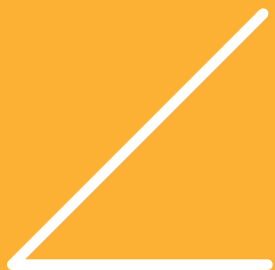


PwC in Slovakia: Sustainability Report 2021



Foreword

Dear Ladies and Gentlemen,

Eleven years ago, when we published our first Corporate Social Responsibility Report, we committed ourselves to setting a good example to others by publishing our non-financial indicators. I am pleased that you can now read our commitment in the form of a summary of our activities and achievements for the 2021 calendar year. Our most valuable assets include knowledge, skills, and experience in business management, technology, financial, and tax consultancy, audit, and legal services. As regards CSR, we therefore focus on educational development and on passing on our experience in these areas. Our internal CSR team has led many of these projects, so I would like to thank all its members for putting our CSR strategy into practice.

I am proud that you are reading the first Sustainability Report for all our Slovak PwC entities prepared by our ESG specialists in line with the Global Reporting Initiative (GRI) standards. Our report was prepared in line with these international standards and links our strategy with sustainable development goals (SDGs) up to individual SDG targets. It reflects our CSR activities in their entirety and our commitment to play an important role in building a sustainable future. We report on all the activities we have undertaken to support environmental, social, and economic development.

ESG (Environment, Social sphere, and Governance) will be a key topic in the coming years. We have created a team of specialists devoted to sustainability and ESG, carbon footprint calculations,

reporting of non-financial information, circular economy, EU Taxonomy consultancy and implementation, ESG strategies and transformation, consultancy on achieving carbon neutrality, independent assurance as regards financial information, and other related topics across all three ESG pillars.

Topics and activities related to a socially responsible way of doing business and sustainability are also a subject of regular internal communication. The survey that provided our employees with the opportunity to specify their priorities and submit suggestions was a very pleasant surprise for me.

More than 90% of respondents were willing to engage in our company's ESG and CSR activities.

See for yourself on the following pages what responsibility means to us, which values are most important to us, and why we strive to develop ourselves and our clients as regards sustainability or environmental impacts.

Věra Výtvarová

Country Managing Partner
PwC Slovakia

Contents

03

About the firm

09

Ownership structure

12

Financial results

16

Our values

27

Responsible business

34

People and working
environment culture

48

Environmental stewardship

51

Engagement in communities



Responsible business
conduct (Corporate
Social Responsibility
– CSR)

Governance structure and composition, nomination and selection of the highest governance body, chair of the highest governance body, role of the highest governance body in overseeing the management of impacts, delegation of responsibility for impact management, conflicts of interest, communication of critical concerns, evaluation of the performance of the highest governance body, remuneration policies, remuneration determination, anti-corruption measures, anti-competitive behaviour, customer privacy protection



People and work
environment culture

Employee data, employee remuneration, new joiners, leavers, maternity and parental leave, trade union membership
Training courses
Proportion of senior managers from local community
Diversity in governance structure
Anti-discrimination measures



Environmental
stewardship

Material – amount of paper consumed and percentage of recycled paper. Electricity consumption and energy intensity
Emissions – Scopes 1, 2, and 3, emission intensity
Waste – waste generation issues, amount of waste produced, amount of waste for recycling and disposal
Supplier evaluation and assessment



Community
engagement

Membership in associations
Infrastructure investments and promotion of public-interest services, economic impacts on community, cooperation with local community
Supplier evaluation and assessment

About the firm

PwC Global

With offices in 156 countries and more than 295,000 people, we are one of the leading global networks of companies providing professional services. We help organizations and individuals create the value they are looking for by providing high-quality audit, tax, and advisory services. We have excellent knowledge of business and firm processes thanks to a unique combination of financial, process, and IT experts working under one roof, so we can design and implement customized digital solutions to make business and firm processes more effective.

We have 360 branch offices and more than 200,000 clients around the world. We are proud that 84% of Fortune Global 500 companies are our clients.

Turnover in CEE: USD 950 million

295,371

Total number of staff
at 30 June 2021

2030

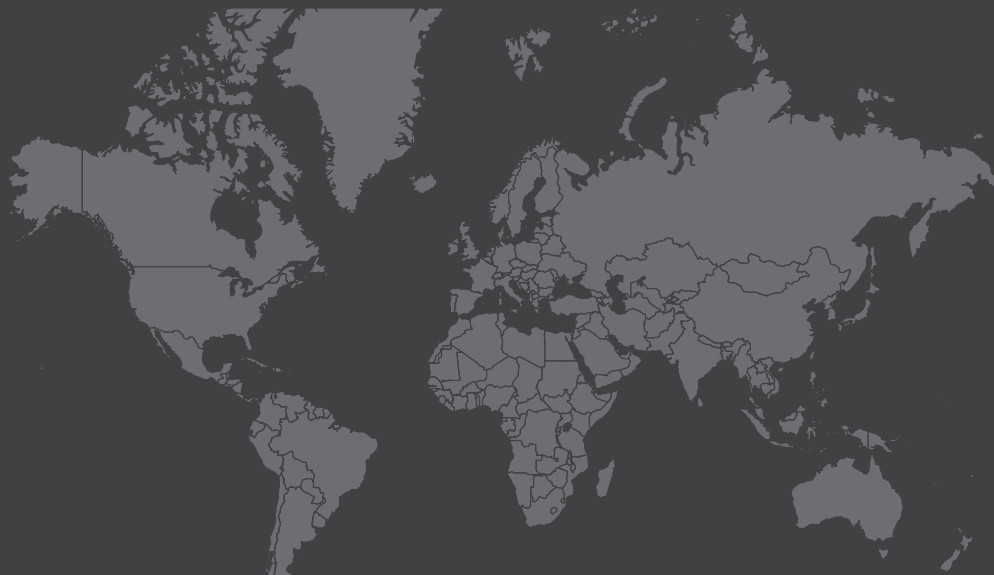
Year we want
to achieve carbon
neutrality

USD 45
billion

Total revenue of
PwC entities in FY21

84%

of Fortune Global
500 companies are
PwC clients



PwC Slovakia

PwC Slovakia is a member of the international PwC network. The firm is managed by 18 partners and operates on the Slovak market, providing audit, tax, and advisory services. Seated in Bratislava with one branch office in Košice, the firm is comprised of five legal entities:

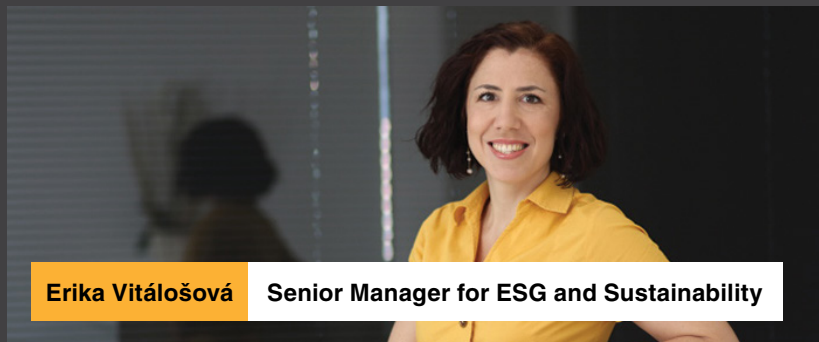
PricewaterhouseCoopers Slovensko, s.r.o. (PwC Slovensko);
PricewaterhouseCoopers Tax, k.s. (PwC Tax);
PricewaterhouseCoopers Advisory s.r.o. (PwC Advisory);
PricewaterhouseCoopers CEE Firm Services s.r.o. (PwC Firm Services); and
PricewaterhouseCoopers Legal, s.r.o. (PwC Legal).

PwC Slovakia provides audit, tax, legal, consulting, and educational services for various international and local companies from different sectors, non-profit and governmental organizations, and individuals. We provide our services in the following areas:



”

With the growing demand from various stakeholders for sustainability and the elimination of negative climate change impacts, the adoption of environmental, social, and governance (ESG) measures and their communication is becoming ever more important for companies. Company value does not only depend on financial information, as investors are focusing more and more on non-financial information, so ESG directly influences a company's value. ESG and sustainability are becoming ever more important to the success of a company and are essential if companies are to prosper not only today, but also in the future.



Erika Vitálošová

Senior Manager for ESG and Sustainability



Audit and Assurance

Audit and Assurance undertakes information and process audits. Audits of statutory financial statements constitute most of our audit practice. Our digitally skilled auditors apply state-of-the-art automated systems to their work and continuously look for ways to innovate, while displaying the levels of credibility, independence, and professional scepticism you expect.



Risk management

Our risk management specialists are engaged in digital transformation, personal data protection, data analysis, cybersecurity, corporate governance, risk management, compliance programmes, internal audit, implementation of new accounting and other systems and software and related consultancy.



Accounting consultancy and treasury

We focus on comprehensive accounting advice related to International Financial Reporting Standards (IFRS), Slovak accounting standards, and US GAAP, and we help clients with the transition to, and implementation of, IFRS. We offer integrated solutions and expertise in managing treasury and commodity risk and focus on the related regulation and accounting issues.



ESG and sustainability

Our team of specialists is engaged in sustainability and ESG issues, carbon footprint calculations, non-financial reporting, circular economy, consultancy and implementation of EU taxonomy, ESG strategies and transformation, advice on how to achieve carbon neutrality, and other related topics in all three ESG components – environment, social matters, and governance. We perform independent assurance services related to non-financial reporting and the calculation of CO₂ emissions.





PwC Academy

Our educational institute, the PwC Academy, offers study for internationally recognized professional qualifications, managerial training and other specialized courses tailored to our client needs.



Bookkeeping and payroll

Our multifunctional teams of experts, top level industry knowledge, utilization of advanced technology and digitization help our clients meet tax and accounting legislation requirements by outsourcing selected accounting, payroll, and tax reporting processes.



Tax consultancy

We assist companies, individuals, and organizations with their tax issues, tax strategies and tax compliance, and provide consulting services on corporate income tax, personal income tax, value-added tax, and transfer pricing.



Legal counselling

As part of our legal services, we provide consultancy by applying our knowledge of Slovak regulations and international experience to local and foreign clients.





Investing in Slovakia, supporting R&D and innovations

We help companies obtain investment aid from state and EU funds and provide services related to due diligence, state aid documentation, coordination of the approval process for notification to the European Commission and implementation of aid, monitoring, and reporting.



HR Consultancy

We advise on cutting personnel costs, implementing remuneration systems, motivating staff, and increasing competitiveness in the labour market. Our HR specialists provide consultancy in all HR management areas and address issues related to equal opportunities and diversity.



Transaction advisory services

Transaction advisory services relate to mergers, acquisitions, and restructuring, ranging from strategic consultancy to assistance in business integration or spin-off. Our auditors prepare a report on findings in accordance with legislative requirements, and our dedicated accounting consultants help resolve complex transaction-related accounting issues and set up unified accounting systems and processes.



Optimization of businesses

Our consulting teams assist our clients in achieving growth, efficiency increases, and the effective use of talents, innovations, and technology. By leveraging local and global knowledge, we help companies go beyond standard methods of operation and assist them with designing, managing, and implementing the changes necessary for increasing business efficiency, increasing sales, managing clients, integrated sales and production planning, and optimizing back office and service centre operations.





