 2,369 volunteering hours was recorded.

These results highlight our impact and showcase the progression made through our approach to community engagement. With the Foundation and the Time to Engage programme became fully operational as of FY25, our activities have become more structured and have expanded in scope. For instance, participation rates among our employees have nearly doubled, as has the total number of volunteer hours contributed.

Also, our involvement in professional and industry associations is expected to generate positive outcomes for both our business and the Luxembourg economy. Nevertheless, at this stage, we cannot quantify its financial impact. As a result, the figures below for our contribution to society solely refer to the Foundation and our donations to non-profit associations.

| PwC Luxembourg community investment | FY25 EUR |
|---|---|
| Financial contribution to PwC Foundation Luxembourg | 1,000,000 |
| Expenses related to PwC Foundation Luxembourg | 28,799 |
| **PwC Foundation Luxembourg** | **1,028,799** |
| **In-kind donations** | **47,093** |
| Value of Time to Engage volunteering time - 2,168 hours | 322,075 |
| Value of Pro bono services time - 201 hours | 62,593 |
| **Total value of time donations - 2,369 hours** | **384,668** |
| Value of working time to coordinate Community activities - 1,642 hours | 174,365 |
| Community Engagement programme expenses | 26,195 |
| Financial donations from PwC Société Coopérative | 12,305 |
| **Total Community Engagement costs** | **212,865** |
| **Corporate volunteering programme and other donations** | **644,626** |
| **Total value of community investment** | **1,673,425** |

| PwC Luxembourg volunteering (Time to Engage, pro bono services) | FY25 # of employees |
|---|---|
| Time donations – number of distinct PwC volunteers | 278 |
| Time donations – number of participating PwC volunteers | 349 |

MDR-M: 77 (c),(d)

## Definitions

- **In-kind donations:** Monetary value of in-kind contributions e.g. IT equipment donation and incurred costs related to hosting events or association activities.

- **Value of time donations:** Number of hours spent on volunteering actions during working hours (including pro bono services) valued at an hourly rate per employee grade.

- **Value of working time to coordinate community activities:** Number of hours valued at an hourly rate per employee grade.

- **Financial donations:** Gross monetary amounts paid by PwC in support of a community organisation or project outside the Foundation.

MDR-M: 77 (c)

Details on actions, metrics, and targets that translate our strategic commitments into measurable outcomes are presented under the three pillars outlined in the strategic context section: PwC Foundation Luxembourg, the Corporate Volunteering Programme, and professional associations. For Professional Associations, however, no indicators are currently monitored in this area and we do not plan to formalise our contribution, therefore specific metrics and targets have not been set.

MDR-M: 77 (a), (b), MDR-T: 81 (a)

# 5. PwC Foundation Luxembourg

## 5.1. Strategy

PwC Luxembourg established its Foundation in January 2024 under the aegis of the Fondation de Luxembourg. As mentioned in the section Scope and Context, the Foundation operates independently from PwC Société Coopérative, which previously managed more limited support for local social initiatives and organisations directly. The decision to create a separate philanthropic vehicle reflects a strategic shift towards a long-term and more comprehensive approach to community engagement.

Although the Foundation is not formally within the scope of the CSRD, its governance and operational practices demonstrate alignment with the directive's objectives. In particular, the Foundation's approach to managing material sustainability impacts, risks, and opportunities illustrates PwC Luxembourg's commitment to transparency and responsible stewardship.

The Foundation's mission is to promote education and access to culture, primarily in Luxembourg and the entire countries of the Greater Region (i.e. France, Germany, and Belgium). It is also empowered to provide emergency support in response to humanitarian crises worldwide. MDR-A: 68 (b)

Through its actions, the Foundation aligns with the United Nations 2030 Agenda for Sustainable Development, contributing to a more inclusive, resilient, and sustainable future.

The Foundation's activities are guided by strategic focus areas, being:

- **Educational equity and future skills development**
- **Cultural accessibility and support for local artistic expression**
- **Humanitarian responsiveness, particularly in times of crisis**

## 5.2. Governance

The Management Committee (MC) of the PwC Foundation Luxembourg is the central governance and decision-making body. Composed of five members from diverse professional backgrounds, the MC ensures balanced, independent oversight:

- **Stéphanie Damgé –** Chairwoman and Independent Member, Chamber of Commerce
- **Tonika Hirdman –** Director General, Fondation de Luxembourg
- **Rima Adas –** Audit Partner, PwC Luxembourg
- **Olivier Carré –** Advisory Partner, PwC Luxembourg
- **Chantal Braquet –** Tax Partner, PwC Luxembourg

The MC delegates the preselection and evaluation of submissions to two Technical Committees (TCs):

**Education Committee**

Projects that develop skills for vulnerable groups – such as youth from low-income families, refugees, and persons with disabilities – focusing on inclusion, local impact in the Greater Region, and career guidance.

**Culture Committee**

Projects in the field of culture, including artistic production and projects focussing on access to culture. Examples include artist residences, film festival, musical performances and projects to organise dialogues between socially disadvantaged employees and artists.

These committees, composed of PwC employees and representatives from Fondation de Luxembourg, assess applications based on defined criteria and submit recommendations to the MC for consideration and approval. This multi-tiered structure fosters alignment with the Foundation's mission. Representatives of Fondation de Luxembourg help defining selection criteria, participate in meetings with applicant associations, and conduct due diligence. Their expertise enhances the Foundation's ability to evaluate project viability and impact, ensuring donations are used effectively.

Each non-profit organisation must submit a formal application detailing the project, beneficiaries, management plan, and impact metrics. The TCs review these with Fondation de Luxembourg's support, and shortlisted projects are presented to the MC for final decision.

For humanitarian aid, no standing committee exists. Instead, the MC responds flexibly to urgent humanitarian crises, enabling swift action when needed.

Associations supported by the Foundation are required to report on the outcome of the project financed.

## 5.3. Actions

To maximise our positive impact, our main strategic action has been to establish our Foundation under the shelter of the Fondation de Luxembourg. This voluntary approach allows us to delegate part of our philanthropic activities to an independent and expert entity. By doing so, we ensure resources are allocated efficiently and responsibly, which we believe is the most effective way to conduct philanthropy.

Building on this collaboration, we advance our societal contribution through initiatives supported by our Foundation in education and cultural inclusion, as well as providing timely humanitarian assistance. These actions are closely aligned with our material IROs and deliver tangible positive outcomes by fostering employee engagement, promoting dialogue and collaboration with stakeholders, reducing social disparities and bridging skills gaps while strengthen community cohesion. We do not directly control the Foundation planning and timelines, as these are determined by the independent governance of the Foundation. MDR-A: 66, 68 (a),(b),(c)

## 5.4. Resources and metrics

PwC contributes €1m annually to PwC Foundation Luxembourg under the aegis of Fondation de Luxembourg, supporting initiatives across education, culture, and humanitarian aid. Each year, the Management Committee allocates these funds based on project proposals and recommendations from the Foundation's Technical Committees. MDR-A: 69 (a),(b)

To support this effort, PwC employees and leaders dedicated 557 working hours to the technical and management committees. During this time, approximately 70 projects were reviewed, resulting in the selection, validation and funding of 19 impactful initiatives. Once projects selected for funding have been validated by the MC, Fondation de Luxembourg assumes responsibility for allocating the approved funds to the designated associations. For the reporting period FY25, the Foundation has allocated 100% of the available funds to the selected associations.

Information on the supported projects are available on the dedicated Fondation de Luxembourg webpage.

| PwC Foundation Luxembourg | FY25 |
|---|---|
| Working hours spent on PwC Foundation Luxembourg | 557 |
| Financial contribution to PwC Foundation Luxembourg (EUR) | 1,000,000 |
| Expenses related to PwC Foundation Luxembourg (EUR) | 28,799 |

MDR-M: 76, 77 (c),(d)

These metrics demonstrate our positive impact by expanding the societal contribution through community projects and employee engagement. MDR-M: 75

### 5.4.1. Methodology

The metrics presented in the table above are monitored on a monthly basis using data extracts from our accounting system, provided by the Finance department. These metrics reflect time charged by employees involved, related expenses and financial contributions to the Foundation.

The metrics are not subject to external validation. There are no significant assumptions or limitations associated with the methodology applied. MDR-M: 77 (a),(b)

## 5.5. Targets

We commit continue its annual €1m support to the Foundation, which plans to maintain its focus on projects in education, culture, and humanitarian aid, and thereby maximise our positive impacts. The target applies through FY26, and no interim milestones have been defined, as the commitment consists of recurring annual support. Successful current initiatives will be considered for renewal, strengthening partnerships and advancing social well-being locally and globally. MDR-A: 69 (c), MDR-T: 79 (a),(e)

This target has been put in place by the CLT and approved by the whole partnership. MDR-T: 80 (h)

# 6. Corporate volunteering programme (and other donations)

## 6.1. Strategy

Our corporate volunteering programme, Time to Engage, offers our employees at all management levels the opportunity to dedicate 40 hours per year to volunteering activities during working hours. This initiative empowers employees to give back to the community while deepening our commitment to social responsibility. It also allows them to share their skills, connect with local communities, and broaden their perspectives.

## 6.2. Governance

The programme is led by PwC Clients & Markets Leader, whose expertise in client engagement and strategic leadership shapes the overall direction of the initiative. Coordination is provided by the Corporate Sustainability Office, which ensures that the programme's activities are fully aligned with our broader sustainability objectives and driven by best practices in responsible business.

Our Community Engagement Policy defines how our employees engage with local communities through this programme. While we have identified priority topics - Education and inclusion; culture and humanitarian aid (including emergency support) - based on our long-standing involvement and alignment with our values, the programme remains flexible.

Employees have the option of proposing their own volunteering activity as long as this is aligned with our sustainability objectives and in accordance with our acceptance process.

## 6.3. Actions

Through Time to Engage, we actively support numerous associations, focusing on their specific needs — whether through volunteering or skills-based sponsorship, on a one-off or recurring basis. We use the Komeet engagement platform, where our employees can register for proposed volunteering missions, including:

- Initiatives co-organised with associations directly benefiting their beneficiaries;
- Skills-based missions for local non-profits, helping them address specific challenges.
- Hands-on volunteering, that do not require specific skills or knowledge.

MDR-A: 68 (a),(b)

In FY26, we are exploring adapting our corporate volunteering programme to our Porto office, with the aim of fostering a positive social impact in this new location as well.
MDR-A: 68 (a),(c)

We also encourage our employees to propose their own projects, fostering a culture of proactive engagement and community support, ensuring that volunteering remains a dynamic and inclusive part of our societal contribution.

These actions translate into tangible outcomes, as reflected in our impact assessment complemented by in-kind donations that strengthen our support for local communities.

### 6.3.1. Impact assessment

In FY25, our corporate volunteering programme reflected significant diversity in the range of initiatives and in the variety of organisations supported. Over 70% of volunteering time was devoted to an array of 10 unique organisations in Luxembourg, spanning fields such as social inclusion, education, environmental sustainability, and cultural promotion.
MDR-A: 68 (a),(b)

Volunteers supported sustainable farming with Kass-Haff, multicultural fundraising with Bazar International de Luxembourg, and student innovation with Hénallux. They empowered youth through Jonk Entrepreneuren Luxembourg, helped fight hunger with Banque Alimentaire, and promoted culture at the Étrange-Grande Festival. Volunteers also contributed to advance Sustainability with IMS, supported social inclusion with ASTI, enhanced digital education with Kids Life Skills, and uplifted women through Dress for Success Luxembourg. These efforts reflect our commitment to meaningful community impact across education, inclusion, sustainability, and culture. MDR-A: 68 (a)

In the coming years, we aim to develop clearer methods to measure the impact of our community initiatives, particularly by tracking data on the number of beneficiaries reached through our actions. MDR-A: 68 (a)

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### Empowering youth through entrepreneurship with Jonk Entrepreneuren

Luxembourg Our collaboration with Jonk Entrepreneuren Luxembourg engaged 18 volunteers who guided high school students in entrepreneurship programmes—from teaching life skills and auditing basics to hosting the Innovation Camp on digital transformation. Students explored AI's future impact and shadowed PwC professionals for real-world experience. MDR-A: 68 (a)

“PwC Luxembourg's hospitality, their commitment to the students, and the relevance of the proposed challenge greatly contributed to making this day a true success... allowing them to develop key skills such as critical thinking, creativity, and teamwork.”

**Sven Baltes**, Jonk Entrepreneuren

“I had such a good time at the Innovation Camp! Working with students from 12 different schools on AI-related ideation was amazing - you could truly feel their passion for technology! Jonk Entrepreneuren genuinely appreciated our help! I'd gladly participate again.”

**PwC Volunteer**

### Empowering women with Dress for Success Luxembourg

Our collaboration with Dress for Success Luxembourg supports women seeking professional independence through career development and skill-building. This year, 35 PwC volunteers provided hands-on guidance—mock interviews, CV and LinkedIn reviews, HR-led sessions, and mentoring—to help 25 women improve their interview skills and self-confidence, resulting in half finding employment within six months. MDR-A: 68 (e)

We also assisted with fundraising via a clothing sale event and hosted the 17th Work Readiness Graduation. Women told us our support left them more prepared, confident, and connected. Volunteers, too, found the experience inspiring and deeply rewarding.

“Professional, efficient, and committed” – that's how Dress for Success describes our PwC volunteers. “This is a great initiative which is insightful and helping women regarding the heavy burden of interview process. Truly inspiring and glad to have met such incredible profiles.”

**PwC Volunteer**

### 6.3.2. In-kind donations

This year, we made a tangible impact through a series of in-kind donations such as:

- Providing technology and resources to local organisations.
- Hosting coding classes during week-ends at Crystal Park for children through Kids Life Skills.
- Donating nearly 30 laptops to several local non-profit organisations like Code Club Luxembourg.

MDR-A: 67, MDR-A: 68 (a)

These contributions have helped bridge digital divides and empower communities across the region.

## 6.4. Resources and metrics

We allocate a specific budget and employees' time to dedicate to community engagement activities. In addition to these resources and since the programme's launch in October 2023, we have begun monitoring key indicators to assess our progress and impact.

| Corporate volunteering programme | FY25 |
|---|---|
| **Number of unique volunteers** | **278** |
| Number of volunteers | 349 |
| Percentage of people volunteering | 8% |
| Working hours of volunteering (skilled & general) | 2,168 |
| Working hours of pro bono services | 201 |
| **Total number of volunteering hours completed** | **2,369** |
| **Monetary value of time donations** | **384,668** |
| **Number of organisations supported** | **30** |
| **Number of employees registered on our engagement platform** | **2,396** |

MDR-M: 77 (c),(d)

We also collect feedback throughout the year from partner organisations, beneficiaries, and employees through regular surveys and structured interviews. These insights directly inform our future actions by highlighting specific areas for improvement enabling us to set meaningful and achievable targets that respond to the evolving needs of our stakeholders.

In FY25, we expanded our commitment to community engagement through our volunteering programme, mobilising 278 unique volunteers who contributed over 2,300 hours of service. Through this collective effort, we supported about 30 associations, ranging from social inclusion, education and sustainability.

Supporting associations that offer targeted career development initiatives directly contributes to key areas identified through our IROs by promoting economic empowerment, enhancing employability, and advancing inclusive opportunities for underrepresented groups.

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### 6.4.1. Methodology

The metrics presented in the table above are monitored on a monthly basis using data extract from our accounting system provided by the Finance department. These metrics capture the time charged by employees using a dedicated charge code for each organisation supported. The time recorded by each employee is automatically valued in the accounting system based on the applicable cost rate per grade and department. MDR-M: 77 (a),(c)

The number of employees registered on Komeet is sourced directly from our engagement platform. The metrics are not subject to external validation. Data reliability depends on the accurate self-reporting of hours by employees for each volunteering mission. This is the only limitation we have identified with the methodology applied. MDR-M: 77 (a),(b)

In-kind donations are monitored on a monthly basis through two sources:

- Accounting system extracts for expenses related to hosting activities of non-profit associations; and
- Manual reporting for IT asset donations, with market value assessed by our IT department.

MDR-M: 77 (a)

A limitation with the applied methodology is the potential underestimation of hosting costs. For example, the market value of event space provided to associations is not currently considered. MDR-M: 77 (a)

## 6.5. Targets

FY24 marked the launch of our corporate volunteering programme. At the start of FY25, as the programme matured, we introduced targets for key metrics to guide progress. The targets are directly aligned with our Community Engagement Policy objectives to increase employee participation in volunteering initiatives and deliver measurable impact. These metrics are tracked monthly and assessed against the established annual targets, helping us to adjust how we mobilise employees and strengthen our social impact. Due to the recent targets set, no changes and corresponding metrics have been adopted. MDR-T: 80 (a),(e),(j)

In relation to our corporate volunteering programme, our ambition is to increase participation by about 20% by FY26 (both in terms of hours and number of participants) and continuously improve the quality and relevance of our community collaborations. Beyond quantitative indicators, our focus remains on supporting the social sector where our employee's expertise and time are the most needed. MDR-T: 80 (b),(e)

We have also defined long-term targets covering the number of unique volunteers, the proportion of employees participating, and the total volunteering hours. These targets, outlined in the table below, apply to all PwC employees across both Luxembourg and Porto offices. MDR-T: 80 (a),(b),(c)

The Clients & Markets Leader, together with the CSO, has been involved in determining these targets based on past performance and benchmark using available public information on similar companies, ensuring alignment with policy objectives and stakeholder expectations. Limitations include availability of comparable and reliable publicly available data. MDR-T: 80 (f),(h)

| Corporate volunteering programme | LT Targets |
|---|---|
| **Number of unique volunteers** | **550** |
| Percentage of total employees | 15% |
| Number of volunteering hours | **4,700** |

MDR-T: 80 (b),(d),(e)

# 7. Contribution to professional associations

## 7.1. Strategy and governance

PwC Luxembourg plays an active role in the country's professional and industry associations, which are central to the functioning of the financial services ecosystem and the wider economy. Our involvement reflects a long-standing commitment to supporting the development of the sectors we serve and contributing to the quality of economic dialogue in Luxembourg. By participating in these groups and associations, we share our expertise, deepen our understanding of emerging issues, and help shape the conversations that encourage progress and innovation across the market.

This engagement follows a clear strategic direction. The firm's leadership, through the Clients & Markets Leader and the Market Committee, oversees how we contribute to industry associations and ensures that our efforts are aligned with our priorities, our capabilities and the needs of the ecosystem. The underlying objective is straightforward: to help strengthen the resilience, competitiveness and long-term development of the industries in which our clients operate.

Our contribution spans a broad range of associations and sectors where our partners and experts take part in discussions on regulatory evolution, market challenges, technology, sustainability, skills, competitiveness and emerging risks. We also encourage our employees to engage in these initiatives.

Through our internal procedure that allows employees to record the time they dedicate to association-related work, we recognise and support the value of this contribution. This approach enables colleagues with diverse expertise to share their knowledge with local associations and to contribute meaningfully to the advancement of industry topics. Whether through chairing committees, providing technical input, participating in sub-groups or supporting sector-wide projects, our professionals help elevate the collective understanding of key issues while developing their own perspectives and capabilities. No external validation of data is undertaken. MDR-M: 77 (b)

Our collaboration with associations such as ALFI, ABBL, FEDIL and LPEA allows us to participate in debates that help shape the future of Luxembourg's major industries, while ensuring that the conversations remain grounded in practical experience and shared knowledge.

## 7.2. Actions

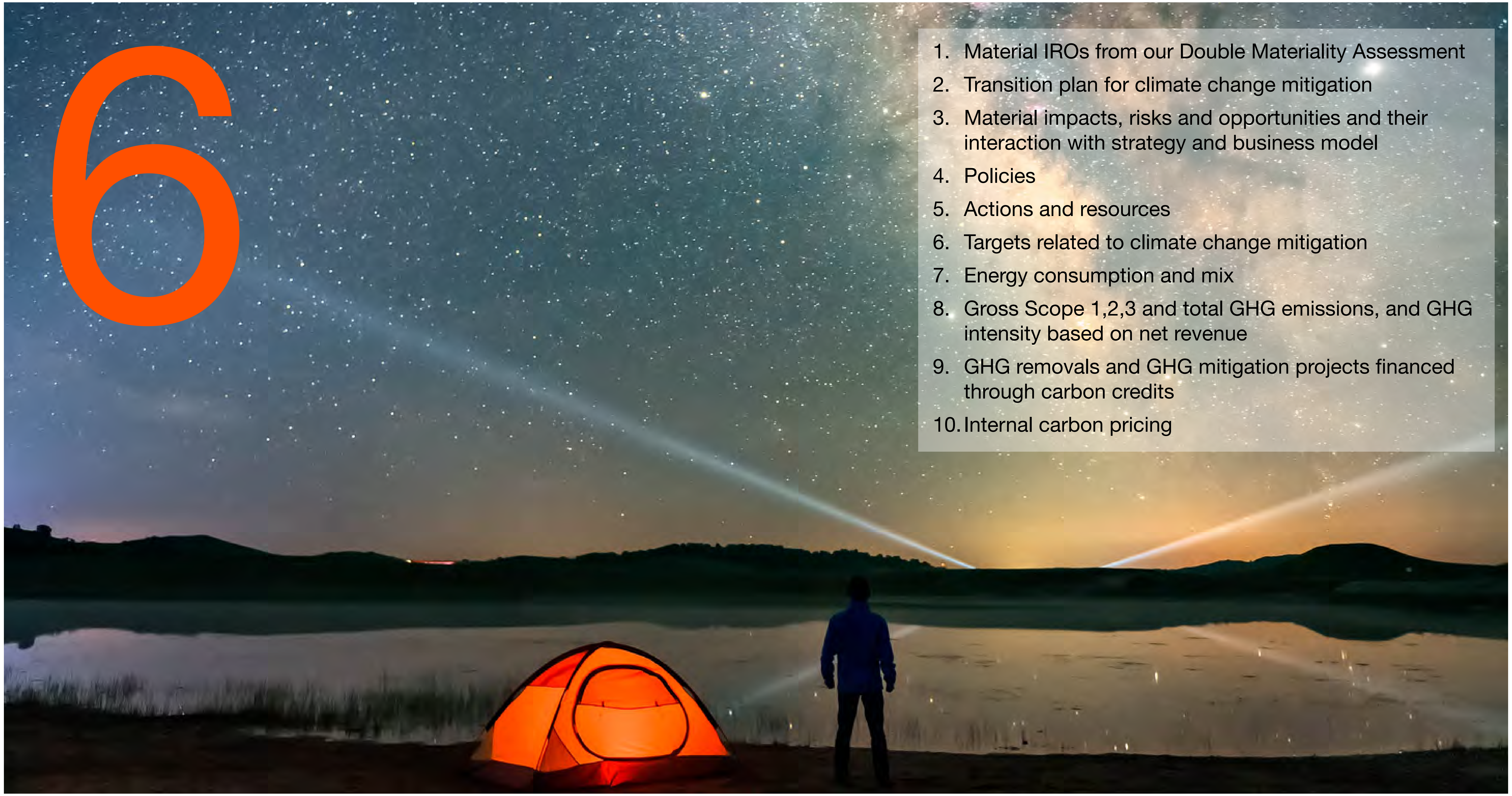
The actions below are aligned with our material IROs and illustrate the substance of our involvement. For example, our joint project with ABBL and ACA on the "GenAI and Data Use in Luxembourg Survey 2025" produced insights relevant for the entire financial services industry. This work not only enriched the understanding of technological adoption in the market but also fostered a more informed dialogue on the opportunities and challenges linked to the use of artificial intelligence. Another example is our support of Journée de l'Économie, where we work closely with the co-organisers to create an annual moment of reflection on Luxembourg's economic landscape. This conference provides an important setting for public and private stakeholders to consider the evolution of the economy and explore ways to strengthen the country's capacity for sustainable growth. MDR-A: 68 (a),(b)

Our involvement also extends to leadership responsibilities. Holding positions such as the presidency of the Institute of Registered Auditors (IRE) reflects our willingness to contribute to the evolution of professional standards and to participate actively in the development of high-quality practices across the sector. These roles form part of the broader contribution we make to the country's economic fabric and reinforce how collaboration with professional associations can drive meaningful, collective progress.

The scale of our involvement illustrates the importance we place on strengthening Luxembourg's national ecosystem: more than 190 associations and 220 working groups, over 140 boards, and the regular engagement of more than 145 partners and senior professionals. This approach ensures a broad and substantive contribution that benefits both the professions and society at large.

While we contribute actively to these initiatives, the timing and planning of activities are determined by the associations themselves, reflecting their own governance and priorities. Our role is to participate constructively, share our insights, and support the collaborative effort required to address the challenges and opportunities ahead. MDR-A: 68 (c)

# ESRS E1 – Climate change



6

1. Material IROs from our Double Materiality Assessment
2. Transition plan for climate change mitigation
3. Material impacts, risks and opportunities and their interaction with strategy and business model
4. Policies
5. Actions and resources
6. Targets related to climate change mitigation
7. Energy consumption and mix
8. Gross Scope 1,2,3 and total GHG emissions, and GHG intensity based on net revenue
9. GHG removals and GHG mitigation projects financed through carbon credits
10. Internal carbon pricing

# 1. E1 - Material impacts, risks and opportunities resulting from our Double Materiality Assessment

| Type of material IRO | IRO description | Time horizon | Status | Value chain |
|---|---|---|---|---|
| **ESRS E1 – Climate Change Mitigation** | | | | |
| Negative impact | PwC GHG emissions are connected to the delivery of our portfolio of services to our clients. Scope 2 emissions are influenced by commuting patterns and travel related to firm events. Scope 3 emissions largely result from international business travel. | Short-term | Actual | ◀●▷ |
| (Transition) Risk | PwC risks reputational damage and sanctions from PwC Global due to potential non-compliance with ESG requirements and Net Zero targets. | Short -term | Anticipated | ◀●▷ |
| (Transition) Risk | Environmental actions may be perceived as greenwashing despite positive intentions and best efforts, especially due to elements like business travel, cars used by our employees, or waste generation during events, which are highly visible to external stakeholders. | Short -term | Current | ◁●▷ |
| (Transition) Opportunity | PwC has the opportunity to enhance its decision-making by incorporating non-financial information—such as environmental, social, and governance (ESG) factors—alongside traditional financial data, thereby reducing its environmental impact. | Short -term | Anticipated | ◁●▷ |
| **ESRS E1 – Climate change - Energy consumption** | | | | |
| Negative impact | IT-related emissions persist due to insufficient alignment between IT and environmental strategies, including those from AI, data centres and physical assets. Expanding AI and machine learning capabilities, along with easy access to these tool lead to increases in energy demand. | Short-term | Actual | ◁●▷ |

◀ Upstream ● Own operation ▶ Downstream

ESRS 2-SMB-3: 48 (a)

# 2. E1-1 – Transition plan for climate change mitigation

## 2.1. Strategy and governance

### 2.1.1. Strategic integration and purpose

Climate action is not just a strategic priority, it is embedded in our purpose and values, integrity, care, collaboration, and innovation. Climate change is a global challenge, addressed through a coordinated network-wide response that adapts to local contexts. This ambition is embedded in our strategy, business model, and daily operations, and is backed by science-based targets validated by the SBTi and described further in the Greenhouse Gas Emission Reduction Targets section below. E1-1: 16 (h)

### 2.1.2. Governance of the transition plan

The transition plan, structured by PwC Network and cascaded to the territories, forms a core component of our broader environmental strategy described below and is overseen by governance bodies at Network Level, as outlined in ESRS 2 – Sustainability Governance:

- The PwC Network Leadership Team (NLT) sets the global environmental strategy and oversees our transition to a sustainable and low-carbon economy.
- The Global Sustainability Leadership Team (GSLT) monitors delivery against our science-based targets and broader business transition in response to climate risks and reports directly to the NLT and Global Board.

Each country cascades down the environmental strategy at local level:

- The Chief Administration and Finance Officer (CAO/CFO) is the Environmental Leader and is accountable for the implementation of our environmental strategy. She ensures that environmental priorities are embedded at the highest governance level and integrated into our core operations. By being CFO too, our Environmental Leader can easily brings ESG considerations into firm decisions towards both financials and non-financials subjects.

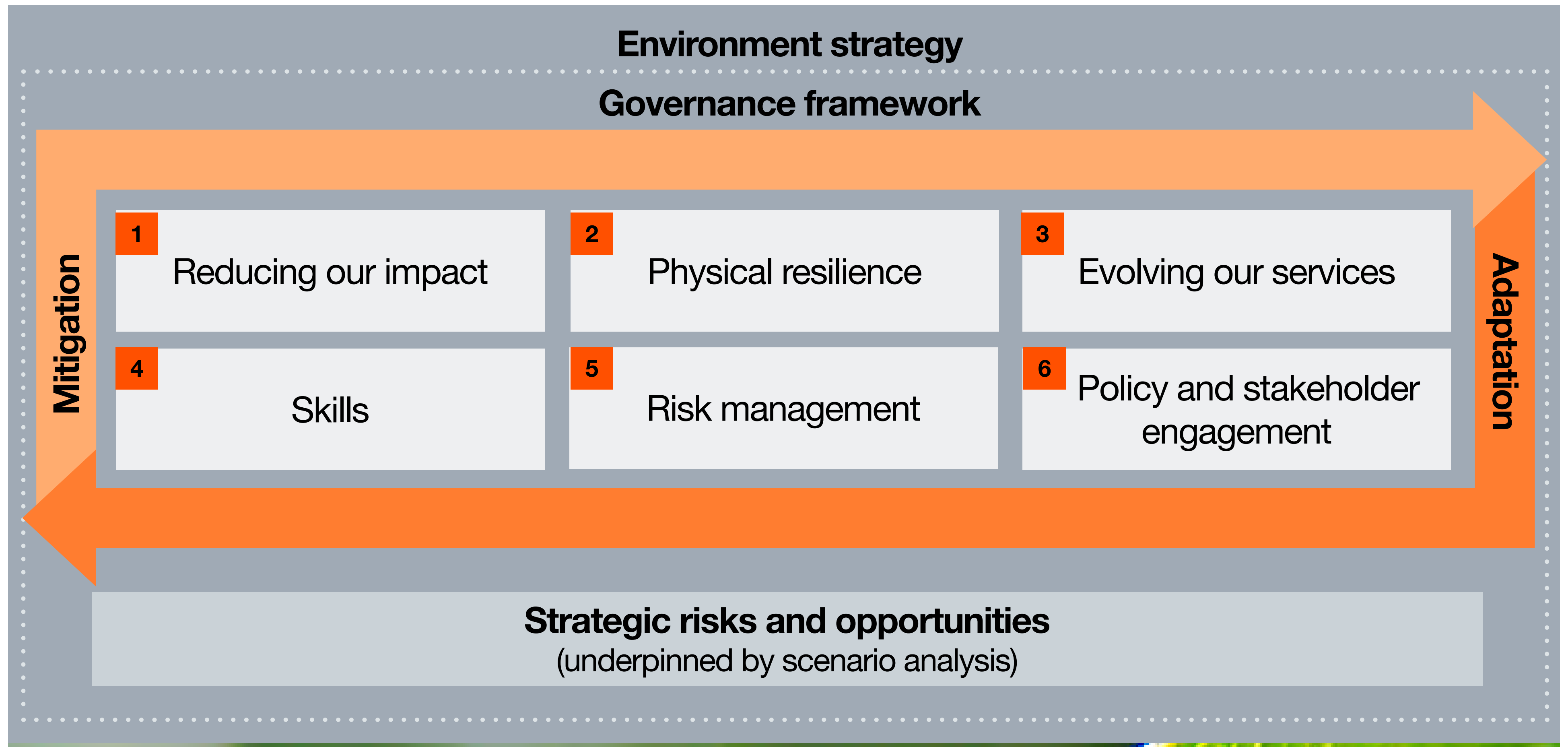
- The Head of Corporate Sustainability supports the Environmental Leader, adapts the firm's sustainability strategy by combining PwC Network environmental strategy with local specificities and brings ESG dimensions into the governance and decision-making processes of the firm. The execution of the environmental strategy is overseen by the Corporate Sustainability Office (CSO).

E1-1: 16 (i)

### 2.1.3. PwC's Network environmental strategy, Net Zero strategy and transition plan

**Environmental Strategy:**

The PwC Network environmental strategy is deployed around the following structure:




This strategy is supported by six strategic pillars:

| | | |
|---|---|---|
| 1 | **Reducing our impact** | Minimising carbon emissions through operational improvements and the use of high-quality carbon credits for residual emissions, while managing broader environmental impacts, including those on nature. This is our Net Zero commitment. |
| 2 | **Physical resilience** | Addressing climate-related physical risks and vulnerabilities across operations and value chain to enhance resilience to environmental shocks and changing conditions. |
| 3 | **Evolving our services** | Embedding environmental considerations to PwC's core services while also developing new services to meet clients' environmental needs. |
| 4 | **Skills** | Upskilling our workforce and expanding our community of experts to deliver sustainability services and strengthen internal capabilities. |
| 5 | **Risk management** | Ensuring through our risk frameworks that policies and systems remain responsive to the dynamic and evolving environmental landscape. |
| 6 | **Policy and stakeholder engagement** | Shaping environmental policy and supports global action through advocacy and collaboration. |

These strategic pillars are underpinned by scenario analysis to identify and address key strategic risks and opportunities (see section ESRS 2 SBM-3 – Material Impacts, Risks and Opportunities and their Interaction with Strategy and Business Model).

### Net Zero strategy and transition plan

A core component of the Network's environmental strategy is the Net Zero strategy, launched in 2020. This strategy constitutes the Network's transition plan for climate change mitigation. It provides a unified framework for all member firms to decarbonise how we operate, invest, govern, and engage. The Net Zero commitment is one of the key assets in advancing our environmental strategy, covering the "reducing our impact" pillar. Our main drivers to reach Net Zero ambitions are the decarbonisation levers described in the following section. E1-1: 14

We are aligned with the EU Paris-aligned benchmarks, committed to limiting global warming to below 1.5°C and achieving Net Zero greenhouse gas emissions. Our science-based targets include near-term goals for 2030 and long-term for 2050. This alignment means following a 1.5°C trajectory and Net Zero ambition, meeting technical criteria such as the annual decarbonisation rate, and excluding revenues from high-carbon activities such as fossil fuel exploration, coal, lignite, or electricity generation with high carbon intensity. As a professional services provider, our operations are fully compatible with the Paris Agreement under the EU Climate Benchmark Standards Regulation (2020/1818) and we transparently report progress toward these goals. E1-1: 16 (g)

### 2.1.4. Our local environmental strategy

We have locally integrated the principles and priorities outlined in the PwC Network strategy through 6 core pillars:

| | | |
|---|---|---|
| 1 | **Reducing our impact** | We follow our Net Zero ambitions, identify where our emissions are the highest, define key decarbonisation levers and set metrics and KPIs to monitor our progress. |
| 2 | **Physical resilience** | We are actively identifying and responding to climate-related strategic risks and opportunities through scenario analysis that is updated annually as described in ESRS 2 SBM-3 – Results of our Scenario analysis. |
| 3 | **Evolving our services** | To meet the growing environmental needs of our clients, we are actively developing sustainability-focused services as described in ESRS 2 – Strategy and business model. |
| 4 | **Skills** | To support our environmental goals, we offer both general awareness and technical training through our internal Learning and Development team. |
| 5 | **Risk management** | The environmental and climate risk is integrated into our local enterprise risk management processes, supporting our understanding of potential impacts and informing strategic decision-making across the firm. |
| 6 | **Policy and stakeholder engagement** | Our local environmental policy outlines our commitments, practices and processes as described in E1-2 Policy Related to Climate Change Mitigation, and Energy Efficiency. |

### 2.1.5. Progress towards our transition plan

The implementation of our local environmental strategy, including the transition plan, applies to all the entities listed under ESRS 2-BP-1 (see Scope of Consolidation section).

This year, we disclose the available data regarding our Porto office, which started operations in October 2024. Due to the limited operational timeframe, only partial information is included in this edition. Full coverage will be provided in next year's CSRD report.