Transformation, automation, and technology consulting

Our team of technology experts provides consulting services, designs and implements solutions related to automation, digitization, and technological transformation of processes. We provide specialists to implement technology strategies, big data analysis, application developments, and bring to our clients a unique combination of financial, technological, process-related, and operating knowledge supported by experience from various sectors and countries.



Public sector

Our consultants contribute to the success of governmental, regional, and community projects by offering expertise, proven effective methodologies, experience from similar projects in other countries, project management techniques, independent insight, opinion, and experience from various sectors.



PwC Firm Services

is a business partner of, and provides support to, other lines of services (LoSs). Its functional departments include specialists in human capital, IT, facility management, procurement, finances, law, communication and marketing, transformation, risk management, and compliance.

Sectors and markets



Automotive
industry



Banking and
finance



Energy



Retail



Real estate



Insurance



Telecommuni-
cations



Public sector



Media



Healthcare and
pharmaceutical
sector



Production and
industry

Ownership structure

PwC Slovensko

was established in Slovakia in 1997 and was recorded in the Commercial Register as a limited liability company in 1998 (Commercial Register of the Bratislava I District Court in Bratislava, Section: Sro, Insert No.: 16611/B). The firm was established by the merger of two companies, Pricewaterhouse and Coopers & Lybrand, in 1998. Both companies were established around 175 years ago and entered the Slovak market in 1991.

The shareholder structure at 31 December 2021 was as follows:

66,66%

PricewaterhouseCoopers Eastern Europe B.V. (share in the company's registered capital: 66,66%, registered in the Netherlands);

16,67%

PRICEWATERHOUSECOOPERS podjetje za revizijo in druge finančno računovodske storitve, d.o.o. (share in the company's registered capital: 16,67%, registered in Slovenia); and

16,67%

PricewaterhouseCoopers sp. z o.o. (share in the company's registered capital: 16,67%, registered in Poland).

The auditing company, PricewaterhouseCoopers sp. z o.o., holds the majority of voting rights in accordance with the Slovak Act on Auditors and the Slovak Chamber of Auditors (Act No. 466/2002 Coll., as amended),

PwC Tax

was established in Slovakia and recorded in the Commercial Register as a limited partnership in 1996 (Commercial Register of the Bratislava I District Court in Bratislava, Section: Sr, Insert No.: 304/B).

The shareholder structure at 31 December 2021 was as follows:

43%

Ing. Christiana Serugová, limited partner (share in the company's registered capital: 50%, share in the voting rights: 43%);

43%

Ing. Margaréta Bošková, limited partner (share in the company's registered capital: 50%, share in the voting rights: 43%); and

14%

PricewaterhouseCoopers Slovensko, s.r.o., general partner (share in the company's registered capital: 0%, share in the voting rights: 14%; registered in Slovakia).

PwC Advisory

was established in Slovakia in 2010 and recorded in the Commercial Register as a limited liability company in 2011 (Commercial Register of the Bratislava I District Court in Bratislava, Section: Sro, Insert No.: 69978/B).

The shareholder structure at 31 December 2021 was as follows:

100%

PricewaterhouseCoopers Eastern Europe B.V. (share in the company's registered capital: 100%, share in the voting rights: 100%; registered in the Netherlands).

PwC Legal

was established in Slovakia and recorded in the Commercial Register as a limited liability company in 2011 (Commercial Register of the Bratislava I District Court in Bratislava, Section: Sro, Insert No.: 76152/B).

The shareholder structure at 31 December 2021 was as follows:

67%

Cezary Waldemar Zelaznicki (share in the company's registered capital: 67%, share in the voting rights: 67%); and

33%

Dr. Zoltán Várszegi (share in the company's registered capital: 33%, share in the voting rights: 33%).

PwC Firm Services

was established in Slovakia in 2007 and recorded in the Commercial Register as a limited liability company in 2008 (Commercial Register of the Bratislava I District Court in Bratislava, Section: Sro, Insert No.: 49941/B).

The shareholder structure at 31 December 2021 was as follows:

41,7%

PricewaterhouseCoopers Eastern Europe B.V. (share in the company's registered capital: 41,7%, share in the voting rights: 75%; registered in the Netherlands);

57,7%

PricewaterhouseCoopers Central & Eastern Europe Limited (share in the company's registered capital: 57,7%, share in the voting rights: 15%; registered in Cyprus); and

0,6%

PricewaterhouseCoopers Services (Central & Eastern Europe) Limited (share in the company's registered capital: 0,6%, share in the voting rights: 10%; registered in Cyprus).



All PwC Slovakia entities are ultimately owned by PwC partners at our firms in Central and Eastern Europe (CEE). PwC Slovakia cooperates with other member firms of the CEE PwC network in the provision of services for local and joint international clients operating in CEE.

This cooperation is organized by a regional management team which, in addition to ensuring that these regional firms follow the principles and procedures of PwC International Limited, enables the sharing of resources, enforces risk management principles and quality standards. Each national member firm also has its own management structure in place in accordance with the respective legal and operating requirements. This legal structure and network arrangement gives all member firms the flexibility and autonomy to respond promptly and effectively to conditions in their local market. Regulatory authorities in most countries grant the right to run an audit practice to domestic companies in which local qualified professional auditors (or a combination of auditors and/or auditing companies in the EU) have majority ownership and control.

[GRI 2-1]

Relationship with suppliers and clients

As the key market player, we are able to shape the business environment we work in. That's why only companies that observe our ethical standards and sustainability principles by minimizing adverse impacts on society and the environment are part of our supply chain.

PwC is committed to operating within a framework of ethical and professional standards, laws, regulations, internal policies, and our core values. We expect the same level of integrity and business conduct from our third parties and their personnel as we do from our own people. Our suppliers' obligation to adhere to our Third-Party Code of Conduct and to implement processes preventing money laundering, conflict of interest, fraud, and corruption is a part of all our contractual relationships. Knowing, understanding, and behaving in accordance with the Third-Party Code of Conduct is a fundamental prerequisite for working for or with PwC. We expect our suppliers to be mindful of their ethical responsibilities and ensure their behaviour is in line with the Third-Party Code of Conduct when working for or with PwC.

We verify potential cooperation thoroughly as regards business practices and ethics. As an auditing company, we are required to apply client and assignment identification rules as defined in Act No. 297/2008 Coll. on Protection against the Legalisation of Proceeds of Crime and Protection against Financing Terrorism (Anti-Money Laundering Act or AML Act). Therefore, as part of our standard procedure and in line with the AML Act, we are obliged to perform Diligence in relation to each of our clients, which comprises identification and verification. We are obliged to carry out these procedures before starting our work and during our cooperation.

As a global professional accounting and consulting firm, we have extensive internal processes for approving assignments to ensure that we are independent of the clients we collaborate with. We seek to anticipate the possible consequences of cooperation with our potential clients. We reassess our clients once a year and then decide whether to continue cooperation, to end cooperation, or withdraw from a contract.

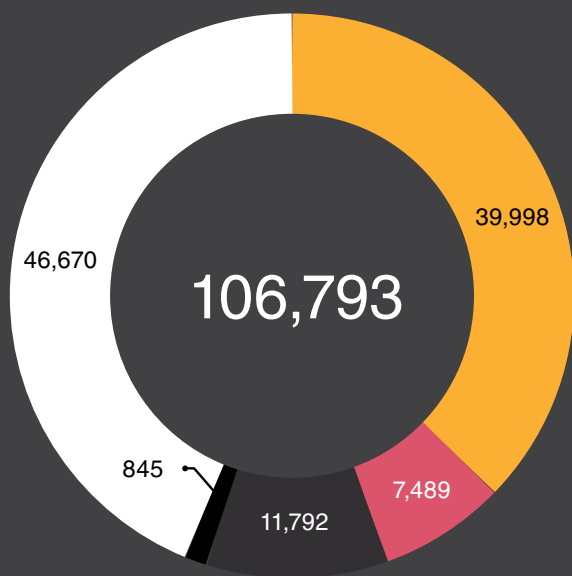
[GRI 2-1, 2-6]



Financial results

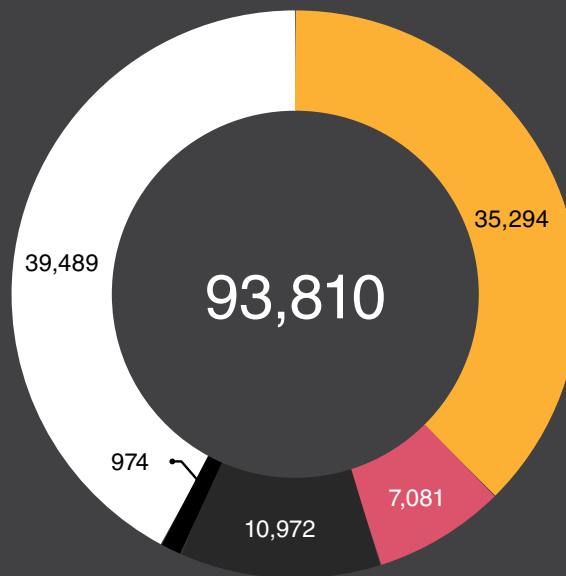
Revenues (in thousands of EUR)

2021



Revenues (in thousands of EUR)

2020



● PwC Slovensko ● PwC Tax ● PwC Advisory ● PwC Legal ● PwC Firm Services

Financial results include information on PwC firms operating in Slovakia: PricewaterhouseCoopers Slovensko, s.r.o., PricewaterhouseCoopers Tax, k.s., PricewaterhouseCoopers Advisory s.r.o., PricewaterhouseCoopers CEE Firm Services s.r.o., and PricewaterhouseCoopers Legal, s.r.o. These figures comprise financial results disclosed in the financial statements of the above companies for the years ended 31 December 2021 and 31 December 2020, except for PwC Firm Services, whose financial results are published for different reporting periods that began on 1 July and ended on 30 June 2021 and 2020. The consolidated financial statements are prepared at a higher group level within the EU by PricewaterhouseCoopers Eastern Europe Holdings B.V., seated at Raamweg 1.B, s-Gravenhage 2596 HL, The Netherlands.