In FY26, our transition plan will be completed and ready for execution, grounded in strengthened GHG accounting and aligned with the 1.5°C climate goal. This plan will include an assessment of required investments and potential locked-in emissions (such as our new headquarters). This assessment has not yet been completed and will be part of the upcoming work, along with fossil fuel-related capex. It will be approved by the Management Board and integrated into our corporate sustainability strategy. E1-1: 16 (j)

## 2.2. Greenhouse gas emission reduction targets

As part of our Net Zero strategy, we have set greenhouse gas (GHG) reduction targets across all scopes, aligned with the Paris Agreement objective of limiting global warming to 1.5°C. We have established science-based near-term target by 2030:

- Reduce scope 1 and 2 absolute emissions by 50% from a FY19 base.
- Reduce absolute business travel emissions (scope 3) by 50% from a FY19 base.
- Transition to 100% renewable electricity.

Our long-term target by 2050 is to be reduced by 90% across all scopes. These targets have been validated as compatible with a 1.5°C climate scenario by the PwC Global Sustainability Leadership Team, then by our Management Board and our Environmental Leader. E1-1: 16 (a)

For FY25, we had a target endorsed by the Network, to reach 50% of suppliers with GHG reduction targets by emissions. Although incomplete, available data indicates that this target was not met due to the Luxembourg market's small size and the limited number of suppliers with validated Science-Based Targets. As detailed in section 2.3 (Decarbonisation Levers), we are implementing actions to encourage suppliers to adopt SBTi-aligned targets and providing tailored support to facilitate emissions reduction across our supply chain.

Progress is monitored using key metrics such as GHG emissions, energy consumption and intensity, renewable energy share, and supplier engagement. Performance is assessed against baselines and interim targets to identify gaps, adjust actions, and maintain alignment with our Net Zero trajectory.

To mitigate current impacts, we also offset the remaining Scope 1, 2, and Scope 3 business travel emissions through high-quality carbon credits (see section E1-7 GHG Removals and GHG Mitigation Projects Financed through Carbon Credits). We continuously evaluate market solutions and technologies to ensure responsible progress toward our targets. For further details, please refer to the E1-4 Targets Related to Climate Change section.

## 2.3. Decarbonisation levers

We have identified a robust set of decarbonisation levers across Scope 1, 2, and 3 emissions to drive our GHG reduction targets and Net Zero ambition. These levers are embedded into our strategic planning and operations to deliver measurable emissions reductions across our value chain:

**Low-carbon mobility**

Our mobility strategy implements commuting emissions cutting by promoting active mobility, the use of public transportation and gradually transitioning to electric mobility, taking into account the expectations of our employees, satellite offices near borders and promoting greener transport options as well as the tightening of our Business Travel Policy. Please refer to E1-4 Climate Action Related Targets.

**Low-emission business travels**

Business travel is an essential part of how we operate and service our clients. We are implementing measures to reduce emissions and to decouple travel from the growth of our business by strengthening our travel policy. This is our travel smart, travel less programme described in the section E1-4 Climate Action Related Targets.

**Low-carbon headquarters**

Our new headquarters will mark a major milestone in our Net Zero transition in 2027. This carbon optimised building will play a leading role in reducing energy consumption and GHG emissions, significantly advancing our climate targets. Please refer to E1-4 Climate Action Related Targets and to E1-5 Energy consumption and mix.

**Renewable energy**

We are transitioning to full renewable electricity in each of our buildings, including our new headquarters. Please refer to E1-5 Energy consumption and mix.

**IT-related emissions reduction**

By assessing and reviewing our digital practices. In the current context of heavy transformations supported by artificial intelligence, considering the environmental impact of our IT-related emissions is unavoidable. Please refer to E1-5 Energy consumption and mix.

**More responsible supply chain**

We are strengthening our approach to suppliers' emissions not only by organising awareness sessions to encourage them to adopt science-based targets, but also by supporting our suppliers in reducing their emissions and by embedding SBTi criteria in all RFPs above €50k. Our approach also includes analysing the supply chain to identify key reduction opportunities, prioritising local products, and using tools to measure and disclose emissions by supplier and category.

**ESG-driven client services**

We have an indirect impact on the carbon emissions of our value chain downward by helping our clients accelerating their sustainability journeys through audits, regulatory advisory, and transformation support powered by digitisation and deep ESG integration.

E1-1: 16 (b)

We support these levers through cross-functional collaboration, strong governance, and dedicated resources (see sections E1-1 Strategic Integration and Implementation of the Net Zero Commitment). For detailed actions, outcomes during the reporting year, and expected future impacts, refer to section E1-3 – Actions and Resources.

### 2.3.1. Qualitative assessment of locked-in GHG emissions and alignment with commission's delegated regulations 2021/2178 and 2021/2139

At present, we do not financially measure our climate mitigation actions. However, we expect to be to be able to do so by next fiscal year, supported by the implementation of the CSRD. E1-1: 16 (c)

We assessed lock-in GHG emissions through our DMA and concluded they are not material. These emissions typically concern sectors with long-lived, high-emissions assets or products. As a service provider, we neither own nor operate such assets, nor do we sell products that generate direct use-phase emissions. E1-1: 16 (d)

Although we do not own or operate long-lived, high-emission industrial assets, we recognise that our new headquarters building will generate emissions over its lifetime. These will be included in our future locked-in emissions assessment. Currently, our qualitative assessment focused on sectors typically associated with significant locked-in emissions (e.g., heavy industry), which do not apply to our service-based operations. We currently have no additional plans to further align economic activities with the criteria established in Commission Delegated Regulation (EU) 2021/2139, as all eligible activities are already expected to remain aligned with the regulation. E1-1: 16 (c)

# 3. SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

## 3.1. Climate-related impacts, risks, and opportunities and their interaction with the strategy and business model foundations

Our local climate-related analysis is not conducted in isolation as the PwC Network scenario analysis provides context for our local IROs. The Network's scenario analysis examines climate risks Worldwide, while our DMA addresses local considerations, both shaping our environmental strategy.

## 3.2. PwC climate-related risks and opportunities

As per our environmental strategy, we have two diverse sources of risk and opportunity:

- Our world-wide environmental risk and opportunities identified by our PwC Network. Each country must contribute to the management of those.
- Our local and specific risk and opportunities, identified by our local environmental governance and managed through our risk management practices.

### 3.2.1. PwC Network climate-related risk and opportunities

PwC's global network has identified a range of climate-related risks and opportunities through ongoing scenario analysis. For a comprehensive overview, refer directly to Appendix 1 of the 2024 PwC Network Environment Report.

**Physical risks**
Extreme weather events and long-term shifts in climate patterns could disrupt operations, supply chains, and client portfolios—particularly in high-risk geographies.

**Transition risks**
Regulatory changes, evolving policies, and the broader shift toward a low-carbon economy may impact PwC's brand, talent attraction, and the resilience of its services.

**Climate-related services opportunities**
The transition to a greener economy presents opportunities to expand climate-related services, support clients in their sustainability journeys, and reinforce PwC's position as a trusted advisor on climate and environmental matters.

E1-ESRS 2 SBM-3: 18

### 3.2.2. Local climate-related impacts, risks, and opportunities

We assessed the actual or potential impact, risks and opportunities related to climate in the DMA in connection with our local strategy and business model. Refer to ESRS 2 SBM 1 section for further details. The identified material IROs are closely related to the environmental actions and targets we have put in place and have helped shape our overall approach to climate change mitigation. For more information, refer to section E1-2: Policies Related to Climate Change Mitigation, Energy Efficiency and Renewable Energy Deployment. Additional risks and opportunities were identified separately through scenario analysis as set out below. E1-ESRS 2 SBM-3: 18

## 3.3. Interaction with strategy and business model

Climate-related material IROs are embedded into governance and strategy through structured processes that guide decision-making, resource allocation, and business model evolution.

### 3.3.1. Strategic integration

IROs are identified via our DMA and climate scenario analysis, then prioritised through our Transition Plan for Climate Change Mitigation (see E1-1 – Transition Plan for Climate Change Mitigation). This plan serves as the operational framework for integrating climate considerations into our corporate sustainability strategy and in the key processes and policies of the firm.

We consider climate change in relation to:

**Our own operations**
Embedding our decarbonisation levers in each process, policies and governance layers impacted by climate change.

**Our value chain downward**
Considering climate change as a key dimension of our value proposition to our clients and shaping our business model. Our climate resilience analysis in the following section shows risks and opportunities towards our clients.

**Our value chain upward**
By supporting our supply chain in its decarbonisation efforts.

E1-ESRS 2 SBM-3: 18

This ensures that climate-related risks (e.g. resilience, regulatory changes, reputational concerns) and opportunities (e.g. value proposition to our clients, advisory services, innovation) are reflected in strategic planning and business model adjustments.

### 3.3.2. Governance integration

Climate-related IROs are embedded into the climate governance model and related leadership roles as described in section E1-1 – Transition Plan for Climate Change Mitigation. Together they ensure the climate-related IROs are considered in:

**Firm strategy**
The IROs are owned by the Environment Leader and the Managing Partner, both ensuring they are considered to influence the priorities of the firm, and they are cascading down to execution in the operations of the firm.

**Operations**
Action plans are in place to manage and mitigate IROs as described in the section E1-3 Actions and resources.

**Reporting and monitoring**
We monitor and report on the delivery of these action plans and provide regular reports to the Environmental Leader and the Management Board. ESRS will be the reporting framework of our non-financial strategy, for internal and external purpose in FY26.

**Risk management**
Climate-related Risks of our IROs are part of our Enterprise Risk Management framework.

E1-ESRS 2 SBM-3: 18

## 3.4. Climate resilience analysis: scope, methodology, timing, and scenario use

### 3.4.1. Scope and coverage

As part of the climate risk assessment, we conducted a business resilience analysis during this reporting period aimed at identifying, understanding, and managing the transition and physical risks associated with our business activities.

This year's climate resilience analysis focuses specifically on PwC Luxembourg, including satellite offices, which are assessed together due to their geographic proximity and similar exposure to physical climate risks. The analysis is performed on the same entities as the Transition Plan, as mentioned in E1-1 Transition Plan for Climate Change Mitigation section. Starting next year, the scope will expand to include PwC Services Portugal.

The climate-related risk and opportunity assessment applied in the scenario analysis differed from the one used in the DMA, which prevented the integration of results of the two processes.

The analysis incorporates territory-specific insights to reflect local market conditions, regulatory environments, and climate exposures. The analysis covers our own operations, suppliers, and clients.

Our climate resilience analysis is aligned with the EU Taxonomy. E1-ESRS 2 SBM-3: 19 (a)

### 3.4.2. Methodology and timing of the analysis

The analysis follows the Task Force on Climate-related Financial Disclosures (TCFD) framework, using scientific foundations from the Intergovernmental Panel on Climate Change (IPCC) reports. It was conducted in September 2025.

The mapping exposure is:

- **Transition risks** are assessed through the application of a Paris-aligned (1.5°C) scenario, focusing on policy, market, and technology developments associated with a rapid transition to a low-carbon economy. PwC Network's climate scenario tools are used to evaluate how regulatory changes, shifts in client demand, and evolving stakeholder expectations could impact our operations, client portfolio, and supply chain. These risks are analysed across three-time horizons and impact levels (direct, portfolio, and market), and include reputational, legal, and operational considerations. This informs the identification of priority areas for mitigation and strategic planning.

- **Physical risks** are assessed and monitored using the Business Continuity Plan (BCP) covering both PwC Luxembourg headquarters and satellite offices, which draws on Luxembourg government data to evaluate risks of flood, gusts of wind, snow and freezing precipitation, storms, extreme heat or cold and rain. The analysis is complemented with PwC Network's internal tools (a high-resolution climate hazard data from Jupiter Intelligence's Climate Score™ Global model endorsed by the scientific community, combined with machine learning, land use and elevation data, and data-driven models for hydrology, wildfire, severe weather and more), to capture additional risks such as drought and wildfire, which are expected to increase in the future. The risks identified through our resilience analysis described in SBM-3 results of the resilience analysis will be merged with our BCP and monitored annually.

To produce the analysis, the business is tested and interrogated through several different lenses using PwC's own sustainability technology suite. These tools are also used in client engagements to support climate risk analyses and/or climate-related disclosures. We consider mitigation measures in place to address identified risks and strengthen business resilience and conclude on the overall level of resilience for each risk.

E1-ESRS 2 SBM-3: 19 (b), E1-ESRS 2 IRO-1: 20 (b),(c)

### 3.4.3. Uncertainties

The scenarios adopted for this analysis inherently involve a degree of uncertainty. They are not forecasts, but rather hypothetical representations of future conditions designed to test the resilience of our business under different climate pathways. The Paris-aligned (1.5°C) and no-mitigation (>4°C) scenarios reflect a range of potential outcomes — from ambitious global mitigation aligned with the Paris Agreement, to a high-emissions future with limited policy response. While these scenarios provide valuable insights, they are based on several assumptions that may evolve over time (e.g., policy changes, technology development, and socio-economic trends). As such, the results of the scenario analysis should be interpreted with an understanding of these limitations and reviewed periodically to reflect the latest scientific and policy developments. E1-ESRS 2 SBM-3: 19 (c)

### 3.4.4. Time horizons

We apply three different time horizons to the resilience analysis:

- Short-term: 0–1 year
- Mid-term: >1–5 years
- Long-term: >5 years

These time horizons are also used in our climate-related actions, as described in section E1-3 Actions and Resources. E1-ESRS 2 SBM-3: 19 (b), E1-ESRS 2 IRO-1: 21

### 3.4.5. Use of climate scenarios

We apply two scientifically grounded scenarios to evaluate the resilience of our strategy and business model under different climate futures:

**Network for Greening the Financial System (NGFS) Net Zero by 2050:**

- Assumes ambitious climate policies, minimal reliance on carbon dioxide removal, and a fivefold increase in renewable electricity generation.
- Projects Net Zero $CO_2$ emissions by 2050, offering a 50% chance of limiting warming to below 1.5°C.

**Intergovernmental Panel on Climate Change (IPCC) SSPR5 S8.5 Scenario:**

- A high-emissions, no-mitigation scenario with projected warming exceeding 4°C by 2100.
- Assuming continued fossil fuel dependence and limited policy intervention.
- Projecting significant physical consequences, including sea level rise (0.63–1.01 meters) and increased frequency of extreme weather events.

We selected these two scenarios—Paris-aligned (1.5°C) scenario and high-emission (>4°C)—as they represent the most plausible extremes of future climate conditions based on IPCC and NGFS guidance. The 1.5°C pathway captures transition risks under rapid decarbonisation, while the >4°C pathway reflects severe physical risks in a low-mitigation world. Together, they provide a comprehensive view of uncertainties relevant to our business context, including policy, market, technology, and physical impacts. The key assumptions underlying the scenarios used can be found page 55 in the 2024 PwC Network Environmental Report.

Both scenarios are grounded in internationally recognised scientific frameworks (NGFS Phase III and IPCC AR6), ensuring alignment with the latest climate science and regulatory expectations. They are consistent with assumptions underpinning our GHG emissions methodology and transition planning, maintaining coherence between scenario analysis, Net Zero targets, and disclosures across this report.

Business activities identified as incompatible with a Net Zero economy include air travel and the use of personal fossil-fuel vehicles for commuting. A detailed description of how we assessed actual and potential climate impacts, including Scope 3 emissions screening and calculation, is provided in E1-6 - Methodology and Assumptions section.

Finally, we evaluated operational resilience as a key outcome, focusing on our ability to maintain service delivery and business continuity under physical climate risk events.

E1-ESRS 2 SBM-3: 19 (b), E1-ESRS 2 IRO-1: 20 (b),(c), E1-ESRS 2 IRO-1: 21

### 3.4.6. Tools and strategic integration

The analysis is supported by tools from the PwC sustainability Technology Suite, including the Sustainability Reporting Solution, which helps client teams manage climate risks and meet regulatory requirements. A dedicated PwC Network team develops and scales climate and sustainability services, and all employees from this team are upskilled to ensure a baseline understanding of climate-related matters. E1-ESRS 2 SBM-3: 19 (b)

### 3.4.7. Business Continuity Plan (BCP)

Our Business Continuity Plan (BCP) is incorporated into the analysis, which includes information security risk assessments covering physical threats, carried out in accordance with the Information Security Risk Assessment Methodology.

## 3.5. Results of the resilience analysis

### 3.5.1. Climate scenario analysis and mitigation responses

We identified the following transition and physical risks and opportunities across our value chain through our own operations, our supply chain, and the climate services we deliver to our clients.

Based on the resilience analysis performed, we take targeted steps to strengthen our business model against climate-related transition risks as part of our broader sustainability strategy. Please refer to section Climate-Related Impacts, Risks, and Opportunities and their Interaction with the Strategy and Business Model Foundations above. These efforts are designed to reduce our exposure to risks while supporting the decarbonisation of our value chain. Additionally, existing business continuity measures are sufficient to handle potential disruptions.

We maintain a proactive stance by monitoring evolving climate risks and committing to reassessing materiality as external conditions and stakeholder expectations evolve. This ensures long-term resilience and readiness to address future climate-related risks.

## Our operations

| Risk and/or opportunity | Business and value chain impact | Business response |
|---|---|---|
| **Attracting and retaining talent.**<br>Transitional Medium and long term | Our response to the global climate challenge can enhance or harm our reputation, affecting our ability to attract, retain, and motivate talent, and affect our resilience in the labour market. | • We integrate climate considerations into our strategy, culture, and ways of working.<br>• We embed sustainability into the services we deliver and foster a culture where sustainability is part of our identity.<br>• We have taken steps to make our service delivery more sustainable by, to the extent possible, favouring video conferencing and choosing low-carbon travel options for in-person meetings.<br>• We support our employees with opportunities to build expertise on climate and sustainability topics, ensuring they are equipped for the future of work.<br>By aligning how we work, engage with clients, and develop talent with the transition to a Net Zero economy, we mitigate reputational risks and strengthen our resilience in the labour market. |
| **Brand/reputational risk arising from failure to contribute in a meaningful way to the climate agenda.**<br>Transitional – Medium and long term | Our response to the climate agenda and our contribution to solutions can strengthen or weaken our brand and reputation, directly impacting our employees and business operations, and shaping our resilience in the market. | • Our sustainability strategy is anchored in our Net Zero transition plan, and our climate actions are embedded in our operations, through our decarbonisation levers as described in E-1-1 transition plan<br>• Our approach is supported by external frameworks and assessments, including our targets validated by SBTi, the annual CDP disclosure through the Network (A– grade for the second year for our 2024 submission), EcoVadis rating (Silver medal in 2025), BREEAM certification.<br>• We contribute to broader climate action by participating in global initiatives such as the LEAF Coalition enhancing our contribution to global climate solutions.<br>These efforts reflect our commitment to credibility and accountability, helping to reduce this risk and support our resilience. |
| **Impact on business travel from extreme weather events (flood, heatwave, gusts of wind, snow or freezing precipitation, storms, extreme heat or cold and rain).**<br>Physical – medium, and long term | Extreme weather events may disrupt travel, client service delivery, and operations, with knock-on effects across our value chain.<br><br>However, national data show that all these risks are low and exceptionally low in Luxembourg. | • We continue to review our hybrid working arrangements to balance flexibility with collaboration, and we have invested in digital transformation to deliver more services virtually, reducing reliance on travel.<br>• Our Business Continuity Plan combined with the low exposure of Luxembourg to such hazards limits the impact of these risks. |
| **Physical risks to network office infrastructure arising from climate events (flood, heatwave, gusts of wind, snow or freezing precipitation, storms, extreme heat or cold and rain).**<br>Physical – Current, short, medium, and long term | Climate-related events can disrupt client service delivery, impact our operations and employees, and in severe cases require office relocation, leading to financial losses and broader disruption across our value chain.<br><br>However, national data show that all these risks are low and exceptionally low in Luxembourg. | • The shifting environmental risk landscape has been reflected in a recent update to the Climate Key Network Risk (KNR) to capture the broader environmental concerns such as biodiversity and ecosystems. 'Environment,' including extreme weather events, climate change, nature loss and geological disasters. The KNR is also considered in our enterprise risk management (ERM) framework.<br>• Our hybrid way of working, our Porto office and our satellite offices in Luxembourg make our workspace less location bound.<br>• Our real estate strategy, where our next PwC Building is the main next milestone in FY27, embed climate risks considerations.<br>• We conduct information security risk assessments through our Information Security Management System methodology to consider physical threats that could impact our information systems. These assessments are regularly updated by the Information Security Team<br>• The Building Security Manager defines security requirements to protect premises and data centres based on risk results and international best practices. The backup data centre is further protected through security requirements set by the provider.<br>Our low exposure to physical risks, combined with business continuity planning, security measures demonstrates our resilience to potential disruption. |

## Climate services to clients

| Risk and/or opportunity | Business and value chain impact | Business response |
|---|---|---|
| **The need to adapt our core services to embed consideration of climate-related matters.**<br>Transitional – Short, medium, and long term | It is a risk and an opportunity to make sure our services are both relevant and impactful from a market point of view. | • A PwC Network team is established to develop and scale climate and sustainability services. Tools such as the Sustainability Reporting Solution have been launched to support client teams in delivering sustainability goals, managing risks, and meeting regulatory requirements. These efforts are being aligned with evolving regulatory standards, and collaboration is being pursued through initiatives like the Net Zero Financial Service Providers Alliance.<br>• By allowing all employees to be upskilled in sustainability and climate change, we ensure a baseline level of knowledge across the firm, which strengthens our capacity to adapt core services to climate-related considerations and better support our clients.<br>• We integrate sustainability considerations into all Lines of Service, ensure alignment with EU regulatory.<br>These efforts, combined with internal quality frameworks and knowledge sharing across teams, reinforce our ability to deliver credible and future-proof climate services. |
| **Development and scaling of new and emerging climate services to support clients.**<br>Transitional – Short, medium, and long term | Increasing need for climate-related assessment offers a market opportunity for PwC in new and emerging climate services. | • We deliver ESG service in audit and advisory considering their needs in terms of compliance, assurance, digitisation, transformation, and transition.<br>• Sustainability is one of our market Key Focus Area (KFA). It aligns practices towards ESG across all our Line of services and industries we serve.<br>• We have dedicated teams of ESG experts, integrating environmental and climate risk, trained both at EMEA level and through our global network. |
| **Portfolio revenue exposure to high transition risk sectors.**<br>Transitional – Short, medium, and long term | We could face risks associated with exposure to carbon-intensive sectors. | • We adapt the services we propose to clients to help them to face and mitigate the risks they are facing. ESG and sustainability services are a strong support in that sense.<br>• We have a diversified client portfolio spanning all industries. While we are evenly exposed to private equity, this sector is itself diversified. Our main exposure relates to the potential bankruptcy or disappearance of clients in certain sectors more vulnerable to climate change, such as the insurance industry. |
| **Extreme weather events cause major disruption to sectors with significant supply chain concentration in areas of heightened risk.**<br>Physical – Medium and long term | Global or regional economic disruption caused by events of this nature could impact several areas of the business, across local regions and sectors whose supply chains are concentrated or heavily reliant on those geographic regions. | • We mitigate our supply chain disruption by prioritising local sourcing wherever possible, which reduces dependency on regions of heightened climate risk. Given that the likelihood of extreme weather events in Luxembourg is considered low, our overall exposure is limited, and our resilience remains strong.<br>• Our supply chain, more specifically our IT infrastructure (for ourselves and our clients), integrates our PwC Network, which address the extreme weather events world-wide. More details are given in the PwC Network environmental report. |
| **Impact of droughts and floods in higher-risk geographies.**<br>Physical – Long term | Territory or regional economic disruption brought on by climate events could impact our business through our client base. | • We support clients locally and regionally with strategic planning and adaptation informed by physical risk analysis. For broader market impacts, the Network collaborates with stakeholders, governments, and policymakers to build resilience and minimise negative effects.<br>• The low exposure of Luxembourg to such hazards limits the impact of these risks towards our local clients. |

E1-ESRS 2-SBM-3: 19 (c)

# 4. E1-2 Policy related to climate change mitigation, and energy efficiency

Our environmental policy sets out the firm's overall approach to managing climate-related impacts, risks, and opportunities identified in our DMA, including the negative impact of GHG emissions, and the reputational risk such as the perceived greenwashing. It addresses all material environmental topics, including climate change mitigation and energy, and reflects the six pillars of our environmental strategy outlined in section E1-1 – Transition Plan for Climate Change Mitigation. E1-2:22

Currently, this overarching policy integrates and governs several key operational and strategic frameworks, including the Travel Policy, Procurement Policy, Building and Infrastructures Management Principles, Sustainable Mobility Programme, remote working and carbon offsetting approach. These components embed climate considerations into our daily operations and support our Net Zero ambitions.

Work is underway to consolidate these elements into a single, comprehensive document to strengthen consistency and governance. This policy also defines our approach to environmental reporting and monitoring, which is supported by formal validation from external organisations including:

- CDP (Carbon Disclosure Project) at the PwC Network level. CDP is a globally recognised platform that assesses corporate climate strategies, including GHG emissions reduction, transparency, and governance. It supports the validation of our emissions accounting and reduction efforts.
- At local level, EcoVadis provides independent evaluation of our ethical, social, environmental and procurement practices. EcoVadis assessments validate our sustainability performance, boost market credibility, and highlight ways to strengthen our decarbonisation efforts across our own operations and the supply chain.

In addition, our network is regularly audited through Net Zero governance mechanisms (see sections E1-1 – Transition Plan for Climate Change Mitigation and 6.3 Monitoring and Contribution of Decarbonisation levers for further details).

We aim to finalise and publish the consolidated policy to ensure full alignment with our transition plan and effectively support our climate-related actions as described in the E1-3 Actions and Resources section. The policy is currently available internally and will be published externally next year to make it accessible to potentially affected stakeholders.

E1-2: 25 (a),(c),(d)

## 4.1. Key contents of the environmental policy

Our sustainability-related policies and programmes primarily apply to PwC Luxembourg and, where relevant, its subsidiaries. The Procurement Policy is the only policy that extends to PwC Société Coopérative and its subsidiaries, while other policies and programmes (travel, building and infrastructure management, sustainable mobility, remote working) apply exclusively to PwC Luxembourg operations and employees. The carbon offsetting approach is established at PwC Network level and applies globally across all PwC territories. Common exclusions across policies include personal purchases, employee commuting, and activities outside PwC-managed operations. Formal policies (travel, procurement, carbon offsetting) have designated senior-level accountability, whereas programmes and principles do not have assigned senior-level responsibility. E1-ESRS 2-MDR-P: 65 (b),(c)

**Travel policy**

This policy is a central tool of our climate change mitigation efforts, specifically targeting Scope 3 emissions from professional travel—one of our material environmental impacts. Built on the principles of “travel less, travel smart,” it promotes responsible travel choices in the context of business growth and aligns with both our Environmental Policy and Environmental Strategy. Key provisions include:

- **Mode of Transport Restrictions:** Air travel is prohibited for journey under 400km where viable train alternatives exist.
- **Service Class Guidelines:** Travel classes are defined based on geographic zones and distance, balancing operational needs with environmental impact.
- **Monitoring and Oversight:** Travel-related emissions are tracked and reviewed by the LoS sustain Leaders, our Managing Partner, the CSO and Travel teams to ensure compliance with internal sustainability standards.

E1-ESRS 2-MDR-P: 65 (a)

### Procurement policy

We embed sustainability across our operations and mitigate upstream Scope 3 emissions through our procurement policy. It provides the governance framework approved by the sustainability leaders, for all sourcing and supplier-related activities, ensuring decisions are consistent, transparent, and aligned with our Environmental Strategy and broader sustainability commitments. Key components consist of:

- **Charter of Responsible Procurement:** Suppliers must acknowledge and comply with this charter, which reflects our values across four pillars: governance, planet, people, and prosperity. It is based on ten core principles inspired by the United Nations Global Compact (UNGC), which we have formally signed.
- **Sustainability Criteria:** ESG requirements, including SBTi certification or equivalent, are integrated into supplier selection to support Net Zero objectives.
- **Third-party Code of Conduct:** All suppliers must adhere to PwC Network's code of conduct, which sets minimum standards for ethics, legal compliance, and sustainability.
- **Supplier risk management:** Risk assessments are conducted during supplier onboarding and reassess on a regular basis.
- **Conflict of interest controls:** Procurement decisions are governed by strict independence and conflict of interest policies to ensure transparency and integrity.
- **Supplier ESG due diligence:** we are working on developing a structured process to assess supplier alignment with our sustainability standards, with formal commitment required to reinforce climate resilience across our value chain.

E1-ESRS 2-MDR-P: 65 (a)

We ensure compliance with sustainability standards (including CSRD) and alignment with PwC Network's broader strategy. We monitor our suppliers' SBTi status, reviewing ESG responses submitted through RFPs, and providing guidance on ESG-related inquiries to support suppliers in aligning with sustainability expectations. E1-ESRS 2-MDR-P: 65 (d)

### Building and infrastructures management principles

The management of our buildings is governed by a set of rules aimed at supporting climate change mitigation, energy efficiency, and use of renewable energy across our operations. Performance is monitored to ensure compliance with internal standards. Key provisions include:

- **Energy purchasing:** Certified renewable electricity is systemically procured in line with our environmental policy and Net Zero strategy.
- **Energy management of our headquarters:** Our energy management system that includes Heating, Ventilation, and Air Conditioning (HVAC) optimisation, LED lighting, temperature controls, and building certifications such as Building Research Establishment Environmental Assessment Method (BREEAM). Our building has held an "Excellent" BREEAM rating since 2014 and is fully powered by renewable electricity. It features a Centralised Technical Management system (CTM) that automates and monitors technical installations. HVAC systems include heat recovery wheels and variable speed drives, while lighting systems adjust based on external brightness.
- **Monitoring and reporting of our headquarters:** Energy consumption is tracked through structured reporting. Internally, a matrix is used to calculate GHG emissions from procurement-related energy use, based on emission coefficients. Reports are shared quarterly with the Environmental Leader and annually with the PwC Network.
- **Building and infrastructure:** All new construction projects or leased property, including our upcoming headquarters, must meet environmental certification standards (e.g. BREEAM, WELL) and be designed for carbon optimisation in both construction and operations (e.g. Carbon optimised label from Energie Environnement Luxembourg).

E1-ESRS 2-MDR-P: 65 (a)

We ensure infrastructure-related procurement complies with sustainability standards and aligns with PwC Network's broader strategy. Risks related to sustainability and infrastructure disruptions are escalated through defined governance channels.

**Sustainable mobility programme**

This programme contains a policy and other frameworks to reduce commuting-related emissions and promote low-carbon transportation options. It encourages the adoption of eco-conscious commuting practices and ensures that mobility-related decisions aligned with our environmental commitments. The Car Policy defines mobility options for employees supporting PwC's Net Zero strategy by promoting low-emission transport solutions.

- **Car leasing rules:** Since 2025, use of plug-in hybrid cars or electric vehicles is encouraged, and low emission internal combustion engine is still allowed, provided employees opt for vehicles with the lowest emissions (CO2 WLTP emissions < 130g/km). A large number of charging stations are available at our headquarters, and most of our satellite office sites are as well equipped.
- **Car sharing:** Employees can access shared electric or low-emission vehicles for both business and private use, managed via our internal fleet system.
- **Car pooling:** Ride-sharing is facilitated through an internal app, with priority parking for vehicles carrying three or more occupants.

In addition to the car policy, we offer complementary mobility solutions such as bike leasing, governed under a separate policy. These initiatives, including our own Vel'OH station, contribute to reducing commuting emissions and form part of PwC Network's Sustainable Mobility Framework. ESRS 2-MDR-P: 65 (a)

**Remote working**

Remote working options are designed to reduce travel-related emissions while maintaining operational efficiency and providing flexibility solutions to our employees:

- **Satellite offices:** Eight coworking spaces close to the Belgian, French, or German borders offer fully equipped work environments and as well as parking facilities, strategically located to minimise commuting time and distance.
- **Home Based Working (HBW):** Employees could work from home based on role eligibility and local tax/social regulations. Non-resident employees are granted a 45-day home office allowance annually.

E1-ESRS 2-MDR-P: 65 (a)

**Carbon offsetting approach**

PwC Network's carbon offsetting approach complements its emissions reductions efforts and forms part of its environmental governance framework. It supports PwC Network's environmental strategy and Net Zero ambitions by ensuring offsetting is conducted transparently and responsibly. While emissions mitigation remains the priority, offsetting is necessary to address residual emissions. The approach applies to Scope 1, Scope 2, and business travel emissions, and excluding credits procured through the Network's central procurement process, which are managed separately. Key elements include:

- Clear prioritisation of emissions reduction before offsetting.
- Defining criteria for credit selection: Carbon credits must comply with recognised standards (e.g., Gold Standard, VCS), come from sustainable projects such as energy efficiency, REDD+, or public transport, exclude high-impact projects (e.g., large hydro, industrial methane), and be recent: up to three years for technology solutions and five years for natural climate solutions.
- Annual reporting of total CO2e offset.
- Third-party due diligence audits of all offsetting project suppliers.

E1-ESRS 2-MDR-P: 65 (a)

## 4.2. Scope, accountability, and availability

Our sustainability-related policies and programmes primarily apply to PwC Luxembourg and, where relevant, its subsidiaries. The procurement policy is the only policy that extends to PwC Société Coopérative and its subsidiaries, while other policies and programmes (travel, building and infrastructure management, sustainable mobility, remote working) apply exclusively to PwC Luxembourg operations and employees. The carbon offsetting approach is established at PwC Network level and applies globally across all PwC territories. Common exclusions across policies include personal purchases, employee commuting, and activities outside PwC-managed operations.

Our Chief Administrative Officer (CAO) – one of the key leadership functions and also our Environmental Leader as outlined in E1-1 Strategy and Governance – is accountable for the implementation of the environmental policy (travel, procurement, carbon offsetting), and of any programmes or principles related to environment that are not formalised as documented policies. Our environmental policy is ultimately endorsed by the Managing Partner and validated by the Management Board once published. This policy applies to the same scope as our climate transition plan. E1-ESRS 2-MDR-P: 65 (b),(c)

# 5. E1-3 Actions and resources

Our Network's environmental strategy is designed to operationalise our local environmental strategy by focusing on priority areas where our decarbonisation levers can deliver the expected impact. These levers are described in section: E1-1 – Transition Plan for Climate Change Mitigation.

Our environmental policy, detailed in section E1-2 Policy Related to Climate Change Mitigation, and Energy Efficiency, serves as a practical framework to embed these levers into daily activities, ensuring consistency, traceability, and alignment with the Network's transition plan.

To validate our actions, we leverage on external mechanisms such as CDP (Carbon Disclosure Project) and EcoVadis. These external reviews suggest areas for improvements and ensure alignment with regulatory frameworks including CSRD. We are scored A- for our 2024 CDP submission and we obtained the EcoVadis Silver badge in 2025.

## 5.1. Decarbonisation levers, key actions and outcomes during the reporting year and in the following years

We take targeted climate action through seven key decarbonisation levers: low-carbon mobility, low-emission business travel, low-carbon headquarters, renewable energy use, IT-related emissions reduction, responsible supply chain, and ESG-driven client services. These initiatives are supported by dedicated resources. Their implementation contributes directly to the achievement of our Environmental Policy objectives and targets, by translating strategic commitments into operational actions across our organisation.

In addition to these operational levers, we support nature-based solutions through forest conservation and reforestation credits procured centrally by the PwC Network through the LEAF Coalition. These projects help avoid emissions, complementing our broader climate mitigation strategy.

E1-3: 29 (a)

Although we do not yet quantify the financial impact of our climate mitigation efforts, we are actively planning the resources required to implement emission reduction initiatives. This includes developing a comprehensive decarbonisation plan that addresses both capital expenditures (CapEx) and operational expenditures (OpEx). Our goal is to fully integrate into our strategic planning by the next fiscal year, supported by the CSRD framework, ensuring that resource allocation for emission reduction is embedded in our business strategy.

E1-3: 29 (c), E1-ESRS 2-MDR-A: 68 (a), E1-ESRS 2-MDR-A: 69 (a),(c),
E1-3: AR 21

The outcomes for each decarbonisation lever are described in the sections titled E1-5 Energy Consumption and Mix and in E1-6 Gross Scopes 1,2,3 and Total GHG Emissions. These actions are linked to targets outlined in section E1-4 below. While we do not yet report on expected GHG emissions, we plan to include projections in future iterations as our decarbonisation plan becomes fully formalised.