* Data for PwC Firm Services is published for a different reporting period – the financial year begins on 1 July and ends on 30 June.

| Line in the IS** | Item | PwC Slovensko | PwC Tax | PwC Advisory | PwC Legal | PwC Firm Services* | TOTAL PwC Slovakia |
|------------------|---|---------------|--------------|--------------|------------|--------------------|--------------------|
| 1 | Net turnover | 38,710 | 7,478 | 11,751 | 842 | 11,522 | 70,303 |
| 2 | Income from operating activities | 38,734 | 7,526 | 12,252 | 802 | 11,535 | 70,849 |
| 10 | Total cost of operating activities | -28,108 | -6,333 | -11,904 | -838 | -9,945 | -57,128 |
| 27 | Profit/(loss) from operating activities | 10,626 | 1,193 | 348 | -36 | 1,590 | 13,721 |
| 29 | Income from financial activities | 1,288 | 11 | 41 | 3 | 35,147 | 36,490 |
| 45 | Cost of financial activities | -89 | -10 | -12 | 0 | -46 | -157 |
| 55 | Profit/(loss) from financial activities | 1,199 | 1 | 29 | 3 | 35,102 | 36,333 |
| 57 | Corporate income tax | -2,568 | -1 | -91 | 6 | -394 | -3,049 |
| 58 | Corporate income tax due | -2,640 | -1 | -81 | 0 | -437 | -3,159 |
| 60 | Transfer of shares in profit/(loss) to shareholders | 0 | -1,188 | 0 | 0 | 0 | -1,188 |
| 61 | Profit/(loss) | 9,256 | 5 | 286 | -28 | 36,297 | 45,816 |

| Line in the IS** | Item | PwC Slovensko | PwC Tax | PwC Advisory | PwC Legal | PwC Firm Services* | TOTAL PwC Slovakia |
|------------------|---|---------------|--------------|--------------|------------|--------------------|--------------------|
| 1 | Net turnover | 33,781 | 7,071 | 10,468 | 813 | 11,571 | 63,704 |
| 2 | Income from operating activities | 33,786 | 7,109 | 10,967 | 977 | 11,513 | 64,352 |
| 10 | Total cost of operating activities | -23,893 | -5,761 | -8,957 | -649 | -10,758 | -50,017 |
| 27 | Profit/(loss) from operating activities | 9,893 | 1,348 | 2,011 | 328 | 755 | 14,335 |
| 29 | Income from financial activities | 1,513 | 10 | 19 | 0 | 27,918 | 29,460 |
| 45 | Cost of financial activities | -576 | -13 | -33 | -9 | -58 | -689 |
| 55 | Profit/(loss) from financial activities | 937 | -4 | -15 | -9 | 27,860 | 28,770 |
| 57 | Corporate income tax | -2,415 | -1 | -383 | -68 | -228 | -3,094 |
| 58 | Corporate income tax due | -2,552 | -1 | -484 | -46 | -233 | -3,317 |
| 60 | Transfer of shares in profit/(loss) to shareholders | 0 | -1,338 | 0 | 0 | 0 | -1,338 |
| 61 | Profit/(loss) | 8,415 | 6 | 1,613 | 252 | 28,387 | 38,673 |



| | | | |
|--|--|--|--|
| | | | |
| | | | |
| | | | |

* Data for PwC Firm Services is published for a different reporting period – the financial year begins on 1 July and ends on 30 June.
**IS – income statement

The presented financial results are an extract from the financial statements of individual PwC firms in Slovakia published in the Financial Statements Register under the Slovak Accounting Act (Act No. 431/2002 Coll., as amended).

[GRI 201-1]



Our values

In a rapidly changing business environment, our goal is to deliver dynamic, trust-based solutions and help clients make well-researched decisions. This is the goal that governs our decisions and shapes our discussions. It demonstrates our commitment to always perform work that results in the highest quality as regards clients, other people, and society as a whole.

PwC's corporate culture, supported by a framework of internal and external expectations and requirements, allows us to prosper. These expectations and requirements help us regulate our conduct and build trust as regards how we carry out our business activities, how we treat each other, how we behave in our communities, and how we use information.

We:

Act with integrity

- Speak up for what is right, especially when it feels difficult
- Expect and deliver the highest quality outcomes
- Make decisions and act as if our personal reputations were at stake

Make a difference

- Stay informed and ask questions about the future of the world we live in
- Create impact with our colleagues, our clients and society through our actions
- Respond with agility to the ever-changing environment in which we operate

Care

- Make the effort to understand every individual and what matters to them
- Recognise the value that each person contributes
- Support others to grow and work in the ways that bring out their best

Work together

- Collaborate and share relationships, ideas, and knowledge beyond boundaries
- Seek and integrate a diverse range of perspectives, people, and ideas
- Give and ask for feedback to improve ourselves and others

Reimagine the possible

- Dare to challenge the status quo and try new things
- Innovate, test, and learn from failure
- Have an open mind to the possibilities in every idea



Stakeholder dialogue

Internal dialogue with stakeholders

Material topics and activities associated with socially responsible business and sustainability are the subject of regular formal and informal communication. To map interests and priorities comprehensively, we prepared an employee survey on ESG and CSR at PwC Slovakia. The survey covered the external and internal activities of our Slovak firms, and examined and analysed an extensive range of questions. The survey gave our employees the opportunity to assess the firm's overall CSR strategy,

highlight their priorities, and submit proposals and observations. The survey was prepared by a task force made up of members of our CSR team and specialists from teams engaged in sustainable development services, business development, communication, and audit. The survey was conducted via an online questionnaire distributed to all employees. We received completed questionnaires from 115 respondents.

As regards cooperation with clients, the following topics were assigned the highest priority:

- | | | | |
|---|--|---|---|
| 1 | Circular economy, sustainable production, and waste management | 4 | Monitoring, reducing, and auditing our carbon footprint |
| 2 | Promoting innovations and new technology to enhance sustainability | 5 | Promoting diversity, equal opportunities, and fair remuneration |
| 3 | Taking care of employees and ensuring a safe working environment | | |

Employees identified the following initiatives as the firm's most important internal ESG activities:

- | | | | |
|---|--|---|---|
| 1 | Flexible work | 4 | Professional development and training courses |
| 2 | Reducing emission and waste production | 5 | Promoting student education |
| 3 | Employee healthcare | | |



The importance of ESG topics for our employees is shown by the fact that 83% of respondents consider themselves responsible for their individual approach to social and environmental issues. Most of them apply this approach via responsible consumer behaviour, environmentally friendly travelling, changing their diet (such as limiting meat consumption), and supporting local non-governmental organizations. Over 90% of respondents expressed the wish to be involved in the firm's ESG and CSR activities.

The second method for formulating internal priorities includes consultations and a dialogue between the firm's top management and the leading partners of individual LoSs during working meetings. By applying UN Sustainable Development Goals (SDGs) and Global Reporting Initiative (GRI) standards, a matrix of material topics was prepared serving as the basis for the selection of significant topics in this report from the perspective of PwC Slovakia's activities. The selected topics were then linked to SDGs and their specific targets - SDG Targets. This allows us to see how the firm's activities contribute to the fulfilment of SDGs.

External stakeholder dialogue

External stakeholders of PwC Slovakia include all external individuals and organizations who are affected by the firm's activities, i.e. clients, suppliers, administrative and regulatory bodies, professional associations, civil society, and the media. The dialogue takes place via feedback on customer satisfaction, participation in professional forums and conferences, and cooperation with the non-profit sector or universities. Important platforms for information exchange and for determining the relevant topics in our market include regular CEO Surveys, CFO Surveys, and informal contacts with current or potential clients, suppliers, industry professionals, and other significant players in the market or in society. We also compare our progress on ESG topics with international and regional benchmarks, within and outside the PwC network, in and outside our business sector.



Stakeholder groups, dialogue types, and relevant topics

| Stakeholder | Form of dialogue | Relevant topics |
|--|---|---|
| Employees and partners (m/w) | Feedback on work completed after the first month and after six months; internal employee satisfaction survey, internal employee survey on ESG and CSR topics and activities, feedback at yearly appraisals, training courses, social media, intranet, team building activities, regular discussions with coaches and the leadership, personal communication | Education and training, professional development, work-life balance, equal opportunities and diversity, cooperation with the non-profit sector, environmental protection, economic performance, privacy and data protection |
| Potential employees (m/w) | Job fairs, lectures, competitions for graduates and university students, university events, personal communication, communication via social networks | Education and training, professional development, work-life balance, equal opportunities and diversity, environmental protection, working environment, volunteering |
| Clients (m/w) | Satisfaction survey, personal meetings, CEO Survey, CFO Survey, CFO Forum, webinars, conferences, information brochures, website | Cooperation with the non-profit sector, ethics and transparency, quality of our services, risk management, technology, innovations and competitiveness |
| Administrative and regulatory bodies, professional associations | Participation in professional forums, groups, associations, and organizations | Ethics and transparency, quality of our services, risk management, market cultivation, trend formulation |
| Non-profit sector | Provision of pro bono and/or discounted professional services, PwC's Endowment Fund and the Helping Hand grant programme, engagement of employees in volunteering, organization of charity collections and donations | Cooperation with non-profit sector, pro bono services |
| Suppliers | Formal supplier evaluation and assessment, regular meetings | Environmental protection, ethics and transparency |
| Media | Press releases, press conferences, round table discussions, electronic and personal communication | Cooperation with the non-profit sector, environmental protection, quality of our services, technology, innovations and competitiveness, economic topics |

[GRI 2-29]

Our corporate responsibility strategy

At PwC, we know we must be part of the global dialogue on a responsible approach to business, which contributes to positive changes in the world. Within our CSR programme, we participate in addressing global challenges with two strategic focuses:

- Doing the right thing, which means a focus within CSR on issues that are important to our business – including the quality of our services, cooperation with communities, and a responsible approach to the environment.
- Being the initiator of changes, i.e. utilizing our skills, influence, and relationships to work with others, influencing decision-making activities, creating change, and having a long-term impact on our surrounding world.



These goals lie at the heart of our CSR strategy, which focuses on the following areas:

- **Responsible business conduct:** PwC recognizes the important responsibility we bear as providers of assurance, tax, and advisory services to the business community. As professional advisors, we promote responsible and transparent business practice, and seek to act as a role model in this area. We maintain the highest ethical standards in the marketplace by following our Code of Conduct; acting fairly towards suppliers; delivering sustainable client service, and sharing our thought leadership.
- **People and working environment culture:** From the CSR perspective, creating a working environment that fosters diversity and engages our people, is the right thing to do. It is also essential if we want to ensure that our corporate culture works effectively. Therefore, the key areas we pay great attention to include the preparation of our people for effectively carrying out their work by investing in their education and development – while ensuring their wellbeing. Our goal is to educate future leaders who will be fully engaged in CSR in its entirety. The approach to, and the care for, our people is the basis for fulfilling this goal.
- **Environmental stewardship:** All PwC firms globally strive to implement the most effective environmental-friendly procedures in our activities, and we are not an exception. We see our biggest potential for influencing the approach to the environment in our work with clients. Environmental impact management requires understanding and mitigation of our biggest environmental impacts. We incorporate our environmental strategy in our day-to-day operations, implement environmental principles and policies, and involve our people in tackling environmental problems.
- **Community engagement:** All activities PwC undertakes as a firm or via our employees have an impact on the communities and groups we work in. Our responsibility is to ensure that our activities help build a strong and prosperous community. We involve our employees in community projects, foster their interest in people in need, and provide opportunities to PwC to help these people. One of the most effective ways PwC can help is to draw on our expertise for the benefit of the community.



The adverse environmental impacts of PwC Slovakia are marginal, and individual entities meet all the legal conditions regarding environmental protection. The company applies a comprehensive environmental protection system during all its activities to ensure sustainable development.

[GRI 2-22]

SDG prioritization

The 2030 Agenda for Sustainable Development (2030 Agenda) was adopted by UN Member States in 2015. It provides a blueprint for global peace and prosperity for people and the environment. At its heart, there are 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries and actors in a global partnership. Each of the 17 SDGs is further elaborated in Targets – specific actions required to achieve the goals. The SDG framework contains 169 targets in total.

Using our stakeholder engagement process, we proceeded in line with the 2030 Agenda and evaluated the relevance of individual SDGs for our activities. We used the significant topics matrix and allocated the level of relevance (low, medium, high) to individual targets. This process allows us to identify how our activities currently meet the goals of the 2030 Agenda and where we can contribute to their fulfilment. We performed this process down to the target level, so we are able to provide more specific and more transparent information about our operations. The most significant items are related to the content of SDG targets – their allocation is shown in the following table. In this way, we can measure our contribution to SDGs using GRI standards.