E1-3: 29 (b) ,E1-ESRS 2-MDR-A: 68 (e), E1:3: AR 19

### 5.1.1. Key actions taken and planned

Our initiatives address both our own operations and broader value chain impacts. Actions that focus exclusively on own operations include low-carbon headquarters, renewable energy sourcing, and IT-related emissions reductions. Initiatives such as low-carbon mobility and low-emission business travel span own operations and upstream activities. Actions that extend across the value chain include responsible supply chain practices upstream and ESG-driven client services downstream, aiming to influence emissions beyond our direct control.

## Low-carbon mobility

We continuously develop our mobility strategy to consider the significant increase in traffic forecast in the National Mobility Plan 2035 and we participate in the "European Mobility Week" every year by coordinating conferences related to this topic. We also leverage on an annual mobility survey to understand our employees' commuting habits, estimate the associated emissions and find solutions to lower our carbon footprint related to mobility. The results are shared both internally and externally with the City of Luxembourg and the Ministère de la Mobilité et des Travaux Publics.

In line with previous years, our response to the findings raised through these channels include:

- Raising awareness internally to promote the adoption of sustainable transportation options and engage employees through campaigns and initiatives. We also engage with mobility service providers to support low-emission options, and we optimise internal policies to enable lower-emission commuting (e.g. encouraging car-pooling, car-sharing, leasing of EVs/hybrids, and use of public and soft mobility).
- Updating internal rules to optimise the use of satellite offices and home-based working, aiming to reduce commute-related emissions.
- In the reporting year, we also expanded our plug-in hybrid cars and electric car-sharing offer and doubled the number of on-site charging stations.

**Looking ahead**

We aim to electrify our vehicle fleet by FY30 and expand low-carbon mobility programmes, further reducing transportation-related emissions. We also plan to strengthen our mobility strategy and low-carbon commuting options, bringing our workforce closer to workplaces and promoting soft commuting.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

## Low-emission business travels

During this reporting year, we have deployed our Travel Dashboard, which enables monitoring past and planned emissions (per flight, per destination) and tracks flights by traveller and by line of service. This tool helps identify business travel that could be replaced by lower-carbon alternatives such as virtual meetings or alternatives transportation modes.

Business travel emissions are overseen by our Line of Services Sustainability Leaders, who validate trip requests within their line of service and ensure they remain within allocated emissions envelopes. Each line of service is assigned an annual $CO_2$ budget for business travel, managed by these designated leaders.

**Looking ahead**

We plan to progress toward automating travel approvals based on emissions impact and have introduced measures to integrate emissions criteria into internal booking tools. We also aim to expand the use of Sustainable Aviation Fuel (SAF) to further reduce the carbon footprint of air travel.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

## Low-carbon headquarters

Our current headquarters, Crystal Park, is an energy-efficient building rated “Excellent” by the Building Research Establishment Environmental Assessment Method (BREEAM). We have optimised heating, ventilation, and air conditioning (HVAC) and lighting systems, adjusted temperature settings by decreasing cooling in the summer and reducing heating in the winter, and increased energy monitoring through regular reporting.

**Looking ahead**

We are preparing for the transition to a new carbon-neutral, Taxonomy-compliant headquarters. This future building will be powered entirely by renewable electricity, feature photovoltaic panels, and achieve WELL Platinum and BREEAM Outstanding certifications. We aim to reduce our electricity use by 30% and heating energy by 70%.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

## Renewable energy use

By sourcing 99% of purchased electricity from renewable sources—primarily hydropower from Norway and Croatia—and powering our headquarters entirely with renewable energy, we significantly reduce our Scope 2 greenhouse gas emissions and consistently maintain them at a very low level.

**Looking ahead**

We plan to maintain 100% renewable electricity sourcing.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

**IT-related emissions reduction**

In the reporting year, we replaced and reduced the number of printers with energy-efficient devices, optimised our digital infrastructure, and continued to use heat from data centres to warm parts of the building. These efforts were supported by our participation in the PwC Europe Green Tech community. The intended outcome of these actions is a measurable reduction in greenhouse gas emissions, contributing to overall resource efficiency and our decarbonisation objectives.

**Looking ahead**

We plan to automate our IT-related data collection by leveraging experiences of other PwC offices, using a dashboard tool. This will allow us to continuously monitor our IT-related emissions (hardware, cloud, IT services and Metadata), identify our main sources of emissions, and provide more accurate insights, to shape our reduction strategy and prioritise impactful actions. In parallel, we aim to advance digital sustainability through data optimisation and responsible IT initiatives, embedding sustainability into IT operations. As our AI transition drives increases demand on IT infrastructure and data, we recognise the need to integrate environmental considerations into our transformation and align IT strategy with sustainability objectives. Building on our Responsible IT project and related impact, risk, and opportunity analysis, we will explore levers such as energy efficiency, responsible data management, and more sustainable IT practices.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

**Responsible supply chain**

This year, we strengthened our procurement practices with a more robust tool that integrates supplier sustainability considerations — including prioritisation of suppliers with science-based targets, use of the Supplier Dashboard, and improved spend tracking — by design.

**Looking ahead**

We plan to fully operationalise the Supplier Dashboard, engage suppliers on emissions reduction plans, and integrate lifecycle emissions into procurement decisions, strengthening its influence across the value chain.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

**ESG-driven client services**

This year, we equipped our client-facing teams with a "Corporate Sustainability Due Diligence" pack, providing an overview of our sustainability journey and answering recurring client inquiries. This pack is supported by evidence of our commitment to sustainable practices and is updated annually. The next year occurrence will be aligned with the CSRD.

**Looking ahead**

We aim to foster collaborative work with clients and stakeholders to promote environmental responsibility across professional interactions. This commitment involves offering ESG-related services, tailored to best assist clients in achieving their sustainability objectives as described in ESRS 2 – Strategy and business model.

E1-3: 29 (a), E1-ESRS 2-MDR-A: 68 (a)

### 5.1.2. Scope and time horizons

ESG actions extend to all PwC Luxembourg offices and Porto employees and immediate suppliers, under the governance described in the section E1-1 Transition Plan for Climate Change Mitigation. E1-ESRS 2-MDR-A: 68 (b)

We apply the same time horizon as the one mentioned in section ESRS 2 - SBM-3 Climate Resilience Analysis: Methodology, Timing and Scenario Use. E1-ESRS 2-MDR-A: 68 (c)

# 6. E1-4 Targets related to climate change mitigation

## 6.1. Alignment of climate-related targets with policy objectives and IRO management

We have established measurable, outcome-oriented, and time-bound targets that support our Net Zero strategy as described in E1-1 – Transition Plan for Climate Change Mitigation. Each of these targets serves as a mechanism to assess progress toward our overarching sustainability goals.

The environmental policy integrates all dimensions of our decarbonisation approach, and targets reflect operational or strategic levers designed to achieve our climate objectives. These targets are described in E1-1 – Greenhouse Gas Emission Reduction Targets. E1-ESRS 2-MDR-T: 80 (a)

The climate-related targets serve as a credible and measurable foundation for climate action, reinforcing our commitment beyond regulatory compliance and supporting long-term resilience. They have been set by the governance put in place as described in E1-1 – Transition Plan for Climate Change Mitigation. E1-4: 33

Our material climate-related impacts stem primarily from GHG emissions associated with service delivery, employee commuting, and business travel. IT-related emissions also contribute to our footprint and an alignment between our IT and environmental strategies is required.

As outlined in our business model and strategy analysis (see section Climate-Related Transition Risks under ESRS 2 SBM 3), we face key transition risks, notably reputational risk, and the risk of perceived greenwashing.

## 6.2. Measurable climate-related targets

### 6.2.1. Target-setting approach

Measurable climate-related targets support our climate change mitigation and energy transition efforts. These targets aim to reduce environmental impacts, enhance positive contributions, and address climate-material risks and opportunities.
E1-ESRS 2-MDR-T: 80 (b)

We have a worldwide commitment to achieve Net Zero greenhouse gas (GHG) emissions by 2050 with near-term and long-term science-based targets validated by the SBTi. These milestones formally launched our climate strategy and aligned us with the Paris Agreement's 1.5°C pathway. E1-4: 33

Our GHG emissions reductions targets are measured in $CO_2e$ and cover all major GHGs regulated under the Kyoto Protocol: $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, and $NF_3$. These targets are disclosed in absolute values. E1-4: 34 (a)

To achieve these targets, we have a set of strategic decarbonisation levers, as outlined in section E1-3 Climate Change Mitigation – Decarbonisation Levers, Key Actions, Progress and Outcomes. Progress is tracked and reported in section E1-4 Decarbonisation Levers and Performance Against Disclosed Targets. These targets are also embedded in our broader corporate sustainability strategy.

At this stage, we do not plan to adopt other technologies to meet our emissions reduction commitments.

### 6.2.2. Scope and baseline year

We apply the operational control approach under the GHG Protocol, to establish our organisational boundaries. This includes emissions from entities over which we exercise operational control, as detailed in the section E-1-1 Transition Plan for Climate Change Mitigation. Our GHG inventory and emissions reduction targets are fully aligned with this boundary.
E1-4: 34 (c), E1-ESRS 2-MDR-T: 80 (c)

We report and manage emissions from operations we control, ensuring consistency between our inventory and our climate commitments.

FY19 is our baseline year for GHG emissions. This year reflects a typical year of operational activity and avoids anomalies caused by external factors such as the COVID-19 pandemic, which significantly impacted FY20 and FY21. Our baseline is therefore representative of normal business operations and provides a reliable foundation for tracking progress.
E1-4: 34 (c), E1-ESRS 2-MDR-T: 80 (d)

In line with SBTi guidance, we do not apply normalisation or multi-year averaging, as FY19 alone offers a faithful representation of our emissions profile. Our reduction pathway (near-term and long-term targets) follows the Absolute Contraction Approach (ACA), aligned with a 1.5°C trajectory under the Paris Agreement.

We commit to maintaining the integrity of our baseline year unless a meaningful change occurs in our reporting boundary or target scope. Should such a change arise, we will transparently disclose the impact on our targets and progress tracking. We intend to review our selected base year from 2030 onward, and periodically thereafter, to maintain relevance and comparability.

### 6.2.3. Climate change mitigation and energy targets

The following tables present our climate targets, established as part of our Net Zero strategy outlined in section: E1-1 – Transition Plan for Climate Change Mitigation. Targets are organised by timeframe, distinguishing between the near-term targets set for achievement by FY30 and those aligned with our long-term 2050 Net Zero ambition.

**Near-term Targets by FY30 (Baseline: FY19)**

| Scope | Targets | Coverage | Objective | Methodology |
|---|---|---|---|---|
| Scope 1 & 2 | Reduce Scope 1 & 2 emissions by 50% | 100% of gross Scope 1 & 2 | Decarbonisation | See Methodology below and details in E1-6 Gross Scopes 1, 2, 3 and Total Greenhouse Gas Emissions |
| Scope 2 | Transition to 100% renewable electricity | 100% of gross Scope 2 | Decarbonisation & energy transition | See Methodology below and details in E1-5 Energy consumption and mix |
| | Reduction waste generated in operations by 50% | Scope 3 category 5 | Decarbonisation & behaviour change | See Methodology below and details in E1-6 Gross Scopes 1, 2, 3 and Total Greenhouse Gas Emissions |
| Scope 3 | Reduce business travel emissions by 50% | Scope 3 Category 6 | Decarbonisation & behavioural change | See Methodology below and details in E1-6 Gross Scopes 1, 2, 3 and Total Greenhouse Gas Emissions |
| | Reduce commuting emissions by 30% | Scope 3 Category 7 | | |

**Long-term targets by 2050 (Baseline: FY19)**

| Scope | Targets | Coverage | Objective | Methodology |
|---|---|---|---|---|
| All scopes | Reduce absolute Scope 1, 2, and 3 emissions by 90% | All scopes | Deep decarbonisation | See methodology below and details in E1-6 Gross Scopes 1, 2, 3 and Total Greenhouse Gas Emissions |

E1-4: 34 (a),(b),(d)



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### 6.2.4. Methodologies and assumptions

Our climate-related targets are science-based and have been validated by the Science Based Targets initiative (SBTi), confirming their compatibility with limiting global warming to 1.5°C, as well as with the EU Green Deal and its intermediary 'Fit for 55' targets.

E1-ESRS 2-MDR-T: 80 (g)

These targets are based on the Absolute Contraction Approach (ACA) and are aligned with the GHG Protocol, ensuring methodological consistency across both emissions inventory and target-setting processes. This also confirms that our decarbonisation pathway contributes to both EU and global climate ambitions. E1-ESRS 2-MDR-T: 80 (f)

We use several emission factors sets for various activity data scopes in our GHG reporting. These include conversion factors provided by the UK Department of Energy Security and Net Zero (formerly BEIS/DEFRA), emission factors from the International Energy Agency (IEA) covering the consumption of fuels, energy, electricity, and heating, and residual mix emission factors from the Association of Issuing Bodies (AIB) RE-DISS project, which provides residual mix data for European electricity. Our emissions inventory undergoes periodic internal and external reviews to ensure boundary accuracy and methodological robustness.

E1-ESRS 2-MDR-T: 80 (i)

Future developments such as changes in sales volumes, evolving customer preferences, regulatory shifts, and emerging technologies have been considered in the target-setting process. These factors are integrated into strategic planning and scenario modelling to assess their potential impact on both GHG emissions and reduction pathways. Detailed modelling was conducted centrally at the PwC Network level and is not available at the local entity level.

E1-4: 34 (e)

Stakeholder involvement is embedded in our governance processes, as outlined in "E1-1 Transition Plan for Climate Change Mitigation – Strategy and Governance". This ensures that material sustainability matters are addressed collaboratively. E1-ESRS 2-MDR-T: 80 (h)

Our methodology is derived from the PwC Network strategy, applied consistently across all territories to ensure coherence and comparability. It is aligned with CSRD and the ESRS. Further details on standards, principles, methodologies, and assumptions are available in the Network Environment Report.

## 6.3. Monitoring and contribution of decarbonisation levers

### 6.3.1. Progress monitoring and performance against emissions targets

We report progress against our validated emissions targets annually, using a structured monitoring framework that consolidates our GHG emissions. Progress on each lever is tracked using dedicated metrics linked to specific operational domain, and this information is published annually. Monitoring includes mobility surveys, travel dashboards, supplier assessments and energy audits. Consolidated data is submitted annually to the PwC Network, where it undergoes independent assurance by Crowe U.K. LLP at the global level and is disclosed through the CDP Climate Change assessment and the Network Environment Report. This assurance applies to network-wide data, not to PwC Luxembourg individually, ensuring accountability at the global level and enabling timely adjustments when performance deviates from expectations.

The quantitative performance against our disclosed targets — including how progress is tracked, reviewed, and measured — is presented in the sections E1-5 – Energy Consumption and Mix and E1-6 – Gross Scopes 1, 2, 3 and Total Greenhouse Gas Emissions and GHG Intensity Based on net revenue. E1-ESRS 2-MDR-T: 80 (j)

### 6.3.2. Decarbonisation levers and strategic integration

The decarbonisation levers outlined in the section E1-1 – Transition Plan for Climate Change Mitigation, are designed to reduce emissions across all scopes. These levers are based on both network and local strategies are reviewed and validated at the beginning of each fiscal year by the Environmental Leader to ensure alignment with firm ambitions. While these levers were not yet formalised in FY25, they will become the foundation of our reporting in FY26 to ensure transparency and consistency from strategic intent to operational execution and measurement. Currently, we monitor the implementation of each lever through operational metrics; however, quantitative attribution of their impact on overall emissions reduction is not yet available for the current reporting year. E1-4: 34 (f)

# 7. E1-5 Energy consumption and mix

## 7.1. Tracking performance and effectiveness

We monitor energy consumption from both fossil and renewable sources, with no consumption from nuclear sources. GHG emissions data is tracked using the UL360 platform, the PwC Network's GHG reporting tool, which is aligned with both the GHG Protocol and ESRS standards. External audits and plausibility checks are performed on the GHG emissions data, to validate the reported results. E1-ESRS 2-MDR-M: 75)

In addition, a quarterly analysis of electricity meter data is performed for the building by a technical maintenance company and us, while an annual review is conducted by an external engineering consultancy firm on behalf of the property owner.

We are not a company with operations in high climate impact sectors, as we primarily operate in the services sector, which is not listed among the high climate impact sectors defined in Appendix A of ESRS E1. As such, no reconciliation of net revenue from high climate impact sectors is required, and the calculation of energy intensity based on such revenue is not applicable, as required by E1-5 40. E1-5:38, E1-5:43

### 7.1.1. Total energy consumption metric

The table below presents total energy consumption and mix for our operations in Luxembourg and in Porto during FY25. This year marks the first inclusion of Porto's energy consumption, which contributes to the overall increase in reported figures.

In Luxembourg, total energy consumption reached 6,683 MWh, with 4.8% derived from fossil sources and 71.5% from renewable sources. The energy used to produce the heat we consume comes from three sources: an estimated 11% from fossil-fuel combustion, and the remaining 89% from waste incineration, of which 30% (605 MWh) originates from renewable fuels such as biomass and biogas and 70% (1,413 MWh) from the incineration of non-organic waste. No energy was sourced from nuclear or self-generated non-fuel renewable sources. In Porto, total energy consumption was 175 MWh, entirely sourced from renewables, resulting in a 100% renewable energy share and zero fossil fuel use.

Despite sourcing 99% of our electricity from renewable sources, our Scope 2 emissions, we observed an increase in overall energy consumption which is consistent with operational growth, including increased heating demand across our different buildings and the expansion of our electric vehicle fleet leading to extra EV charging stations installed in our headquarters. The inclusion of sites where we do not control the source of electricity also contributes to the fossil energy share. E1-4: 34 (f)

| Total energy consumption and mix FY25 | | Luxembourg | Porto |
|---|---|---|---|
| (1) Total fossil energy consumption | MWh | 320 | 0 |
| (2) Share of fossil sources in total energy consumption | % | 4.8% | 0% |
| (3) Energy consumption from nuclear sources | MWh | 0 | 0 |
| (4) Share of energy consumption from nuclear sources in total energy consumption | % | 0% | 0% |
| (5) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)* | MWh | 605 | 0 |
| (6) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources | MWh | 4,170 | 175 |
| (7) Consumption of self-generated non-fuel renewable energy | MWh | 0 | 0 |
| (8) Total renewable energy consumption | MWh | 4,775 | 175 |
| (9) Share of renewable sources in total energy consumption (biomass and renewable electricity) | % | 71.5% | 100% |
| (10) Energy from heat generated with non-organic waste incineration* | MWh | 1413 | N/A |
| **(11) Total energy consumption** | **MWh** | **6,683** | |

*The figures for (5) and (10) are estimates calculated using historical data available up to 2022

E-1-5: 37 (a),(b),(c)- i-iii, E1-ESRS 2-MDR-M: 77 (c),(d)

## 7.2. Methodology and assumptions

Energy data is collected for each office, covering electricity, heating consumption, and vehicle fuel under Scope 1. This includes purchased electricity from the grid, renewable electricity backed by certificates (RECs), and electricity used by the company fleet EV. Sources include electricity meter readings, invoices, landlord confirmations, and REC documentation.

For both our headquarters and satellite offices, renewable electricity estimates are based on building size when data is unavailable. The total renewable share is calculated by weighting each office's electricity consumption by its renewable status. Our headquarters accounts for around 90% of our heating consumption, which is delivered via the local district heating system. Approximately 90% of the heat we consume is produced from waste incineration.

The metrics are not validated by an external body independent of the assurance provider. We remain committed to strengthening the quality of our reporting and may consider independent external review in the following years to further challenge our sustainability strategy towards Energy consumption. E1-ESRS 2-MDR-M: 77 (b)

# 8. E1-6 Gross Scope 1,2,3 and total GHG emissions, and GHG intensity based on net revenue

## 8.1. Tracking performance and effectiveness

GHG emissions are tracked through the operations of our teams in charge of our decarbonisation levers. The following tools automate some reporting requirements:

**A travel dashboard** is enabling us to monthly monitor our past and planned emissions and to detect travelling patterns that we can improve and optimise (e.g. virtual meetings, different means of transportation, etc.). This collect of comprehensive and quality data is key to identifying the most effective strategies to reduce travel emissions in the long term.

**A supplier dashboard** of the firm's supply chain is also being developed internally to facilitate the planning of a responsive supplier engagement strategy and to enable us to support further decision-making. In addition to this, environmental criteria (SBTi) play an increasingly significant role in the weighted criteria for our calls for tender.

E1-ESRS 2-MDR-M: 77 (a)

### 8.1.1. Total greenhouse gas emissions metric

Our GHG emissions for FY25, compared to the base year (FY19), cover Scopes 1, 2, and 3 across our operations in Luxembourg and Porto. FY25 marks the first year of including Porto in our emissions reporting. Although its contribution to total emissions is relatively small, it expands the geographical scope of our footprint and supports more comprehensive reporting. All reported emissions relate to entities within the consolidated accounting group. No material emissions are associated with investees or jointly controlled operations outside the scope of consolidation as we do not have such entities.

**Progress against targets**

The progress achieved in FY25 is in line with expectations set under our decarbonisation strategy and interim targets:

**Scope 1**

Emissions decreased by 51% vs. FY19 (target: -50%), driven primarily by fleet electrification and building energy efficiency measures.

**Scope 2 (market-based)**

Emissions decreased by 59% vs. FY19 (target: -50%), exceeding the annual reduction trajectory required to meet our 2030 goals. Nearly all electricity consumed was sourced from renewable providers, reinforcing the importance of aligning procurement mechanisms with emissions accounting frameworks.

**Scope 3**

Remains the largest contributor to our footprint:

**Category 1 - Purchased Goods and Services (PG&S)**

Expenses increased by 53% driven by higher demand for professional services to support client projects, aligning spending with sales growth. Our purchases such as catering, meals and events, and entertainment are generally linked to staff numbers, which rose from FY19 to FY25. The frequency and type of events have remained relatively stable over the years.

**Category 2 - Capital goods**

Includes non-recurring irregular purchases, with expenses varying based on investment needs. In 2025, spending on furniture and construction increased due to the opening of a new office managed by PwC, which required a full fit-out and furniture. Overall, expenses decreased by 32% primarily due to lower spending on IT equipment and devices. These typically peak during major swap projects (e.g., iPhones, laptops) or significant IT investments such as monitors. Fiscal year 2025 did not include any swap projects or major IT investments, explaining this reduction.

**Category 5 - Waste generated**

We have achieved a 44% reduction compared to our 2019 baseline. This progress is primarily driven by: reducing disposable items in takeaway products, introducing reusable containers, committing to the "Zero Single-Use Plastics Pledge" in collaboration with Inspire More Sustainability, a leading network promoting CSR and sustainability in Luxembourg and raising supplier awareness about packaging for purchased goods. Additionally, we installed a compactor to reduce the volume of paper and cardboard waste, with invoicing now based on volume rather than weight, while metrics continue to be measured.

**Category 6 - Business travel**

Emissions fell by 65%, enabled by virtual collaboration tools, stricter travel policies, and fuel alternatives.

**Category 7 - Employee commuting**

Emissions reduced by 48%, supported by low-carbon commuting initiatives and digital infrastructure upgrades.

E1-4: 34 (f), E1-ESRS 2-MDR-T: 80 (j)

| Emissions categories | Unit | FY19 Base year | FY25 Luxembourg | FY25 Porto | Target 2030 | Annual % target/ base year |
|---|---|---|---|---|---|---|
| **Gross Scope 1 GHG emissions** | **tCO2eq** | **41** | **20** | **0** | **-50% (combined with market-based scope 2)** | **-51%** |
| Percentage of Scope 1 GHG emissions from regulated emissions trading schemes | % | 0 | 0 | 0 | N/A | 0% |
| **Gross Scope 2 GHG emissions (location-based)** | **tCO2eq** | **1,150** | **579** | **28** | **N/A** | **-47%** |
| **Gross Scope 2 GHG emissions (market-based)** | **tCO2eq** | **400** | **164** | **1** | **-50% (combined with scope 1)** | **-59%** |
| **Gross scope 3 GHG emissions** | **tCO2eq** | **34,492** | **36,761** | **159** | **N/A** | **+7%** |
| 1 Purchased goods and services | tCO2eq | 18,779 | 28,748 | No data | N/A | +53% |
| 2 Capital goods | tCO2eq | 4,388 | 2,975 | No data | N/A | -32% |
| 3 Fuel and energy-related activities | tCO2eq | 275 | 260 | 6 | N/A | -3% |
| 4 Upstream transportation and distribution | tCO2eq | 1,193 | 885 | 0 | N/A | -26% |
| 5 Waste generated in operations | tCO2eq | 63 | 35 | No data | -50% | -44% |
| 6 Business travel | tCO2eq | 7,194 | 2,517 | No data | -50% | -65% |
| Air | tCO2eq | 4,532 | 1,935 | No data | N/A | -57% |
| Car | tCO2eq | 2,128 | 250 | No data | N/A | -88% |
| Public transport | tCO2eq | 55 | 41 | No data | N/A | -25% |
| Accommodation | tCO2eq | 479 | 292 | No data | N/A | -39% |
| 7 Employee commuting | tCO2eq | 2,600 | 1,340 | 153 | -30% | -48% |
| **Total GHG emissions (Location-based)** | **tCO2eq** | **35,683** | **37,359** | **187** | **N/A** | **+5%** |
| **Total GHG emissions (Market-based)** | **tCO2eq** | **34,933** | **36,945** | **160** | **N/A** | **+6%** |

E1-6: 44 (a),(b),(c),(d),E1-6: 48 (a),(b), E1-6: 49 (a),(b), E1-6: 50 (a),(b), E1-6: 51, E1-6:52 (a),(b), E1-6: AR 48

## 8.2. Methodology and assumptions

We calculate the greenhouse gas (GHG) emissions in line with the GHG Protocol Standard, applying consistent methodologies across Scope 1, Scope 2, and Scope 3 emissions to capture direct and indirect impacts throughout our value chain. Scope 3 categories use a mix of spend-based and activity-based methods; assumptions include average emission factors and estimated commuting distances. Limitations relate to data availability for certain suppliers. Metrics have not been externally validated in FY25; independent assurance may be considered in future reporting cycles. E1-ESRS 2-MDR-M: 77 (a),(b),(c)

In FY25, the reporting boundary was expanded and recalculated to include all entities and activities listed in the table below, as well as, where possible, our Porto office. This expansion ensures closer alignment with CSRD and ESRS reporting scope requirements. As a result, both the baseline year and the FY25 figures reflect these updated boundaries and methodologies, and are therefore not directly comparable with figures published in previous reports. E1-6: 47

**Scope 1, 2 and 3 emissions inclusions**

| GHG Scopes | Reporting status | Source of emission factors |
|---|---|---|
| **Scope 1** | | |
| Stationary fuel combustion | Included. Stationary combustion of fuels that are owned or controlled | BEIS/DEFRA |
| Mobile fuel combustion | Included. Mobile combustion of fuels in owned or controlled transport | BEIS/DEFRA |
| **Scope 2** | | |
| Purchased electricity (location-based) | Included. Generation of purchased electricity | IEA (International Energy ) |
| Purchased electricity (market-based) | Included. Generation of purchased electricity | IEA (International Energy ) |
| Purchased heating, steam, and cooling | Included. Generation of purchased heat | IEA (International Energy ) |
| **Scope 3** | | |
| Category 1: Purchased Goods & Services (PG&S) | Included. Cradle-to-gate emissions from purchased goods and services purchased or acquired | Exiobase v3 dataset with an in-house EEIO model |
| Category 2: Capital goods | Included. Cradle-to-gate emissions from capital goods | Exiobase v3 dataset with an in-house EEIO model |
| Category 3: Fuel- and energy-related activities | Included. Upstream WTT and transmission-and-distribution losses for fuels and energy reported in Scope 1 and 2. | IEA (Scope 1/2), BEIS/DEFRA (Scope 3 WTT) |
| Category 4: Upstream transportation & distribution | Included. Emissions associated with third-party transportation and distribution services purchased, calculated using the spend-based method. | BEIS/DEFRA or ADEME |
| Category 5: Waste generated | Included. Emissions from third-party treatment of operational waste | BEIS/DEFRA or ADEME |
| Category 6: Business travel (including radiative forcing) | Included. Business travel (air travel, land transport, and accommodation) | BEIS/DEFRA (air and land travel), Cornell Hotel Sustainability Benchmarking Index (accommodation) |
| Category 7: Employee commuting | Included. Emissions from employee travel between home and work, calculated using estimated commuting distances and transport modes. | BEIS/DEFRA |

E1-6: AR 46 (i), E1-ESRS 2-MDR-M: 77 (c)

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### Exclusions

They exclude refrigerant gases, as no refills or top-ups were recorded during the reporting period, indicating no leakage or emissions. E1-ESRS 2-MDR-M: 77 (a)

Scope 3 categories 8-12 are excluded from our reporting as they were assessed as not material. Scope 3 categories 13-15 are excluded as they are not relevant to our business. E1-6: AR 46 (i)

We are currently not disclosing the following data points due to current limitations in data accessibility:

- Percentage of contractual instruments related to Scope 2 GHG emissions, used for sale and purchase of energy bundled and unbundled energy attribute claims. E1-6: AR 45 (d)
- Percentage of Scope 3 GHG emissions calculated using primary data. E1-6: AR 46 (g)
- Biogenic emissions Scope 3. E1-6: AR 46 (j)

At present, our internal systems do not consistently capture or structure this information in a way that meets CSRD reporting requirements. We acknowledge the relevance of these indicators for transparency and credibility in climate reporting and are working toward improving our data management processes. We aim to progressively include these disclosures in future reports as data quality and system maturity improve.

### Scope 1 and Scope 2 Emissions methodology and assumptions

Scope 1 and Scope 2 emissions are calculated using emission factors from three primary sources: UK Department of Energy Security and Net Zero (formerly BEIS/DEFRA) conversion factors, International Energy Agency (IEA) factors for fuel, energy, electricity, and heating, and residual mix factors from the Association of Issuing Bodies (AIB) RE-DISS project for European electricity.

Scope 1 covers direct emissions from fuel combustion and use by long-term leased vehicles under PwC's operational control. It also includes fuel purchased through fuel cards. E1-ESRS 2-MDR-M: 77 (b)

Scope 2 includes emissions from purchased electricity and heating across all office locations. Market-based emissions apply zero emissions to certified renewable electricity. Where renewable data is not available, estimates are based on floor area and supplier-specific or default factors are applied. E1-ESRS 2-MDR-M: 77 (b)

Due to the unavailability of disaggregated $CH_4$ and $N_2O$ data, Scope 2 emissions are reported based on aggregated emission factors from the supplier. E1-6: AR 45 (c)

For Scope 1 emissions, we do not have any biogenic emissions. E1-6: AR 43 (c)

### Scope 3 Emissions methodology and assumptions

Scope 3 emissions are calculated in line with the GHG Protocol using emission factors from the UK Department of Energy Security and Net Zero (formerly BEIS/DEFRA), the International Energy Agency (IEA) for fuel, energy, electricity, and heating, and residual mix factors from the Association of Issuing Bodies (AIB) RE-DISS project for European electricity. Supplier-related emissions are based on the Exiobase v3 dataset, processed through our in-house Environmentally Extended Input-Output (EEIO) model to convert peer-reviewed data into emission factors.

Scope 3 emissions are calculated using the following category-specific methodologies:

| Scope | Description |
|---|---|
| **Scope 3, Category 1 – Purchased Goods & Services (PG&S)** | Data is collected from the total spend with suppliers on PG&S, broken down into goods and service categories. Spend data is obtained from internal procurement or finance teams, with sufficient detail to allocate costs into goods and service categories. We consider the country of purchase in order to apply the appropriate country-specific emissions factor. Purchases from other PwC member firms are also included, since we operate as an independent entity within the PwC network. We currently do not have a separate breakdown of emissions attributable to cloud computing or data centres. These are included within our broader IT-related services category. We plan to enhance our reporting in the future to provide greater granularity on this aspect. |
| **Scope 3, Category 2 – Capital goods** | Data is collected from total spending with suppliers on capital goods, specifically in the following categories: IT equipment and devices (hardware), construction, office equipment, electrical products and machinery, and furniture. This spend data comes from internal procurement or finance teams and includes enough detail to allocate costs to these relevant categories. When detailed data is not available, we estimate emissions using capital goods intensity metrics, such as revenue or headcount, from across the network, applied to the estimating firm. We also consider the country of purchase to apply the correct country-specific emissions factor. Purchases from other PwC member firms are also included, since we operate as an independent entity within the PwC network. |
| **Scope 3 Category 3 – Fuel- and energy-related emissions (for Scope 1 and 2)** | This category includes emissions that come from upstream activities related to the production and delivery of fuels and electricity used in the company's operations. It covers two main areas: well-to-tank (WTT) emissions from the fuels used in buildings and company-owned vehicles (Scope 1), and transmission and distribution (T&D) losses from electricity purchased for buildings and electric vehicles (Scope 2). To calculate these emissions, data is taken from the same sources used for measuring Scope 1 and 2 emissions. |
| **Scope 3 Category 3 – Fuel- and energy-related emissions (business travel)** | This category focuses on the upstream emissions associated with energy used during business travel. It includes WTT emissions from both air and land-based travel. The company collects data on either the distance travelled or the amount of fuel consumed during business trips. This information is then used to estimate the emissions related to producing and delivering the fuel or energy used. Like the previous category, there are no exclusions, ensuring a full accounting of upstream energy-related emissions from business travel. |
| **Scope 3 Category 4 – Upstream transportation and distribution** | Emissions associated with third-party delivery and distribution of purchased goods and services, calculated using the spend-based method. |
| **Scope 3 Category 5 – Waste generated in operations** | Emissions are calculated based on waste type and treatment method (e.g. landfill, recycling, incineration), using weight data from site waste reports from SuperDrecksKëscht (SDK). The limited granularity of SDK reports is a known limitation and should be acknowledged as such. |
| **Scope 3 Category 6 – Air travel emissions** | This includes all greenhouse gas emissions from employee air travel for business purposes. Data is collected based on the distance travelled, flight class (like economy or business), and flight type. When detailed data is available from airlines or travel agents, each flight leg is assessed separately. If such data isn't available, estimates are made using invoices, expenses, or average spend per flight leg, depending on what's accessible. All air travel is included, whether it's reimbursed by clients or paid for by PwC, and emissions are calculated with the Radiative Forcing (RF) factor included. No exclusions are applied. |
| **Scope 3 Category 6 – Land-based travel emissions** | This covers emissions from business-related travel by car or other land transport, including short term rentals and employee-owned vehicles and taxis. The data is based on fuel used or distance travelled, sourced from travel provider reports or expense claims. If detailed data isn't available, emissions are estimated using spend data by fuel type or average spend values. Like with air travel, all land-based travel is included, regardless of who pays for it. There are no exclusions from this category either. |
| **Scope 3 Category 6 – Employee accommodation emissions** | These emissions come from employees staying in hotels, serviced apartments, or other non-PwC-operated accommodation during business trips. The number of nights and the type of accommodation (city or other) are tracked using travel provider reports and expense claims. If that information isn't available, estimates are made based on hotel spending and duration, or other company metrics like headcount or revenue. All accommodation used during business trips is included, with no exclusions. |
| **Scope 3 Category 7 – Employee commuting emissions** | Employee commuting emissions cover travel between home and worksites by car, public transport, rail, air, bicycle, or walking. We estimate these emissions using commuting profiles based on an employee annual survey, combining country of residence (Luxembourg, Belgium, France, Germany) and management level. Each commuting mode is assigned an emission factor (kgCO2e/km) from DEFRA. Profiles are then applied to the April staff list, considered representative of a normal business period, with adjustments based on leasing fleet data to estimate vehicle use. As individual tracking is not feasible, results are derived from survey-based estimations to ensure consistent and non-biased calculations. |

E1-ESRS 2-MDR-M: 77 (b)

**Emission factors' limitations and uncertainties**

Emission factors are sourced from DEFRA, IEA, AIB, CHSB, and EXIOBASE. These factors are based on scientific studies and national statistics and inherently include uncertainty due to methodological assumptions and variability in underlying datasets. For example, DEFRA applies Monte Carlo simulations, while AIB uses Ecoinvent data with embedded uncertainty modelling. We acknowledge these limitations and aim to improve precision through enhanced data collection. E1-ESRS 2-MDR-M: 77 (a)

## 8.3. GHG intensity based on net revenue

The GHG emissions intensity for FY25 is calculated using the net revenue figure of €666.1m, as disclosed in the current report, first section. This approach ensures consistency with our financial reporting and enables transparent reconciliation between environmental and financial performance.