[GRI 3-1]



Materiality analysis

| Our CR strategy | | Stakeholder expectations | GRI | SDG alignment |
|------------------------------|----------------------|--------------------------|--|---------------|
| Responsible business conduct | Economic performance | 201 | 8. Good Jobs and Economic Growth Target 8.2 Achieve higher levels of economic productivity via diversification, technological upgrading and innovation, and via a focus on high value-added and labour-intensive sectors. | |
| | | | | |

| | | | |
|------------------------------|----------------------------|-----|---|
| Responsible business conduct | Market presence | 202 | - |
| | Anti-corruption | 205 | 16. Peace, Justice, and Strong Institutions Target 16.5 Substantially reduce corruption and bribery in all their forms. |
| | Anti-competitive behaviour | 206 | - |
| | Customer privacy | 418 | - |
| Environmental stewardship | Material | 301 | 8. Good Jobs and Economic Growth Target 8.4 Progressively improve global resource efficiency in consumption and production and seek to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead. 12. Responsible Consumption and Production Target 12.2 Achieve sustainable management and efficient use of natural resources. |
| | Energy | 302 | 7. Affordable and Clean Energy Target 7.3 Double the global rate of improvement in energy efficiency 8. Good Jobs and Economic Growth Target 8.4 Progressively improve global resource efficiency in consumption and production and seek to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead. 12. Responsible Consumption and Production Target 12.2 Achieve sustainable management and efficient use of natural resources. |

| | | | |
|------------------------------|-----------------------------------|-----|---|
| Environmental stewardship | Emissions | 305 | 12. Responsible Consumption and Production Target 12.4 Achieve the environmentally sound management of chemicals and all waste throughout their life cycle in accordance with agreed international frameworks, and significantly reduce their release into the air, water, and soil to minimize their adverse impacts on human health and the environment. 13. Climate Action Target 13.2 Integrate climate change measures into national policies, strategies, and planning. |
| | Waste | 306 | 12. Responsible Consumption and Production Target 12.4 Achieve the environmentally sound management of chemicals and all waste throughout their life cycle in accordance with agreed international frameworks, and significantly reduce their release into the air, water, and soil to minimize their adverse impacts on human health and the environment. Target 12.5 Substantially reduce waste generation via prevention, reduction, recycling, and reuse. |
| | Supplier environmental assessment | 308 | 12. Responsible Consumption and Production Target 12.4 Achieve the environmentally sound management of chemicals and all waste throughout their life cycle in accordance with agreed international frameworks, and significantly reduce their release into the air, water, and soil to minimize their adverse impacts on human health and the environment. Target 12.5 Substantially reduce waste generation through prevention, reduction, recycling, and reuse. |



| | | | |
|------------------------------|-----------------------------------|-----|---|
| People and workplace culture | Employment | 401 | <p>8. Good Jobs and Economic Growth</p> <p>Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including via access to financial services.</p> <p>Target 8.5 Achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities, and equal pay for work of equal value.</p> <p>Target 8.8 Protect labour rights and promote safe and secure working environment for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p> |
| | Training and education | 404 | <p>4. Quality Education</p> <p>Target 4.4 Substantially increase the number of young people and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</p> |
| | Equal opportunities and diversity | 405 | <p>5. Gender Equality</p> <p>Target 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.</p> <p>8. Good Jobs and Economic Growth</p> <p>Target 8.2 Achieve higher levels of economic productivity via diversification, technological upgrading and innovation, also via a focus on high value-added and labour-intensive sectors.</p> |
| | Non-discrimination | 406 | <p>10. Reduced Inequalities</p> <p>Target 10.3 Ensure equal opportunities and reduce in-equalities of outcome, also by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and action in this regard.</p> |

| | | | |
|----------------------|---------------------------|-----|---|
| Community engagement | Indirect economic impacts | 203 | <p>8. Good Jobs and Economic Growth Target 8.2 Achieve higher levels of economic productivity via diversification, technological upgrading and innovation, also via a focus on high value-added and labour-intensive sectors. Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, also via access to financial services.</p> <p>12. Responsible Consumption and Production Target 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p> |
| | Local communities | 413 | <p>4. Quality Education Target 4.4 Substantially increase the number of young people and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</p> <p>8. Good Jobs and Economic Growth Target 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, also via access to financial services.</p> <p>10. Reduced Inequalities Target 10.2 Empower and promote the social, economic, and political inclusion of all individuals, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic or other status.</p> <p>17. Partnerships for the Goals Target 17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships data, monitoring and accountability.</p> |

| | | | |
|-----------------------------|----------------------------|-----|--|
| Community engagement | Supplier social assessment | 414 | <p>10. Reduced Inequalities</p> <p>Target 10.2 Empower and promote the social, economic, and political inclusion of all individuals, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic or other status.</p> <p>Target 10.3 Ensure equal opportunities and reduce inequalities of outcome, also by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and action in this regard.</p> |
|-----------------------------|----------------------------|-----|--|

[GRI 3-2]

CR Team



Věra Výtvarová
Country Managing Partner



Mariana Butkovská
Marketing & Communication Leader



Tibor Černák
HC Leader



Lenka Fitzová
Coordinator for internal carbon-neutrality-related activities



Dagmar Haklová
ESG Leader, Partner



Erika Vitálošová
Consulting services, ESG and Sustainability, Senior Manager



Ján Mičuda
Consulting services, ESG and Sustainability, Senior Consultant

Responsible business

Governance

The highest governing body of PwC Slovakia includes the Country Managing Partner (CMP) and other partners and C-suite officers of individual Slovak PwC entities, who are also members of the Supervisory Board, Executives, or limited partners of the firm. Once a week, a leadership meeting is held, which de facto represents the executive board and is attended by the CMP, individual LoS (Line of Service) Leaders, and the Chief Operating Officer (COO). The role of leadership meetings is to identify and evaluate risks and opportunities for the firm. The agenda of these meetings also includes the management of ESG and sustainability topics, goal setting, and corporate policy definition. Serious risks and potential adverse impacts are assessed on a quarterly basis and reported to the PwC CEE. In 2020 and 2021, no serious risks or negative impacts that would adversely affect the operations of PwC entities in Slovakia were identified.

The CMP position is the highest executive position in our organization and the hiring process for this position is undertaken by PwC CEE. CMP's main responsibility is to fulfil the standards and strategies as regards business and business objectives and to ensure compliance with the global standards of the PwC network. Partner candidates are nominated on an annual basis by the local leadership team. If no suitable candidates are identified, in some years there are

no new admissions to the partnership. Candidates undertake an admissions process at CEE level and a recommendation is proposed to the local leadership team once all the evidence has been collected and assessed. In addition to the above process, partners may be admitted from outside of the local firm and there is a similar process in place to help ensure that candidates have all the required skills and capabilities to perform this important role. The evaluation of the performance of the members of the supreme governing body is subject to the same criteria and the same process as the performance appraisal of the firm's employees (see section People and Working Environment Culture). The remuneration of partners is based on a balanced scorecard with objectives for each financial year. There is a formal appraisal process in place requiring partners to meet with their reporting partner on a semi-annual basis. At the end of the financial year, each partner receives a performance rating which, together with their level of responsibility and the financial performance of the firm, determines their income. There are no pension schemes (retirement benefits) in place for the partners.

[GRI 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-16, 2-18, 2-19, 2-20]



Code of Conduct

In addition to the procedures covering the issues that affect our technical expertise, integrity and independence, we also have a global Code of Conduct that sets out what we stand for and what is expected of us. The Code of Conduct is based on our values and provides guidance to our staff and the partners as to how they should behave and conduct themselves in a variety of differing circumstances and situations. Compliance with the Code of Conduct is mandatory. It is an integral part of all our contracts, whether it is our employment contracts, the engagement letter for clients, or the supplier conditions for our suppliers. The Code of Conduct is a obligatory element of our training and development programmes. Every new staff member receives e-learning, which specifically addresses the handling of dilemmas. The Code of Conduct is also covered in other training modules.

Annual compliance confirmation is mandatory for every PwC employee and partner. This statement submitted by each new joiner upon commencement of employment and by each employee once a year covers independence, conflict of interests, business ethics, and the fight against corruption. All our employees must declare that they are familiar with PwC Slovakia's rules and comply with them. The Code of Conduct is also part of our relationships with business partners and they are informed of our rules regarding responsible business conduct.

Reporting violations of ethical standards

Employees of PwC Slovakia are able to report violations of ethical standards, serious concerns, or threats in a number of ways. The Ethics Helpline accepts reports from partners, employees at all management levels of the firm, clients, and third parties 24/7. In general, these reports relate to conduct resulting in a serious violation of regulations or laws, PwC rules, the PwC Code of Conduct, or unethical behaviour. The Ethics Helpline also answers questions concerning PwC rules and the PwC Code of Conduct.

Issues related to ethical standards and their violation are handled by our Ethical Committee, the members of which include experienced representatives of our LoSs, management, and the governing body. Reports can be submitted to the Ethical Committee via the virtual Ethics Box, via which any ethical problem, issue, or other wrongdoing can be reported anonymously. Reports can also be made to members of the Ethical Committee or via the Ethics Helpline.

[GRI 2-15, 2-23, 2-24, 2-25, 2-26]

Under the Slovak Act on Auditors and the Slovak Chamber of Auditors and Article 40 of the Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006, we issue a Transparency Report annually, in which we describe our management approach, internal quality management systems, quality control standards, ethical requirements, how engagements are performed, and many other topics.



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Trust lies at the heart of everything we do at PwC. One way to build trust is to act transparently. Our audit activities contribute to responsible and transparent business. With respect to ESG activities, we actively strive to reduce our carbon footprint, primarily by reducing the number of flights of our employees on business trips, which currently represent the biggest source of emissions, and we create inclusive working conditions for all, in addition to ensuring transparent governance of our company. We also intensively invest funds and time in new systems, technology, and processes to identify risks, so we are continually improving the capabilities and effectiveness of all our services.



Martin Gallovič

Partner, Assurance Leader



| | 2021 | 2020 |
|---|------|------|
| Significant instances of non-compliance with laws and regulations | 0 | 0 |
| Fines incurred | 0 | 0 |
| Non-monetary sanctions incurred | 0 | 0 |
| Fines paid | 0 | 0 |
| Fines for instances that occurred in previous reporting periods | 0 | 0 |

If required by applicable law, we report on incidents in accordance with the respective legal regulations.