The intensity figures reflect our total Scope 1, 2, and 3 emissions and are shaped by both operational changes and value chain dynamics. While Scope 1 emissions decreased by 51%, and emissions from business travel and commuting saw significant reductions, overall intensity remained relatively stable. This is primarily due to increases in Scope 3 procurement emissions and Scope 2 heating-related emissions.

These results underscore the importance of continuing to decouple emissions from revenue growth. Key levers include supplier engagement, infrastructure upgrades, and energy efficiency measures. Our carbon-neutral campus initiative and the adoption of science-based targets by key suppliers are expected to support further improvements in emissions intensity over time.

| GHG emissions intensity | Unit | FY19* | FY25 |
| --- | --- | --- | --- |
| Location-based | per net revenue tCO2eq/million € | 91.26 | 56.00 |
| Market-based | | 89.34 | 55.33 |

*The net revenue for FY19 excludes TASC and PSP.

E1-6: 54, E1-6: AR 54

**Quantitative reconciliation and GHG intensity per net revenue**

GHG emissions intensity ($tCO_2e$ per euro of net revenue) is calculated using net revenue figures disclosed in the general-purpose financial statements. Reconciliation is maintained to ensure consistency and transparency. E1-6: 55

# 9. E1-7 GHG removals and GHG mitigation projects financed through carbon credits

## 9.1. Carbon credit portfolio

We purchase high-quality carbon credits each year equivalent to the volume of the emissions that we have not yet reduced or eliminated from our Scope 1, Scope 2, and Scope 3 (business travel). These credits are not counted toward our near-term and long-term GHG emission reduction targets. This ensures that our use of carbon credits does not impede or reduce the achievement of our reduction targets. E1-7: 61 (a),(b)

In line with the PwC Network's Net Zero commitment made in 2020, we continue to offset 100% of our residual emissions with high-quality carbon credits, and we plan to transition to carbon removals from FY30, with the objective of achieving Net Zero by 2050. From that point onward, we aim to offset all residual emissions. These commitments are set at network level and applied locally, as carbon credits are procured centrally. E1-7: 60

Our approach, aligned with the environmental policy, prioritises emissions reductions before offsetting, applies strict criteria for credit selection, and ensures transparency through annual reporting and third-party due diligence audits. This supports the credibility and integrity of the carbon credits used. E1-7: 61 (c)

For FY25, 100% of our carbon credits have been sourced through the Lowering Emissions by Accelerating Forest Finance (LEAF) coalition, which supports efforts such as reducing deforestation. Due to the pioneering nature of the coalition, delivery of credits has been delayed, and credits committed for FY25 are still awaiting issuance and cancellation.

Until FY30, we will continue to offset our emissions annually through the LEAF project. We aim to address hard-to-abate emissions by financing emission reduction projects outside our value chain via the purchase of high-quality, contractually secured carbon credits. These credits are verified against recognised quality standards and cancelled within the relevant reporting period.

### 9.1.1. Carbon credit portfolio overview

As part of our climate strategy, we continue to offset more than our residual emissions. These carbon credits are not counted toward our near-term reduction targets but reflect our commitment to climate responsibility beyond compliance. The table below provides a detailed overview of our carbon credit portfolio for FY25, including volumes, project types, and quality standards.

In FY25, we purchased 2,471 units and carried over 1,050 units from the previous year.

| **Portfolio summary** | **FY25 credits cancelled** | **FY25 delayed LEAF credit** (see methodology) | **Credits planned to be cancelled** (see methodology) |
|---|---|---|---|
| Total volume (tCO2e) | 0 | 2471 | 0 |
| Share from removal projects (%) | – % | – % | |
| Share from reduction projects (%) | – % | 100% | |
| Quality standard: ART TREES share (%) | – % | 100% | |
| Quality standard: VCS (%) | – % | – % | |
| Share from projects within the EU (%) | – % | – % | |
| % Corresponding adjustments | – % | – % | 0 |

E1-7: 56 (a),(b), E1-7: 58 (a),(b), E1-7: 59 (a)

## 9.2. Methodology and assumptions

We follow a forward purchase approach for our carbon credit portfolio We estimate emissions for the upcoming year(s) and purchase an equivalent volume of credits. Emissions are reconciled annually, and any surpluses or shortfalls are accounted for accordingly. As a result, the volume of credits reported may not directly align with emissions disclosed under the scope of our commitments.
E1-7: 58 (b), E1-ESRS 2-MDR-M: 77 (a)

To date, none of the carbon credits we have purchased carry corresponding adjustments and the metrics have been externally validated. However, we are committed to enhancing the robustness of our reporting and may consider independent external validation as our sustainability practices evolve. E1-ESRS 2-MDR-M: 77 (b)

To support interpretation of the data presented in the table:

- "FY25 delayed LEAF credits" refer to credits we originally committed through the LEAF coalition for the year FY25. Due to verification and issuance timelines, these credits have not yet been delivered. Once issued, they will be cancelled.
- "Credits planned to be cancelled" are credits already under contract and scheduled for cancellation in future reporting periods. This category does not include LEAF credits, as final contracts have not yet been issued.

E1-7: 59 (b)

No LEAF projects are located in the EU.  LEAF is focuses on ending deforestation in tropical and sub-tropical nations. All credits that will be issued under LEAF are Jurisdictional REDD+ credits assured to the ART TREES standard. Details on the verification standard can be found www.artredd.org/trees.  The methodology for assuring LEAF avoidance credits has been approved by the Integrity Council for Voluntary Carbon Markets www.icvcm.org/assessment-status.

# 10. E1-8 Internal carbon pricing

While we do not currently apply an internal carbon pricing mechanism, this is a potential lever we intend to explore further in the coming years. As part of our broader climate roadmap, we aim to assess the relevance and feasibility of integrating internal carbon pricing to support investment decisions and decarbonisation efforts.
E-1-8: 62

# EU Taxonomy

# 1. Introduction to our FY25 EU Taxonomy report

The EU Taxonomy, part of the European Green Deal, is designed to support the transition to a sustainable, low-carbon economy. Although not currently mandatory for us, this disclosure offers our stakeholders information on our activities and their alignment with the criteria of the EU Taxonomy.

# 2. A summary of the EU Taxonomy legislation

The EU Taxonomy is a classification system designed to provide a common, science-based definition of environmentally sustainable economic activities. Its legal framework is composed of the main Taxonomy Regulation and a series of Delegated Acts that provide specific details:

- **The Taxonomy Regulation (2020/852/EU):**
  This is the cornerstone of the framework, establishing the six environmental objectives: climate change mitigation, climate change adaptation, sustainable use of water, transition to a circular economy, pollution prevention, and protection of biodiversity.
- **The Climate Delegated Act:**
  This act provides the detailed Technical Screening Criteria (TSC) for economic activities making a substantial contribution to the first two objectives - climate change mitigation and adaptation. It was later amended by a Complementary Delegated Act to include specific gas and nuclear energy activities under strict transitional conditions.
- **The Environmental Delegated Act:**
  This act expands the Taxonomy's scope by establishing the TSC for activities contributing to the remaining four environmental objectives, covering sectors from manufacturing and transport to disaster risk management.
- **The Disclosures Delegated Act:**
  This act specifies the exact content, methodology, and presentation that companies must use for their mandatory reporting, detailing the calculation of Key Performance Indicators (KPIs) like Turnover, Capital Expenditure (CapEx), and Operating Expenditure (OpEx).

For the FY25 reporting period, we applied the simplifications introduced by the Omnibus Delegated Act (2025/4568/EU), including materiality thresholds and streamlined reporting templates.

# 3. Scope of the EU Taxonomy for PwC Luxembourg

The EU Taxonomy for PwC Luxembourg is based on the same scope of consolidation applied in our sustainability statement, as described in ESRS 2 – General disclosures – Scope of consolidation.

Due to its legal form, PwC Société Coopérative is not required to prepare consolidated financial statements under Luxembourg law. Nevertheless, we have chosen to publish unaudited consolidated key performance indicators in this report.

PwC Société Coopérative holds an equity interest in the joint venture PwC Services Portugal, Lda, which, in accordance with the Disclosure Delegated Act of the EU Taxonomy Regulation, is excluded from our consolidated EU Taxonomy figures.

# 4. Understanding key Taxonomy concepts

We distinguish between the following concepts:

- **Taxonomy-eligible activity:**
  An economic activity explicitly listed in the EU Taxonomy Delegated Acts as relevant for the green transition.
- **Taxonomy-non-eligible activity:**
  An economic activity not currently described in the Delegated Acts. This does not imply unsustainable practice, but rather that criteria have not yet been established.
- **Taxonomy-aligned activity:**
  A Taxonomy-eligible activity is considered aligned only if it: makes a substantial contribution to at least one of the six environmental objectives, Does No Significant Harm (DNSH) to the other five objectives and complies with minimum safeguards (e.g. OECD guidelines and the UN Guiding Principles on Business and Human Rights). If any of these criteria are not met, the eligible activity is classified as Taxonomy-non-aligned.

# 5. First year preparation and reporting

We conducted our first voluntary EU Taxonomy assessment through a comprehensive review of our economic activities. The analysis determined that most of our firm's primary activities – as described in the section ESRS 2 Strategy of our sustainability statement - are currently outside the scope of the EU Taxonomy framework. As a result, our turnover is not considered Taxonomy-eligible, except for activities that have been identified in later sections of this report and deemed immaterial.

At this stage, we cannot substantiate alignment with the EU Taxonomy for any KPIs. The objective is to progress beyond eligibility and demonstrate alignment with the technical screening criteria and minimum safeguards standards in future reporting periods. In FY26, we will start performing a human rights risk assessment, meant to identify, evaluate and address actual or potential adverse impacts our operations, supply chain or business relationships may have on our employees' human rights.

Additionally, we have performed an analysis of the OpEx as its relevance to our business model. Given that our main costs relate to employee salaries as well as other professional fees, we see very limited eligibility for EU Taxonomy OpEx definition, being 30,414k EUR. Therefore, we have deemed OpEx as immaterial and opted not to disclose this KPI. The following section presents a summary of PwC Luxembourg's turnover and CapEx for FY25. As FY25 is the first year that PwC Luxembourg reports under EU Taxonomy, disclosure of prior year figures is not required.

# 6. FY25 KPIs

## 6.1. Taxonomy eligibility of the firm turnover, CapEx

| In kEUR | Total | Taxonomy non-eligible activities | Taxonomy eligible but not aligned |
|---|---|---|---|
| Turnover | 765,500 | 763,774 | 1,726* |
| CapEx | 2,089 | 368 | 1,720 |

*Eligible turnover considered as immaterial.

**Identified economic eligible activities across PwC Luxembourg 3**

The table below includes an overview of the eligible economic activities contributing to a single climate objective. We do not undertake any activity contributing to multiple objectives.

| Activity number | Eligible economic activity name | Objective | Description PwC Luxembourg activity | KPI |
|---|---|---|---|---|
| 1.2 | Manufacture of electrical and electronic equipment | CE | This activity includes purchase of output of eligible activities, mainly IT equipment. | CapEx |
| 7.7. | Acquisition and ownership of buildings | CCM | PwC Luxembourg leases buildings. | CapEx |

# 7. Assessment of alignment with EU Taxonomy regulation

## 7.1. Substantial contribution

To determine if an economic activity is Taxonomy-aligned, it must first comply with the first requirement as described in the Taxonomy regulation. For our CapEx KPI we have one eligible activity related to the objective of circular economy and one eligible activity that contributes to climate change mitigation. These activities are listed in the table above.

## 7.2. DNSH assessment

For all economic activities where we can demonstrate a substantial contribution, we further analyse the DNSH criteria. We evaluated these criteria on an economic activity level. Furthermore, the DNSH assessment requires us to prepare a climate risk and vulnerability assessment and an adaptation plan to mitigate the identified material physical climate risks.

Climate risk and vulnerability assessment has been conducted at the firm level to assess the materiality of physical climate risks and their impact on our own operations, supply chain and our clients. Mitigation actions were identified to manage the risks and enhance opportunities associated with climate change, these actions span across short-, medium- and long-term horizons. More details in our sustainability statement E1 SBM-3 Results of the Resilience Analysis.

**1.2 Manufacture of electrical and electronic equipment**

| Activity number | TSC assessment | Compliance with TSC |
|---|---|---|
| 1.2. | We contribute to the circular economy objective when its purchased EEE are eco-labelled, which we managed to confirm for most of our purchases.<br>However, we could not obtain the information from suppliers to conduct the DNSH assessment. As a result, DNSH criteria on climate change mitigation, water, pollution prevention and biodiversity could not be assessed, and the activity is therefore not considered compliant. | Not compliant |

**7.7 Acquisition and ownership of buildings**

| Activity number | TSC assessment | Compliance with TSC |
|---|---|---|
| 7.7. | Our review identifies seven properties that qualifies as eligible under this activity.<br>Alignment would be confirmed through an assessment of their Energy Performance Certificate (EPC), which demonstrates the building meets the required high-efficiency standard (e.g., is within the top 15% of the national building stock). Only one property meets these criteria as no other buildings in our portfolio met the EPC requirements or the data was not available for the assessment.<br>Alignment with DNSH criteria for climate adaptation is met. The climate risk and vulnerability assessment is conducted at the firm level following the criteria set out in Appendix A. It assesses the materiality of physical climate risks and their impact on our own operations, supply chain and clients. This is the only DNSH criteria listed for this economic activity. | Compliant for one identified asset |

## 7.3. Minimum safeguards assessment

The last step of the alignment assessment is to check the compliance of PwC Luxembourg with the minimum safeguards (bribery and corruption, fair competition, taxation and human rights) as prescribed by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the principles and rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the International Bill of Human Rights.

The minimum safeguards criteria have been assessed at the firm level in relation to all eligible activities based on the final report on minimum safeguards from the Platform on Sustainable Finance:

- We have a zero tolerance policy towards bribery and corruption and violation of fair competition. We have established systems, policies and procedures, in compliance with all applicable laws and regulations, to prevent corruption and bribery from occurring in our own operations or while interacting with clients or suppliers and to prevent unfair competition. The Ethics Helpline is available to all employees and third parties to speak up and raise concerns or questions. More details are given in G1 – Business conduct.
- We are a responsible taxpayer, and we pay tax where we operate, declaring profits and paying taxes where the economic activities occur.
- Our commitment to human rights is integrated into regular business processes and supported through internal policies as described in S1-1 Policies. PwC Human Rights Policy, implemented globally in June 2024, was formally transposed to the Luxembourg firm in March 2025. However, we recognise that the current assessment of actual and potential human rights impacts in our value chain requires further improvement. In FY26, we commit to start performing a deeper human rights risk assessment. For more details see section on human rights in section Human Rights Policy.

Because of the improvements needed to the minimum safeguards' requirements on human rights, no alignment with EU Taxonomy is claimed.

## 7.4. Our KPIs and accounting policies

For presenting the Taxonomy KPIs, Turnover and CapEx we use the templates provided in Template I and II for non-financial undertakings as per the Delegated Act on the simplification of the content and presentation of information to be disclosed.

# 8. Turnover

## 8.1. Accounting policy

The proportion of Taxonomy-aligned economic activities in our total turnover is calculated as the part of net turnover derived from services associated with Taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator), in this case for the financial year from 1 July 2024 to 30 June 2025.

The denominator of the turnover KPI is based on our consolidated net turnover prepared in accordance with Luxembourg GAAP.

## 8.2. Results

The total **turnover amounts to €765,500k** and corresponds to the Turnover as disclosed in this report. We have identified the following non-material eligible economic activities with given turnover:

- Consultancy for physical climate risk management and adaptation (NACE: M74.90).
- Professional services related to energy performance of buildings (NACE: M71).
- Emergency services (NACE: A2.40, B9.10, E39.00, H52.23, N80.20, Q84, O84.25, Q86.10, Q86.90 and Q88.99).

In aggregate, these activities amount to **1,725k EUR which represents 0.23%** of total PwC Luxembourg turnover. Given the immaterial nature of this amount, no further assessment was conducted, and these activities are disclosed as non-material within the template I.

# 9. CapEx

## 9.1. Accounting policy

CapEx eligibility and alignment are determined according to Disclosure Delegated Act. CapEx includes additions to tangible and intangible assets before depreciation, amortisation, or remeasurement, and excludes fair value changes. It also covers purchases from Taxonomy-eligible activities and additions from business combinations but excludes goodwill. The numerator consists of the following categories of Taxonomy-eligible CapEx:

- Investment in “Acquisition of buildings” (CCM 7.7), totalling €726k (35% of total CapEx).
- Purchase of output related to “Manufacture of electrical and electronic equipment” (CE 1.2), amounting to €994k, representing 48% of total CapEx.

To avoid double counting in the CapEx KPI (and OpEx KPI in potential future reporting), we have aggregated all additions to CapEx within one analysis and reviewed their contribution to CapEx categories. This analysis ensured us that there is no double counting between CapEx categories neither with future potential OpEx.

## 9.2. Results

The total CapEx used as a denominator for the calculation of the Taxonomy CapEx KPI amounts to €2,089k, of which the amount of eligible CapEx amounts to €1,720k and represents 83% of the total CapEx.