[GRI 2-27]

Fight against corruption

PwC understands corruption is a threat to society and business. In line with our values, we work with integrity, transparency, and independence within the organization and in relationships with clients. Corruption disrupts competition, business conditions, and the functioning of the society. PwC makes every effort to prevent corruption and encourages employees to immediately report all incidents in line with the firm's internal rules and effective law. PwC applies a zero-tolerance approach to corruption to make our firm a positive example for society. In corruption-related lawsuits, no evidence of PwC's or our employees' involvement has been provided to date. PwC network standards cover many areas, including money laundering, fair competition, and the fight against corruption. Within the PwC network, rules on combating corruption are set at local and global levels, and zero tolerance is applied. New joiners are obliged to inform themselves of these rules and periodically declare compliance with them.



| | 2021 | 2020 |
|---|------|------|
| Number and percentage of operations assessed for risks related to corruption | 0 | 0 |
| Significant risks related to corruption identified via risk assessment | 0 | 0 |
| Total number and nature of confirmed incidents of corruption | 0 | 0 |
| Cases of employees dismissed or disciplined for corruption | 0 | 0 |
| Cases of contracts with business partners terminated or not renewed due to violations related to corruption | 0 | 0 |
| Public legal cases regarding corruption brought against the organization or its employees | 0 | 0 |

[GRI 205-1, 205-3]

| | 2021 | 2020 |
|--|------|------|
| Governance body members informed about our anti-corruption policies and procedures | 100% | 100% |
| Employees informed about our anti-corruption policies and procedures | 100% | 100% |
| Governance body members who have received training on anti-corruption | 100% | 100% |
| Employees who have received training on anti-corruption | 100% | 100% |

[GRI 205-2]



Anti-competitive behaviour

We understand unequal competitive behaviour in the market is a threat to our business and the entire business environment. Therefore, we strive for fair competition and thereby set a good example to other market players. PwC has never been associated with anti-competitive behaviour. The standards of the PwC network cover many areas, including fair competition. Our Code of Conduct includes our commitment not to proceed in a way that might be perceived as being anti-competitive. As regards fair competition, rules are set both at local and global levels, and zero tolerance is applied. New joiners are obliged to inform themselves of these rules and periodically declare compliance with them.

| | 2021 | 2020 |
|---|------|------|
| Legal actions regarding anti-competitive behaviour, violations of legislation involving PwC | 0 | 0 |
| Outcomes of legal actions, decisions, or judgements | 0 | 0 |

[GRI 206-1]

Customer privacy

The ever-increasing role and value of data in business requires appropriate responsibility and security of the parties involved. We work with personal data every day within our client engagements, so we understand the value it represents to our clients, who are increasingly reliant upon it. Financial and customer-related information enables our clients to target new business, and improve and tailor marketing communication. With the growing role of new technology, client data protection is becoming ever more important, as is data confidentiality, and its correct use. If personal data is insufficiently protected, there is a risk it could be misused, or that clients could suffer losses. Insufficient data protection could also be subject to sanctions and substantial fines imposed by the relevant authorities. However, it is predominantly our reputation and the trust of our clients that guides our responsible conduct.

While some entities may perceive the General Data Protection Regulation (GDPR) as an additional administrative burden, we have taken its implementation as an opportunity to improve our internal processes. We increase value for our clients by respecting their privacy and protecting the rights and freedoms of persons whose data we come into contact with. Before GDPR came into force, we launched the global Network Data Protection Programme to develop all the necessary processes and integrate them into our existing Risk and Quality Management Programme. The position of a Data Protection Officer (DPO) was created when GDPR came into force, with responsibility for all PwC entities

in Slovakia. The DPO is directly subordinated to our COO and CMP and is part of the CEE Risk and Quality team. The key part of the data protection programme is increasing awareness across the entire organization and training employees, as developing policies and procedures is not sufficient on its own. Employee attendance is mandatory to ensure compliance with data protection rules and regulations. In addition, we have introduced regular meetings of data protection experts within our global PwC network, evaluation of the key parts of the data protection programme, and risk tracking. Regular executive management meetings and targeted workshops for various departments also address data protection issues.

Our organization did not identify any justified complaints concerning customer privacy breaches or customer data losses as defined by the GDPR during the 2021 and 2020 reporting periods. We did not receive any complaints regarding data protection from our clients.

[GRI 418-1]



People and working environment culture

Our employees are of the utmost importance to us and we seek to create a sound and motivating environment for their professional and personal development, foster diversity and a fair approach, and ensure that they are happy at and outside of work.

Employees

| | 2021 | 2020 |
|-----------------------------|------|------|
| Total number of staff (m/w) | 777 | 686 |
| Men | 334 | 301 |
| Women | 443 | 385 |

| | 2021 | 2020 |
|-------------------------|------|------|
| Permanent staff (m/w) | 725 | 656 |
| Permanent staff – men | 311 | 280 |
| Permanent staff – women | 414 | 376 |

| | 2021 | 2020 |
|---|------|------|
| Employees with a non-guaranteed number of hours at work (m/w) | 52 | 30 |
| Employees with a non-guaranteed number of hours at work – men | 23 | 21 |
| Employees with a non-guaranteed number of hours at work – women | 29 | 9 |

| | 2021 | 2020 |
|-----------------------------|------|------|
| Full-time employees (m/w) | 663 | 602 |
| Full-time employees – men | 303 | 277 |
| Full-time employees – women | 360 | 325 |





| | 2021 | 2020 |
|-----------------------------|------|------|
| Part-time employees (m/w) | 62 | 54 |
| Part-time employees – men | 8 | 3 |
| Part-time employees – women | 54 | 51 |

[GRI 2-7]

All our data is regularly collected and stored in our internal software tool. All information disclosed is based on the headcount method. PwC Slovakia does not have a “temporary employee” category. We do not have significant employee turnover and despite the COVID-19 pandemic, our staff numbers continue to grow steadily.

| | 2021 | 2020 |
|--|--------|--------|
| Ratio of the total annual remuneration of the individual with the highest income in the organization to the median of the total annual remuneration of all employees (excluding the individual with the highest income): | 0.0793 | 0.1378 |
| Ratio of the percentage increase in the total annual remuneration of the individual with the highest income in the organization to the median of the percentage increase of the total annual remuneration of all employees (excluding the individual with the highest income): | 29* | 0 |

[GRI 2-21]

*The significant difference between the reporting periods is due to the employment of a new person with a higher salary (regional position).



No collective bargaining agreements are in place for PwC entities in Slovakia.
[GRI 2-30]

Market presence

| | 2021 | 2020 |
|--|-------|-------|
| Percentage of senior management hired from the local community | 66.6% | 64.7% |

[GRI 202-2]

Employment

Our global HR strategy focuses on achieving a leading position in developing new talents. We recruit candidates with diverse backgrounds as regards education and professional experience, appropriate skills, critical thinking, and intellectual curiosity, who have demonstrated courage and integrity. Job interviews with questions focused on behaviours in various situations, which we formulate on the basis of the global PwC professional framework, assessment of academic achievements, and verification of references from previous employers are a standard part of the recruitment process.



Eva Hupková

Director, Assurance

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The goal of education is to change a closed mind into an open one. Therefore, we provide our employees with a continual educational process in technical areas, programmes for increasing digital and managerial skills, and development as regards health and mental well-being.

The current labour market situation is significantly affected by the post-pandemic period, the demographic situation, and the 'Great Resignation'. This means that potential employees are no longer competing for jobs, but rather companies must compete for qualified staff. The increased awareness of the importance of work-life balance and wellbeing are to some degree a side effect of the COVID-19 pandemic. There is a general perception of the Big 4 companies as demanding employers in terms of workload and the number of hours spent working. We are trying to change this image, especially via our 'We Care' policy. As we face the 'Great Resignation', our culture can be our best tool for retaining our talent. We do this mainly by changing the way we work – especially by investing effort and financing in creating the "PwC of Tomorrow" – we respond to market demands to deliver a more digital experience with our services to clients. This strategy has three components:

Increasing the level of digital literacy;

Skills for the entire community – this significant programme is aimed at developing our people so that they can bring meaningful changes to our communities; and

The "Be well, work well" principle – considering the pace and complexity of changes, our organization invests its resources in increasing wellbeing at work and in the personal lives of our employees.

We believe that our culture, which defines who we are as a company and what we can offer to our employees in return, is a key factor in attracting and retaining new talents.

We have implemented several initiatives in response to COVID-19 and its consequences, affecting both the work and private life of our staff, such as the 'Wellbeing' concept – Be Well, Work Well webinars and the Work Life coaching programme. Our motto for the upcoming period is 'BALANCED LIFE & WORK' instead of "only" focusing on the work-life balance. The hybrid working environment is also an important initiative we have implemented to offer our employees an improved working environment.

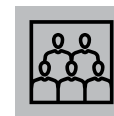
The principles of our People Value Proposition Framework are:



Innovative, purpose-led work



Appreciating and caring for our people



Inclusive leadership and teamwork



Future-focused growth and development



Evolving, leading-edge flexibility

These five principles of our People Value Proposition Framework are built on our purpose and values. They reflect the inherent trust we have in our people to allow them to participate in creating their work experience at PwC. In this way, we foster a working environment which helps us work together as a community of solvers to deliver on our strategy – building trust and creating sustained outcomes.

Thanks to the implementation of initiatives focused on mental health and wellbeing, we can react to the immediate needs of our employees. In the pandemic and post-pandemic period, employees who need urgent help can use the Human Dynamic and the Work-Life coaching programmes. These initiatives are popular not only for psychological and coaching assistance, but also for legal advice and consulting on personal finance. Other programme resources

and benefits available for our staff include learning and development (see the next chapter), sports (jogging, swimming, yoga, football, beach volleyball, badminton, squash, tennis), wellbeing programme, Work Life Coaching Programme, CSR activities, the cafeteria system, and the Multi-Sport card.

All our initiatives are regularly monitored via internal surveys, and local employee satisfaction is measured via a mood tracker as needed, and the Global People Survey is conducted once a year. The mood tracker's pilot phase was undertaken at the audit department in 2021, with 44% of audit employees taking part. During 2022, we plan to run the mood tracker within all our LoSs. Our goal is to attract 20% of staff to our HC activities during the first two years (2022 and 2023) and 50% in the following 5 years. Indicators are based on how many employees participate

in our programmes and activities. We regularly monitor employee involvement in our activities and evaluate their relevance.

The interest in our wellbeing webinars has exceeded our expectations – and we have a regular attendance of around 30%. We have achieved a high utilization rate in the Work-Life coaching programme; and this was our first benefit provided not only to our employees, but also to their family members. It is one of the most successful benefits we have implemented at PwC Slovakia. Our company leadership is fully involved in decision-making and the evaluation of our HC activities, demonstrating that our employees are our priority.

The total number and percentage of new employees (m/w) hired in the reporting period, split by age and sex:

| | 2021 | | 2020 | |
|--------------------|--------------|------------|--------------|------------|
| | Total number | Percentage | Total number | Percentage |
| Men | 125 | 47% | 93 | 55% |
| Women | 141 | 53% | 76 | 45% |
| Age under 30 (m/w) | 227 | 84% | 142 | 84% |
| Age 30-50 (m/w) | 39 | 16% | 27 | 16% |
| Age 50+ (m/w) | 0 | 0 | 0 | 0 |


We hire more younger employees (under 30) than in other age groups, as our organization focuses on attracting young talents – university graduates – and their subsequent education and development. Recruitment is based on the firm's business model and our approach to the development of human capital. The wide range of products and services that PwC offers also requires us to hire more experienced employees with specific knowledge and expertise, most of which occupy new job positions in our teams. These senior employees are represented by the age category of 30-50 years. Due to our organization's structure and low staff turnover in this age category, hiring new employees aged 30-50 is at a lower level.

The total number and percentage of leavers (m/w) in the reporting period, split by age and sex:

| | 2021 | | 2020 | |
|--------------------|--------------|------------|--------------|------------|
| | Total number | Percentage | Total number | Percentage |
| Men | 74 | 9,93% | 76 | 10,83% |
| Women | 62 | 8,32% | 71 | 10,12% |
| Age under 30 (m/w) | 85 | 11,29% | 103 | 14,68% |
| Age 30-50 (m/w) | 51 | 6,71% | 44 | 6,27% |
| Age 50+ (m/w) | 0 | 0 | 0 | 0 |

[GRI 401-1]





Compared to 2020, staff turnover declined slightly. We achieved this thanks to our approach to employees, the implementation of the wellbeing concept, and our “We Care” value, which we apply in our rules and on a day-to-day basis.

The total number of staff (m/w) entitled to maternity or parental leave, split by sex:

| | 2021 | 2020 |
|-------|------|------|
| Men | 65 | 70 |
| Women | 100 | 91 |

The total number of staff (m/w) on maternity or parental leave, split by sex:

| | 2021 | 2020 |
|-------|------|------|
| Men | 2 | 6 |
| Women | 23 | 12 |

The total number of staff (m/w) who returned to work from maternity or parental leave in the reporting period, split by sex:

| | 2021 | 2020 |
|-------|------|------|
| Men | 8 | 7 |
| Women | 11 | 8 |



The total number of staff (m/w) who returned to work from maternity or parental leave and after 12 months were still our employees, split by sex:

| | 2021 | 2020 |
|-------|------|------|
| Men | 7 | 4 |
| Women | 8 | 3 |

Percentage of employees (m/w) who returned to work and stayed with the firm, split by sex:

| | 2021 | 2020 |
|-------|------|------|
| Men | 100% | 100% |
| Women | 100% | 100% |

[GRI 401-3]



Training and education

We undertake continuous employee education and skill development with regard to modern technologies. We assist our employees in their personal and professional growth. We put emphasis on developing innovation and modern technologies. Employees can take a number of educational programmes focused on data processing, visualization, and automation. This includes advanced proficiency in tools such as SW Alteryx, Power BI, or UiPath. Via the Digital Academy Project, employees can apply acquired knowledge to real project solutions, helping them streamline their work. Every employee can also take advantage of our global Digital Fitness application, which offers comprehensive information on almost 60 areas, including artificial intelligence, virtual reality, cybersecurity, design thinking, smart cities, and social networks.

Our digital accelerators selected from all our LoSs have been trained in digital technology and agile thinking. They have the skills and knowledge to help them implement new ways of working at our Slovak PwC entities and with the digital transformation of our clients.

As part of improving their digital skills, our employees attend training courses organized by CEE Google Academy and CEE Salesforce Academy, addressing all Google and Salesforce tools that facilitate and streamline our work and communication.

All our new joiners are required to complete a number of introductory training sessions to obtain knowledge of our internal tools and confidence in their new role. As part of our

continuous training, we ensure that all training courses are appropriate for our employees' professional orientation and that the knowledge and skills obtained can be directly applied in their client work. We provide various digital upskilling courses, leadership development programmes, and wellbeing webinars. Continual education of our employees includes soft skills topics, professional upskilling, and technical development. Some training courses are mandatory, and most courses are held online. All training is available on Vantage, our learning and development platform. Individual needs are assessed, and sessions are tailored to users' needs. Attendance is monitored in Vantage and by specifically developed dashboards. Within the PwC Academy, our employees can also acquire key professional qualifications, such as ACCA and PMP, and in non-accounting and non-financial areas. The ACCA qualification is also offered to employees on maternity or parental leave. We individually tailor the content of our training, search for the most suitable tutors internally or externally, and use the online format when physical attendance is not possible. Vantage, dashboards, feedback forms, and attendance score, individual feedback, and tutor evaluations comprise the framework of our learning and skills development practice.
[GRI 404-2]

We promote the feedback culture and motivate our partners and employees to see feedback as an opportunity, a tool for personal growth, and an opportunity to improve work performance and mutual relationships. Feedback is an integral part of annual work performance evaluation of all

employees and an important springboard for their further professional and career growth. To provide feedback in an effective and constructive manner, we offer skills development training in this area. Close relationships between stakeholders, and learning and development are guaranteed by our HC business partners. We consult on all decisions with the representatives of all our LoSs.



| | 2021 | 2020 |
|---|------|------|
| Employees who received regular feedback on their performance and career development (m/w) | 100% | 100% |

[GRI 404-3]



PwC's global policy is to ensure that employees are adequately qualified for the work they do. The need for training courses and the professional development of our employees are identified and agreed in advance during the appraisal process. PwC Slovakia provides the following technical training to employees:

Consulting
University
Programme

Tax Academy

IFRS training
courses

US GAAP & US
GAAS

Managerial skills

Audit methodology

Risk management

New Senior and
Manager Academy

RAS Academy

Preparatory
courses for SKAU
and UDVA exams

Soft skills training
and language
courses

ESG and
Sustainability
training

Digital Academy



In 2021, employees of PwC Slovakia spent 33,527 hours on training courses.



Average number of hours spent on training:

| | 2021 | 2020 |
|------------------------|------|------|
| Men | 46 | 53 |
| Women | 41 | 36 |
| Intern/Trainee (m/w) | 23 | 15 |
| Associate (m/w) | 70 | 74 |
| Senior Associate (m/w) | 66 | 66 |
| Manager (m/w) | 37 | 42 |
| Senior Manager (m/w) | 32 | 39 |
| Director (m/w) | 32 | 45 |
| Partner (m/w) | 33 | 42 |

[GRI 404-1]



Equal opportunities and diversity

Delivering value to clients (individuals, businesses, communities) depends on building and maintaining firm relationships among people with different talents, experience, and background. That is why, at PwC we look at solutions from various perspectives and focus on establishing an inclusive and diverse business. To succeed in achieving our global goal to become market leader in attracting talent, we must attract, develop, and retain high potential people who are able to work with each other effectively and on a long-term basis. We apply an open mind approach and believe each employee is unique. We know that we are all different with regard to age, sex, marital status, gender, and cognitive diversity. We know that when people with diverse backgrounds and different opinions work together, they can create great values – for our clients, our people, and our society. Our core values include interest in others and mutual collaboration and lead us to appreciate the contribution of every individual and create a working environment with a varied mixture of people, opinions, and ideas.

Employee structure by nationality

| 2021 | | | | | |
|----------------|------------|------------|------------|--------------|--------------|
| | Men | Women | Total | Men (%) | Women (%) |
| Czech Republic | 2 | 3 | 5 | 0.6 | 0.7 |
| Australia | 1 | 0 | 1 | 0.3 | 0.0 |
| Ukraine | 10 | 4 | 14 | 3.0 | 0.9 |
| US | 4 | 0 | 4 | 1.2 | 0.0 |
| Germany | 3 | 0 | 3 | 0.9 | 0.0 |
| Serbia | 0 | 2 | 2 | 0.0 | 0.5 |
| Turkey | 1 | 0 | 1 | 0.3 | 0.0 |
| Georgia | 0 | 1 | 1 | 0.0 | 0.2 |
| Poland | 1 | 1 | 2 | 0.3 | 0.2 |
| Russia | 2 | 2 | 4 | 0.6 | 0.5 |
| Ecuador | 0 | 1 | 1 | 0.0 | 0.2 |
| France | 0 | 1 | 1 | 0.0 | 0.2 |
| Slovakia | 309 | 426 | 735 | 92.8 | 96.6 |
| TOTAL | 333 | 441 | 774 | 100.0 | 100.0 |

| 2020 | | | | | |
|----------------|------------|------------|------------|--------------|--------------|
| | Men | Women | Total | Men (%) | Women (%) |
| Czech Republic | 2 | 2 | 4 | 0.7 | 0.5 |
| Azerbaijan | 1 | 0 | 1 | 0.3 | 0.0 |
| Australia | 1 | 0 | 1 | 0.3 | 0.0 |
| Ukraine | 3 | 2 | 5 | 1.0 | 0.5 |
| Kazakhstan | 0 | 1 | 1 | 0.0 | 0.3 |
| USA | 4 | 0 | 4 | 1.3 | 0.0 |
| Germany | 2 | 0 | 2 | 0.7 | 0.0 |
| Serbia | 0 | 1 | 1 | 0.0 | 0.3 |
| Spain | 1 | 0 | 1 | 0.3 | 0.0 |
| Turkey | 1 | 0 | 1 | 0.3 | 0.0 |
| Georgia | 0 | 1 | 1 | 0.0 | 0.3 |
| Poland | 1 | 1 | 2 | 0.3 | 0.3 |
| Russia | 4 | 2 | 6 | 1.3 | 0.5 |
| Ecuador | 0 | 1 | 1 | 0.0 | 0.3 |
| Slovakia | 281 | 374 | 655 | 93.4 | 97.1 |
| TOTAL | 301 | 385 | 686 | 100.0 | 100.0 |

It is important for us to be a responsible firm that treats people honestly. This is one of the reasons why PwC Slovakia promotes inclusion and diversity by a public commitment, and we joined the Diversity Charter Slovak Republic initiative in 2017. We are creating values for our employees by fostering creativity, authenticity, diversity in educational opportunities, selecting a career path, creating and accepting a diverse working environment and corporate culture, and ensuring a sound work-life balance. Processes associated with recruitment, remuneration and promotion are based on transparent evaluations. These decisions are made after evaluating the results of annual employee appraisals, the criteria of which reflect expected skills, competencies, attitude to ethical principles, and success in meeting professional and individual goals and objectives. We offer parents of maternity or parental leave an external educational and development programme to help them return to professional life. Part-time positions are offered to parents returning from maternity or parental leave, including a changed job description, if requested.

To support the Week of Inclusion and Diversity, we conducted an internal campaign for our employees where we explained the basic terms, importance, and perception of diversity application on a day-to-day basis. The campaign also included a sharing of photos of homemade meals competition.

The diversity and inclusion agenda is managed by a specialized team which includes a PwC partner. All trends and measures are first consulted with company leadership and the Diversity and Inclusion team. The results and assessment of our actions is carried out via our HC dashboards. Although there are no trade unions at PwC Slovakia, our employees have freedom of association.



Percentage of individuals in the organization's governance bodies for each of the following categories:

| | 2021 | 2020 |
|--------------------|-------|-------|
| Men | 71.5% | 70.5% |
| Women | 28.5% | 29.5% |
| Age under 30 (m/w) | 0 | 0 |
| Age 30-50 (m/w) | 76.2% | 82.4% |
| Age 50+ (m/w) | 23.8% | 17.6% |

[GRI 405-1]



Ratio of the base salary and remuneration of women to men for each employee category:

| | 2021 | 2020 |
|------------------|--------|--------|
| Intern/Trainee | 0.8629 | 1.051 |
| Associate | 0.9760 | 1.0127 |
| Senior Associate | 0.9568 | 0.9013 |
| Manager | 1.0229 | 0.9757 |
| Senior Manager | 1.0351 | 1.073 |
| Director | 0.8641 | 1.1652 |
| Partner | 1.0638 | 1.004 |

[GRI 405-2]

”

When we distinguish differences and consciously accept the fact that we, as people, are diverse whether in terms of age, sex, nationality, social background, or the way we think, we can fully utilize our strengths. Standard practice and empirical experience repeatedly provide evidence to us that a safe environment in which individuals are accepted as they are and where people form teams with different experience and abilities can generate the best ideas that lead to innovations. In our advisory practice, we support companies in creating a diverse corporate culture that enables employees to develop their talent and potential and thus succeed in the more and more complex and heterogeneous world.



Dagmar Haklová Partner, ESG Leader

Non-discrimination

The PwC network cooperates with clients and communities all over the world and seeks to achieve our common goal: to build trust in society and solve important problems. Whether we work with people from PwC or from the external environment, we depend on each other to fulfil our ethical responsibilities. Our approach to human rights is firmly integrated in our existing business practices, for example, as part of our activities related to human capital, procurement, ethics, compliance, and corporate sustainability.

It is necessary to ensure fair treatment as regards supplier and client. We only cooperate with clients for which we have sufficient competencies, which appreciate our services and meet our legitimacy and integrity standards. We ensure we only work with companies who undertake legal activities and do not contravene our principles. Rigorous reviewing processes are designed to ensure existing or new collaborations do not jeopardize our reputation.