# 10. Template I

Proportion of turnover and CapEx, from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year (N) (summary KPIs).

| KPI (1) | Total (2) | Proportion of Taxonomy eligible activities (3) | Taxonomy aligned activities (4) | Proportion of Taxonomy aligned activities (5) | Breakdown by environmental objectives of Taxonomy aligned activities | | | | | | Proportion of enabling activities (12) | Proportion of transitional activities (13) | Not assessed activities considered non-material (14) | Taxonomy aligned activities in previous financial year (N-1) (15) | Proportion of Taxonomy aligned activities in previous financial year (N-1) (16) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate Change Mitigation (6) | Climate Change Adaptation (7) | Water (8) | Circular Economy (9) | Pollution (10) | Biodiversity (11) | | | | | |
| Text | k EUR | % | Currency | % | % | % | % | % | % | % | % | % | % | Currency | % |
| Turnover | 765,500 | 0% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0.2% | / | / |
| CapEx | 2,089 | 83% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | / | / |
| OpEx | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | / | / |

# 11. Capex Taxonomy template

| | | | | | Substantial contribution criteria | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Economic activities (1)** | **Code (2)** | **Taxonomy eligible KPI proportion of eligible CapEx (3)** | **Taxonomy aligned KPI (monetary value of Capex) (4)** | **Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx) (5)** | **Climate change mitigation (6)** | **Climate change adaptation (7)** | **Water (8)** | **Pollution (9)** | **Circular economy (10)** | **Biodiversity and ecosystems (11)** | **Category (enabling activity) (12)** | **Category (transitional activity) (13)** | **Proportion of Taxonomy aligned in Taxonomy eligible (14)** |
| Text | | % | Millions, local CCY | % | % | % | % | % | % | % | E | T | % |
| Acquisition and ownership of buildings | CCM 7.7 | 35% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | / | / | 0% |
| Manufacture of electrical and electronic equipment | CE 1.2 | 48% | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | / | / | 0% |
| **Sum of alignment per objective** | | | | | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | |
| **Total KPI CapEx** | | **83%** | **0** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **/** | **/** | **0%** |

# Independent Auditor's Limited Assurance

8

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## Report of the réviseur *d'entreprises agréé* on PricewaterhouseCoopers's Sustainability Statement

To the Management of
PricewaterhouseCoopers
Société cooperative
2, rue Gerhard Mercator
L-2182 Luxembourg

### Limited assurance conclusion

We have conducted a limited assurance engagement on the Sustainability Statement (included in section "Sustainability Statement" of the Annual Review) of PricewaterhouseCoopers and its subsidiaries (the "Group"), as at 30 June 2025 and for the period from 1 July 2024 to 30 June 2025.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with;

- the Basis of Preparation as disclosed under Note 1.1 "General basis for preparation of the Sustainability Statement";
- Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation) and the delegated acts adopted for this purpose;

altogether "the Criteria".

In the consolidated sustainability statement, references are made to external sources or website. The information on these external sources or websites is not subject to our limited assurance procedures for the consolidated sustainability statement. We therefore do not provide assurance on this information.

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### Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (“ISAE 3000”), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, established by the International Auditing and Assurance Standards Board (“IAASB”) as adopted for Luxembourg by the *Institut des réviseurs d’entreprises*. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under this standard are further described in the *réviseur d’entreprises agréé*’s responsibilities section of our report.

We are independent of the Company in accordance with the International Code of Ethics of Professional Accountants, including the International Standards of Independence, published by the International Ethical Standards Committee for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF, together with the ethical requirements that are relevant to our assurance engagement of the Sustainability Statement in Luxembourg.

Our firm applies the requirements of ISQM1 in the operation of its audit engagements and, accordingly maintains a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

### Emphasis of matter – Basis of preparation

We draw your attention to Note 1.1, “General basis for preparation of the sustainability statement”, which describes that management has chosen to deviate from the prescribed order of disclosures as required under ESRS. As described in that note, while content requirements have been complied with, the structure and presentation of the sustainability statement differ from ESRS framework.

Our conclusion is not modified in respect of this matter.

### Corresponding information

The corresponding information in the Sustainability Statement and the related disclosures with respect to previous years have not been subjected to any limited assurance procedure.

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### Responsibilities of the Management for the sustainability statement

The Management of the Company is responsible for developing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the Criteria. This responsibility includes:

- understanding the context in which the Company's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the entity's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions and estimates that are reasonable in the circumstances.

Management of the Company is further responsible for the preparation of the Sustainability Statement, which includes the information identified by the Process, in accordance with the Criteria.

This responsibility includes:

- Designing, implementing and maintaining such internal controls that management determines are relevant to enable the preparation of the Sustainability Statement, in accordance with the Criteria that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates about individual sustainability disclosures that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Process to identify the information reported in the Sustainability Statement and the process to prepare the Sustainability Statement.

### Inherent limitations in preparing the Sustainability Statement

In reporting forward looking information in accordance with the Criteria, management of the Company is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Company. Actual outcome is likely to be different since anticipated events frequently do not occur as expected.

In determining the disclosures in the Sustainability Statement, management of the Company interprets undefined legal and other terms. Undefined legal and other terms may be interpreted differently, including the legal conformity of their interpretation and, accordingly, are subject to uncertainties.

### *Réviseur d'entreprises agréé*'s responsibilities

Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement.

As part of a limited assurance engagement in accordance with ISAE 3000 we exercise professional judgement and maintain professional skepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Performing risk procedures, including obtaining an understanding of internal control relevant to the engagement, to identify risks that the Process to identify the information reported in the Sustainability Statement does not address the applicable requirements of the Criteria, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process ; and
- Designing and performing procedures to evaluate whether the Process to identify the information reported in the Sustainability Statement is consistent with the Company's description of its Process.

Our other responsibilities in respect of the Sustainability Statement include:

- Performing risk procedures, including obtaining an understanding of internal control relevant to the engagement, to identify disclosures where material misstatements are likely to arise, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control.
- Designing and performing procedures responsive to disclosures in the Sustainability Statement where material misstatements are likely to arise. 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.

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### Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the Sustainability Statement.

In conducting our limited assurance engagement, with respect of the Process, we:

Obtained an understanding of the Process by:

- performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
- reviewing the Company's internal documentation of its Process; and

- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Company was consistent with the description of the Process set out in note 1.1.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Company's reporting processes relevant to the preparation of its Sustainability Statement through a sample-based combination of:
  - the interrogation of documentation relevant to the operation of reporting processes;
  - the review of the datasets and associated tools and calculations underpinning disclosed metrics; and
  - Enquiries made via interview with subject-matter-experts and process/data owners within the Company.
- Evaluated whether all information identified by the Process to identify the information reported in the Sustainability Statement is included in the Sustainability Statement;
- Performed enquiries of relevant personnel and analytical procedures on selected disclosures in the Sustainability Statement;
- Performed substantive assurance procedures based on a sample basis on selected disclosures in the Sustainability Statement;
- Reconciled selected disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and management report;
- Obtained evidence on the methods for developing estimates and forward looking information;
- Obtained an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Other procedures performed with respect to the EU taxonomy disclosures.





FY25 summary

Sustainability statement

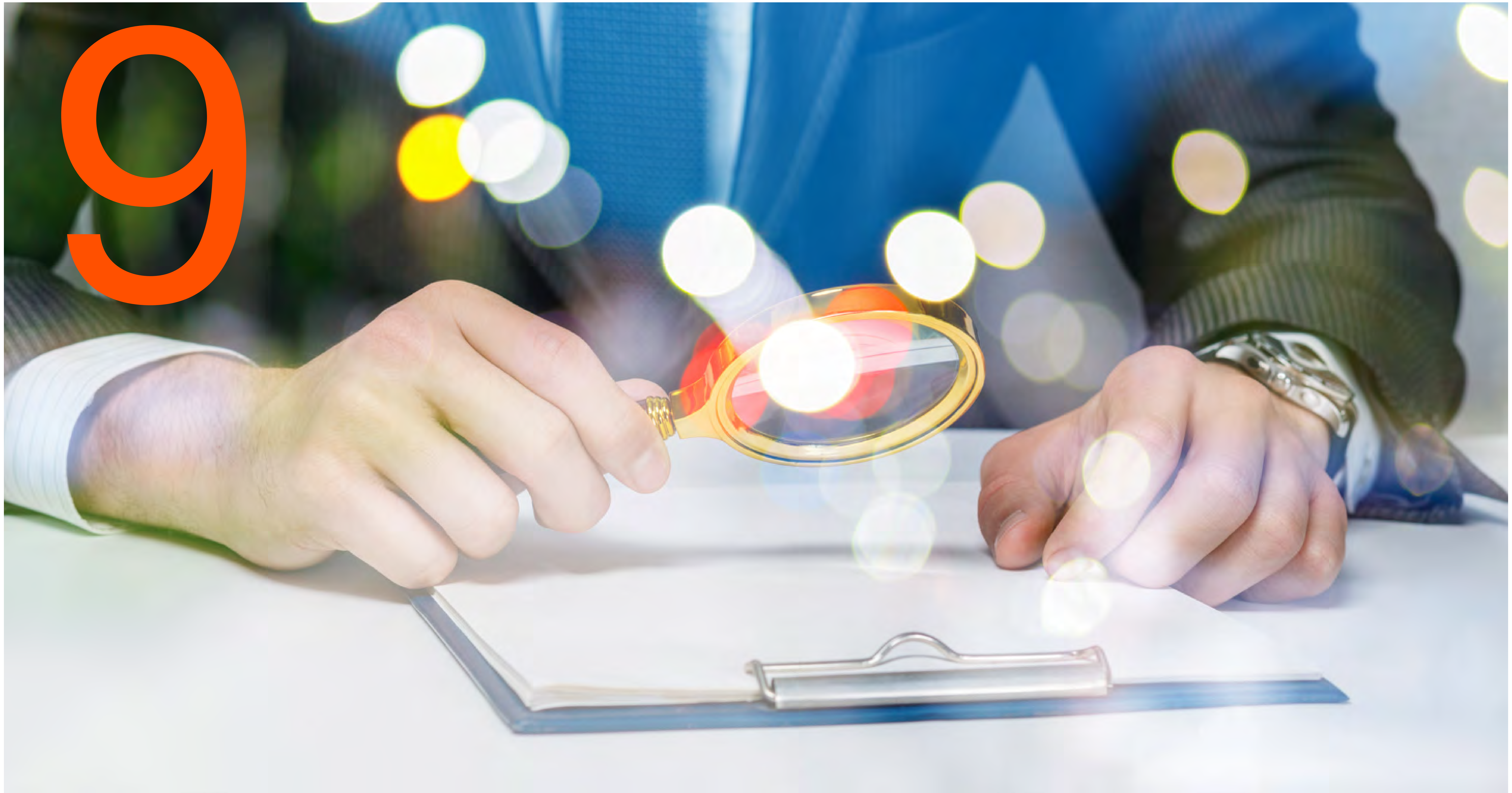
**Luxembourg, 12 January 2026**

BDO Audit
*Cabinet de révision agréé*
represented by

electronically signed by:

Damien Appasamy

# Glossary




FY25 summary

Sustainability statement

| Acronym | Full Form |
| --- | --- |
| ABBL | Association des Banques et Banquiers, Luxembourg |
| ACA | Absolute Contraction Approach (Measurable climate-related targets) |
| ACA | Luxembourg Insurance and Reinsurance Association (Professional Association) |
| ACCA | Association of Chartered Certified Accountants |
| AI | Artificial Intelligence |
| AIB | Association of Issuing Bodies |
| ALFI | Association of Luxembourg Fund Industry |
| AML | Anti-Money Laundering |
| AR | Application Requirement |
| ART TREES | Architecture for REDD+ Transactions |
| ASTF | Association pour la Santé au travail des secteurs Tertiaire et Financier |
| AWM | Asset and Wealth Management |
| BP | Basis for Preparation |
| BAS | Broader Assurance Services |
| BCP | Business Continuity Plan |
| BDO | Binder Dijker Otte (External Auditor) |
| BREEAM | Building Research Establishment Environmental Assessment Method |
| CAA | Commissariat aux Assurances |
| CAO | Chief Administration Officer |
| CAC | Client Acceptance Committee |
| CapEx | Capital Expenditure |
| CDP | Carbon Disclosure Project |
| CE | Community Engagement |
| CEO | Chief Executive Officer |
| CFO | Chief Financial Officer |

| Acronym | Full Form |
| --- | --- |
| CHSB | Cornell Hotel Sustainability Benchmarking Index |
| CLT | Country Leadership Team |
| CRM | Client Relationship Manager |
| CSAT | Customer Satisfaction |
| CSO | Corporate Sustainability Office |
| CSRD | Corporate Sustainability Reporting Directive |
| CSSF | Commission de Surveillance du Secteur Financier |
| DEC | Diplôme d'Expertise Comptable |
| DEFRA | Department for Environment Food and Rural Affairs |
| DEI | Diversity, Equity, and Inclusion |
| DEI&W | Diversity, Equity, Inclusion and Wellbeing |
| DESNZ | Department for Energy Security and Net Zero |
| DNSH | Do No Significant Harm |
| DMA | Double Materiality Assessment |
| DPO | Data Protection Officer |
| EAP | Examen d'Aptitude Professionnelle |
| EBCL | Ethics and Business Conduct Leader |
| EBCC | Ethics and Business Conduct Committee |
| ECF | Expertise Comptable et Fiscale |
| EEIO | Environmentally Extended Input-Output |
| EMEA | European, Middle East and Africa |
| EPP | Evolved PwC Professional Framework |
| ERM | Enterprise Risk Management |
| ESG | Environmental, Social, Governance |
| ESRS | European Sustainability Reporting Standards |

| Acronym | Full Form |
|---|---|
| ETL | Empowered Team Leader |
| EU Taxonomy | EU Sustainable Finance Taxonomy |
| EVs | Electric Vehicles |
| EC | Expert-Comptables |
| eCS | eCollaborative Solution |
| FEDIL | Federation of Luxembourg Industrialists |
| FTE | Full-Time Equivalent |
| GDPR | General Data Protection Regulation |
| GAAP | Generally Accepted Accounting Principles |
| GenAI | Generative Artificial Intelligence |
| GHG | Greenhouse Gas |
| G&PS | Governance and Public Services |
| GPS | PwC Global People Survey |
| GSLT | Global Sustainability Leadership Team |
| CTM | Centralised Technical Management System |
| HC | Human Capital |
| HBW | Home-Based Working |
| HR | Human Resources |
| HRLT | Human Resources Leadership Team |
| HVAC | Heating, Ventilation, and Air Conditioning |
| IBC | International Business Council |
| ICCPR | International Covenant on Civil and Political Rights |
| ICESCR | International Covenant on Economic, Social and Cultural Rights |
| ICT | Information and Communication Technology |
| IEA | International Energy Agency |
| IESBA | International Ethics Standards Board for Accountants |
| ILO | International Labour Organization |

| Acronym | Full Form |
|---|---|
| IMS | Inspire More Sustainability (Association in Luxembourg) |
| IPCC | Intergovernmental Panel on Climate Change |
| IRE | Institute of Registered Auditors |
| IRO | Impacts, Risks and Opportunities |
| ISMS | Information Security Management System |
| ISP | Information Security Policy |
| ISQM | International Standard on Quality Management |
| JBR | Joint Business Relationship |
| KFA | Key Focus Area |
| KPI | Key Performance Indicator |
| L&D | Learning and Development |
| LEAF | Lowering Emissions by Accelerating Forest Finance |
| LMS | Learning Management System |
| LOGIB | Lohngleichheit Instrument Bund: Gender Equality Instrument |
| LoS | Line of Services |
| LPEA | Luxembourg Private Equity and Venture Capital Association |
| LTA | Long Term Assignment |
| MC | Management Committee |
| MDR | Minimum Disclosure Requirement |
| MWh | Megawatt hour |
| NACE | Nomenclature of Economic Activities |
| NGFS | Network for Greening the Financial System |
| NLT | Network Leadership Team |
| NPS | Net Promotor Score |
| OEC | Ordre des Experts-Comptables |
| OECD | Organisation for Economic Co-operation and Development |
| OGC | Office of General Counsel |

| Acronym | Full Form |
|---|---|
| OpEx | Operational Expenditure |
| PCAF | Partnership for Carbon Accounting Financials |
| PEI | People Engagement Index |
| PFS | Professionals of the Financial Sector |
| PG&S | Purchased Goods and Services |
| PRI | Partner Responsible for Independence |
| PSP | PwC Services Portugal |
| PwC IL | PwC International Limited |
| PwC R.S. | PwC Regulated Solutions |
| PwC S.C. / PwC Société Coopérative | PricewaterhouseCoopers Société Coopérative |
| QMP | Quality Management Process |
| QMSE | Quality Management for Service Excellence |
| RAF | Recognition and Accountability Framework |
| R&Q | Risk & Quality |
| REA | Réviseurs d'Entreprises Agréés |
| RECs | Renewable Electricity backed by Certificates |
| RE-DISS | Reliable Disclosure Systems for Europe |
| REDD+ | Reducing Emissions from Deforestation and Forest Degradation |
| RF | Radiative Forcing |
| RM | Risk Management |
| S.à.r.l | Société à Responsibilité Limitée |
| SAAS | Software as a Service |
| SB | Supervisory Board |
| SBM | Strategy and Business Model |
| SBTi | Science-Based Targets Initiative |
| SDK | SuperDrecksKëscht |
| SEC | Securities and Exchange Commission |
| SFDR | Sustainable Finance Disclosure Regulation |
| SOPS | Statements of Permitted Services |
| SoQM | System of Quality Management |
| SSP5 | Shared Socioeconomic Pathway 5 |
| STA | Short-term assignment |
| TC | Technical Committees |
| TCFD | Task Force on Climate-related Financial Disclosure |
| tCO2e | Tons of CO2 equivalent |
| T&D | Transmission and Distribution |
| TPS | Tax Product Services |
| TRMP | Territory Risk Management Partner |
| TSC | Technical Screening Criteria |
| TSP | Territory Senior Partner |
| UNDHR | Universal Declaration of Human Rights |
| UNGC | United Nations Global Compact |
| UNGP | UN Guiding Principles on Business and Human Rights |
| VAT | Value-added Tax |
| VCS | Verified Carbon Standard |
| WEF-IBC | World Economic Forum's International Business Council |
| WP | German Wirtschaftsprüfe (Certified Public Accountant / Statutory Auditor) |
| WTT | Well-to-tank |