No discrimination incidents were reported or recorded in 2021 and 2020.

[GRI 301]

Environmental stewardship

Materials

Our goal is to reduce paper consumption in our offices to conserve natural resources and lessen impacts related to using materials, such as waste generation. We are constantly looking for new ways of promoting digital and virtual work in all areas of our business, in relationships with clients, and within our firm. Our new working methods and cooperation including software tools, applications, and cloud solutions contribute to the reduction of paper consumption in our offices. In addition, printer usage is limited by individual access, monitoring paper consumption per user, and motivating the most frequent users to eliminate overuse. The default setting of our printers is to use recycled paper and print in black and white. Our operations have been significantly affected by the COVID-19 pandemic which led to longer work at home periods. Therefore, the office and its equipment were not fully utilized.

| | 2021 | 2020 |
|-------------------------------------|---------|---------|
| Total paper consumption (sheets) | 517 319 | 994 748 |
| Recycled paper consumption (sheets) | 295 596 | 379 397 |
| Percentage of used recycled paper | 57.14% | 38.14% |

*As exact data on recycled paper consumption is not available, the presented figures represent the best estimate calculated on the basis of information on the proportion of purchased recycled paper to the total amount of paper purchased in the reporting periods.
[GRI 301-1, 301-2]

Energy

Our firm promotes responsible behaviour as regards energy use in our working and social environment by ensuring a reasonable use of air conditioning and lighting. Our energy use is exclusively electricity consumption within our organization, on our premises. We do not have our own energy resources, and our consumption of renewable or non-renewable energy resources comes from the energy mix of the Slovak Republic. Our organization does not resell any energy on the market. Our energy consumption was affected by the COVID-19 pandemic and work from home and hybrid work. In 2021, our energy consumption decreased slightly compared to the previous year.

| | 2021 | 2020 |
|-------------------------|----------------|----------------|
| Energy consumption | 756,687,600 kJ | 783,187,200 kJ |
| Electricity consumption | 210,191 kWh | 217,552 kWh |

[GRI 302-1]

Emissions

Climate change is one of the most urgent problems our world is facing today. This issue affects everyone - from families to pension funds. It is in our common interest to implement systemic changes that will avert climate catastrophe and enable the unlocking of the potential of green growth. At PwC, we believe the business community plays a key role in making that happen. In line with our strategy to build trust with stakeholders and deliver sustained outcomes, we are committed to leading by example. That is why PwC has made a worldwide science-based global commitment to reach net zero greenhouse gas (GHG) emissions by 2030. As outlined in our global strategy, The New Equation, we have committed to transform our business model to decarbonise our value chain, increase transparency, and support the development of robust ESG reporting frameworks and standards. Our global coverage means we can play an integral role in managing the transition to a net-zero economy.

At PwC Slovakia, we adhere to our firm’s global goal and apply measures to reduce GHG emissions internally and in our client engagements. Due to the nature of our business, our emissions come mainly from our energy consumption and transport. We use company cars as little as possible – we have only had three over the last two years. Employees use rented cars or their personal cars for business purposes. Air travel is the main source of GHG emissions related to our work. However, we are actively reducing the number of our business flights, and there were additional reductions due to the COVID-19 pandemic. Our firm has developed a special application to track individual CO2 production. Our internal ESG team educates staff on climate change and promotes activities to reduce GHG emissions across the company and at the individual level. The annual communication plan and related activities are prepared at the beginning of each calendar year. We also apply our values in our client engagements. Our company offers a wide range of ESG and sustainability services, including carbon footprint calculation, reduction of GHG emissions, sustainability reporting, assurance related to non-financial information, ESG transformation, and circular economy consulting.

| GHG emissions (tons of CO2 eq.) | 2021 | 2020 |
|-------------------------------------|---------|---------|
| Direct emissions (Scope 1) | 0.537 | 2.921 |
| Energy indirect emissions (Scope 2) | 45.870 | 47.476 |
| Other indirect emissions (Scope 3) | 95.852 | 56.746 |
| Total emissions | 142.260 | 107.143 |

GHG emissions were calculated in line with the GHG Protocol, using the financial control consolidation approach. The calculation of energy indirect emissions (Scope 2) was prepared using the emission factor of the national energy mix. The calculation of Scope 1 and Scope 3 emissions was prepared using the conversion factors published by the Department for Environment, Food & Rural Affairs of the United Kingdom.
[GRI 305-1, 305-2, 305-3]

The significant reduction of GHG emissions in 2020 was mainly due to COVID-19 pandemic impacts. Due to international travel restrictions, we have seen a considerable drop in business flights. Though we are generally seeking to reduce air travel for business purposes, the number of business flight has increased slightly since the ending of pandemic measures.

| Air mileage for business purposes (km) | 2021 | 2020 |
|--|---------|---------|
| Short-haul flights (less than 500 km) | 4,136 | 7,693 |
| Medium-haul flights (500 - 1,600 km) | 85,522 | 100,714 |
| Long-haul flights (over 1,600 km) | 534,666 | 261,200 |

Waste

Our company does not generate waste as a by-product of the production process. All generated waste results from office use by our employees performing their day-to-day activities. To reduce the amount of waste generated, we have implemented waste separation (ordinary, plastic, and paper waste streams). Paper coffee cups have been replaced by glass and ceramic kitchenware. To increase our impact on waste reduction, we are also planning to begin collection of glass waste and used batteries. Our waste is collected and processed by an external waste management company. To date, we were not able to acquire information on how our waste is processed or disposed.

[GRI 306-1, 306-2, 306-4, 306-5]

| Type of waste (tonnes) | 2021 | 2020 |
|-------------------------------|--------------|--------------|
| Paper and cardboard packaging | 1.73 | 1.65 |
| Plastic packaging | 0.24 | 0.12 |
| Mixed municipal waste | 8.34 | 10.24 |
| Glass packaging | 0.04 | 0.08 |
| TOTAL | 10.35 | 12.09 |

These figures only refer to the Bratislava office and have been estimated by the landlord of the building. No data is currently available for the Košice office.

[GRI 306-3]

¹Scope 2: conversion factor: national energy mix <https://www.okte.sk/sk/zaruky-povodu/statistiky/narodny-energeticky-mix/>

²Scope 1: conversion factor: fuel, diesel (100% mineral diesel)

Scope 3: conversion factor: business travel - air, average passenger, short haul <3700 km
<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021>

Supplier environmental assessment

PwC Slovakia establishes relationships with suppliers based on the Third-Party Code of Conduct. Under this Code, we expect suppliers to identify and manage their environmental impacts. Suppliers are also expected to minimize their GHG emissions and join initiatives fostering environmental sustainability, waste management, and the efficient use of natural resources.

Engagement in communities

PwC Slovakia is member of the following associations and organizations:
Engage Group – corporate and community engagement in the Pontis Foundation

Chambers of Commerce:

AmCham Slovakia, Slovak-German Chamber of Commerce and Industry, Slovak-Austrian Chamber of Commerce, Slovak.AI, Investment Support Association, Circular Slovakia

Professional associations:

| |
|---|
| Združenie automobilového priemyslu Slovenskej republiky (Automotive Industry Association of the Slovak Republic) |
| HRcomm |
| ACCA – The Association of Chartered Certified Accountants (Medzinárodná asociácia certifikovaných účtovníkov) |
| SKAU – Slovenská komora audítorov (Slovak Chamber of Auditors) |
| SKDP – Slovenská komora daňových poradcov (Slovak Chamber of Tax Advisors) |
| CISA – Certified Information System Auditors (Certifikovaní audítori informačných systémov) |
| SSA – Slovenská spoločnosť aktuárov (Slovak Society of Actuaries) |
| AICPA – The American Institute of Certified Public Accountants (Americký inštitút certifikovaných verejných účtovníkov) |
| SKCU – Slovenská komora certifikovaných účtovníkov (Slovak Chamber of Certified Accountants) |
| SLOVCA – Slovak Venture Capital & Private Equity Association (Slovenská asociácia private equity a rozvojového kapitálu) |
| ZEP SR – Zväz elektrotechnického priemyslu Slovenskej republiky (Association of Electrical Engineering Industry of the Slovak Republic) |

[GRI 2-28]

Economic impacts and local communities

All the activities which PwC Slovakia undertakes as a firm and which employees undertake as individuals have an impact on the communities in which we operate. Our responsibility is to ensure that our activities support a strong and thriving community. Our employees are engaged in community projects and we encourage them to take part in these activities by providing them with various opportunities to help others.

We support our community by:

- Providing pro bono and/or discounted professional services;
- PwC's Endowment Fund and the Helping Hand grant programme;
- Involving employees in volunteer activities; and
- Organizing charity collections and donations.

Our community partners and platforms include:

- Charta diversity (Diversity Charter);
- Firmy komunity (Firms for the community) – a platform for corporate volunteering and community engagement; and
- Nadácia Pontis (The Pontis Foundation).

Pro bono and discounted audits

We provide professional services to support community organizations and the non-profit sector by sharing our expertise in business matters. Our cooperation with community organizations occurs on the same basis as relationships with commercial client engagements. However, our professional services are provided for no consideration or at a discounted rate.

In 2021, we provided an audit for no consideration or at a discounted rate to 10 foundations:

Centrum environmentálnej a etickej výchovy Živica (Centre for Environmental and Ethical Education)

ČSOB nadácia (ČSOB Foundation)

Dobrý anjel (Good Angel)

Nadácia HB Reavis (HB Reavis Foundation)

Nadácia Slovenskej sporiteľne (Slovenská sporiteľňa Foundation)

Nadácia ZSE (ZSE Foundation)

Nadácia Slovenského olympijského a športového výboru (Foundation of the Slovak Olympic and Sports Committee)

Slovak Olympic and Sports Committee

Social Financing SK, s. r. o.

The Duke of Edinburgh's International Award Slovensko

80 of our professionals, including partners, directors, senior managers, managers, senior associates, associates, and administrative staff, spent 1,387 hours on these projects. The value of our pro-bono and discounted services was more than €61,700.



Corporate volunteering

Every year since 2006, when the Naše mesto (Our City) corporate volunteering event was first organized by the Pontis Foundation, we have encouraged our people to participate. In these events, volunteers from businesses help community organizations in their work to promote volunteerism and team spirit.

44 PwC employees spent 234 hours of their time on volunteering activities in June 2021, and helped two community organizations, Imobilio and ZŠ Kežmarská, with painting fences, cleaning pavements, planting flowers and building retaining walls. In addition to having a good time, we were also happy to help the community in which we live.

PwC's Endowment Fund

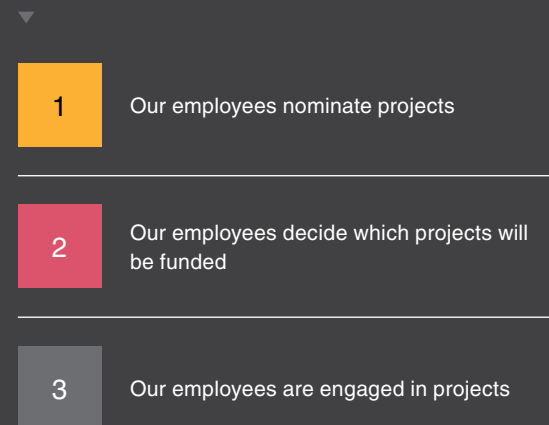
Our Endowment Fund is one of the ways we support beneficial activities, such as NGO or local self-government projects. These activities also include financial support for the Kempelen Institute of Intelligent Technologies (KInIT) and the Helping Hand employee grant programme, which provides annual grants.

Our Endowment Fund granted €26,500 to short-listed projects and to KInIT. KInIT supports young talents to leverage their skills, build careers in Slovakia, and establish international contacts. We are proud to cooperate with this institute for sharing AI knowledge.

Helping Hand grant programme

Our Endowment Fund also helps implement the Helping Hand employee grant programme which supports projects nominated by our employees. Employees are encouraged to nominate a project they consider beneficial and their direct participation in the project is welcomed. We distinguish between recommended projects and direct involvement projects. For us, an employee nomination is the guarantee that the money will be used transparently – and nominations should be based on a genuine relationship and not just an ad-hoc connection for the purpose of receiving a grant.

3 steps of employee engagement:



In 2021, PwC Slovakia contributed to the following 17 beneficial projects which our employees were either directly involved in or recommended:

- Platforma rodín detí so zdravotným znevýhodnením (Platform of families with handicapped children) – Support for parents in the Platform;
- Snipers Bratislava, o.z. (Civic association) – Development of training conditions;
- Športový klub Bratislava Patrioti (Sports club) - RAHL – Ružinov Amateur Hockey League (Blizzards Bratislava team);
- I.N.A.K – motor skills and personal development activities – breaking school – community centre for dancers;
- Divadelná skupina Trnava (Theatre Group) – Production and reruns of the stage performance: Stayin' alive by Blaho Uhlár and the DISK Group;
- PLAMIENOK n.o. (Non-profit organization) – A Little Flame of Life Project;
- Občianske združenie Rybička (Civic association) – Community education at the Rybka School;
- Rodičovské združenie Búdka 3 (Parents' association) – the Políčko Project;
- Youth@Bratislava o.z. (Civic association) – Support for the TEDxYouth@Bratislava 2022 Project;
- Športový klub RAJA (Sports club) – Help for gifted children;
- Asociácia Divadelná Nitra (Divadelná Nitra Association) – I Give You a Tulip Project – Integrating creative activities for visually impaired children;
- Základná škola, Vrútocká 58, Bratislava (Elementary School) – Let's Play Sports!;
- Centrum pedagogicko-psychologického poradenstva a prevencie (Centre for Pedagogical and Psychological Counselling and Prevention) – A Silent Expert Project;
- DotykMamy – Music therapy at a gynaecology and obstetrics department;
- Prístav nádeje, o.z. (Civic association) – We are the Creatives! Project;
- Prešovské dobrovoľnícke centrum (Prešov volunteer centre) – Benefits of volunteering for everyone – how to do it?;
- FUTURE GENERATION – Remedial therapy for the terminally ill.

Donations

During our annual spring and autumn clothes collection, we donated 46 bags of clothes and 4 boxes of shoes to the Hnúšťa Community Centre and the Šumné Clothes Bank in Bratislava. During Christmas, we joined the project Kol'ko lásky sa zmestí do krabice od topánok? (How much love can fit in a shoebox?) and presented 52 shoeboxes full of love to lonely seniors. Our employees also supported the joint school at Mokrohájska in Bratislava by participating in the Christmas auction of children's paintings and helped raise €870.

Mentoring

PwC Slovakia supports the Duke of Edinburgh's (DofE) International Award Project for young people - Leaders of Tomorrow. Every year, PwC mentors help students define their goals, mentor them for 10 months or more to help them win bronze, silver, or gold medals. This year, four of our colleagues mentored students for 69 hours. We are also proud that other colleagues joined the training process to become DofE mentors.

Donation contracts

As part of our community engagement, we made financial contributions (€20,542 in total) to the following four organizations to help fund the education of future actuaries, provide humanitarian aid, and create financial and material resources for the professional development and extracurricular activities of young people (aged 14 – 24) focused on self-development:

- Nadácia Decodom (Decodom Foundation)
- The Duke of Edinburgh's International Award Slovensko
- Slovenská spoločnosť aktuárov (Slovak Society of Actuaries)
- Občianske združenie Pre našu školu (Mokrohájska) (For Our School Civil Association (Mokrohájska))

”

For a number of years, our employees have mentored secondary school students within the Leaders of Tomorrow Duke of Edinburgh's (DofE) International Award Project. In addition, last year PwC also mentored school principals as part of the DofE's Diamond Award Project. The Diamond Award programme develops the leadership and communication skills of school management. For PwC mentors, it is an opportunity to help improve the quality of the school system. We have formed a partnership with the Business Academy on Račianska street in Bratislava. With the headmaster, we created a vision for this school and assisted with building and managing effective teams as well as looking for ways to improve the school's fundraising.



Pavel Dvornák Director, Consulting





was the total amount of PwC Slovakia's donations and sponsorship in 2021.

[GRI 203-1, 203-2, 413-1]

Our employees also take part in activities to help and support communities individually and in their private lives. From our employee survey, we know that 39% of respondents help fund non-profit organizations in Slovakia, 17% help non-profit organizations as volunteers, and 12% of respondents are part of a civic initiative.

Supplier social assessment

PwC's Third-Party Code of Conduct details the standards regarding integrity and business conduct that are expected to be followed by third parties with which PwC cooperates and maintains business relationships. PwC requires third parties to request the same level of integrity and business conduct from their employees and anyone outside their organization who is involved in the provision of services for, or in cooperation with, PwC.

Third parties must not discriminate against any individual as regards employment or recruitment as regards race, ethnicity,

colour, age, sex, gender identity or expression, sexual orientation, political opinion, citizenship, nationality, religion, disability, parental status, economic or social status. Working time, wage and overtime pay must be determined in accordance with the laws and regulations of the country or countries in which they operate. Third parties must pay their employees at least the effective minimum wage. They are also expected not to tolerate improper behaviour, including sexual harassment, discrimination, and bullying. As regards employees, third parties must create a sound and safe working environment

in line with internationally declared human rights and permit freedom of association.

Under the Code, third parties may report any problems that may arise in connection with the PwC business (including the provision of goods or services to PwC) and potential violations of this Code, laws, regulations, and ethical or professional standards. Unless prohibited by law or regulations, we expect third parties to express their concerns related to this Code by contacting our organization's representatives or the PwC's Global Ethics and Compliance helpline. All suspicions

can be reported anonymously. We expect our business partners to inform their employees that they will not be subject to retaliation if they report in good faith any violation or suspected violation of the Code, the laws, regulations, or ethical norms.

[GRI 414]

GRI Content Index

| GRI Standard | Disclosures | Reference | Reason for omission | Omission explanation | Note |
|--|--|-------------|---------------------|---|------|
| GRI 2: General Disclosures 2021 | | | | | |
| 1. The organization and its reporting practices | | | | | |
| 2-1 | Organizational details | p. 4-11, 67 | | | |
| 2-2 | Entities included in the organization's sustainability reporting | p. 66 | | | |
| 2-3 | Reporting period, frequency, and contact point | p. 66, 67 | | | |
| 2-4 | Restatements of information | | not applicable | This is the first report in accordance with the GRI Standards published by the organization | |
| 2-5 | External assurance | p. 66 | | | |
| 2. Activities and workers | | | | | |
| 2-6 | Activities, value chain, and other business relationships | p. 11 | | | |
| 2-7 | Employees | p. 34, 35 | | | |
| 2-8 | Workers who are not employees | | confidentiality | The extent of external contractors utilisation represents a competitive advantage on the market | |
| 3. Governance | | | | | |
| 2-9 | Governance structure and composition | p. 27 | | | |
| 2-10 | Nomination and selection of the highest governance body | p. 27 | | | |
| 2-11 | Chair of the highest governance body | p. 27 | | | |

| | | | | | |
|--------------------------------------|---|-----------|--|--|--|
| 2-12 | Role of the highest governance body in overseeing the management of impacts | p. 27 | | | |
| 2-13 | Delegation of responsibility for managing impacts | p. 27 | | | |
| 2-14 | Role of the highest governance body in sustainability reporting | p. 27 | | | |
| 2-15 | Conflicts of interest | p. 28 | | | |
| 2-16 | Communication of critical concerns | p. 27 | | | |
| 2-17 | Collective knowledge of the highest governance body | p. 42-44 | | | |
| 2-18 | Evaluation of the performance of the highest governance body | p. 27 | | | |
| 2-19 | Remuneration policies | p. 27 | | | |
| 2-20 | Process to determine remuneration | p. 27 | | | |
| 2-21 | Annual total compensation ratio | p. 35 | | | |
| 4. Strategy, policies, and practices | | | | | |
| 2-22 | Statement on sustainable development strategy | p. 20, 21 | | | |
| 2-23 | Policy commitments | p. 28 | | | |
| 2-24 | Embedding policy commitments | p. 28 | | | |
| 2-25 | Processes to remediate negative impacts | p. 28 | | | |
| 2-26 | Mechanisms for seeking advice and raising concerns | p. 28 | | | |

| | | | | | |
|---|--|----------|-----------------|--|-------------------------|
| 2-27 | Compliance with laws and regulations | p. 30 | | | |
| 2-28 | Membership associations | p. 51 | | | |
| 2-29 | Approach to stakeholder engagement | p. 17-19 | | | |
| 2-30 | Collective bargaining agreements | p. 36 | | | |
| GRI 3: Material Topics 2021 | | | | | |
| 3-1 | Process to determine material topics | p. 21 | | | |
| 3-2 | List of material topics | p. 21-26 | | | |
| 3-3 | Management of material topics | | | | see each material topic |
| GRI 201: Economic Performance 2016 | | | | | |
| 3-3 | Management of material topics | | | | See Annual Report |
| 201-1 | Direct economic value generated and distributed | p. 12-15 | | | |
| 201-2 | Financial implications and other risks and opportunities due to climate change | | not applicable | Due to its business model, the organization's activities are not directly and significantly affected by climate change | |
| 201-3 | Defined benefit plan obligations and other retirement plans | | confidentiality | The benefit plan offered represents a competitive advantage and are subject to market competition | |
| 201-4 | Financial assistance received from government | | not applicable | The organization is not a beneficiary of financial assistance | |

| GRI 202: Market Presence 2016 | | | | | |
|--|---|-----------|-----------------|---|--|
| 3-3 | Management of material topics | p. 27, 37 | | | |
| 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | | confidentiality | Remuneration of employees represents a competitive advantage and is subject to market competition | |
| 202-2 | Proportion of senior management hired from the local community | p. 36 | | | |
| GRI 203: Indirect economic impacts 2016 | | | | | |
| 3-3 | Management of material topics | p. 52-56 | | | |
| 203-1 | Infrastructure investments and services supported | p. 52-56 | | | |
| 203-2 | Significant indirect economic impacts | p. 52-56 | | | |
| GRI 205: Anti-corruption 2016 | | | | | |
| 3-3 | Management of material topics | p. 30 | | | |
| 205-1 | Operations assessed for risks related to corruption | p. 31 | | | |
| 205-2 | Communication and training on anti-corruption policies and procedures | p. 31 | | | |
| 205-3 | Confirmed incidents of corruption and actions taken | p. 31 | | | |
| GRI 206: Anti-competitive behaviour 2016 | | | | | |
| 3-3 | Management of material topics | p. 32 | | | |
| 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | p. 32 | | | |

| GRI 301: Materials 2016 | | | | | |
|-------------------------|--|-------|----------------|--|--|
| 3-3 | Management of material topics | p. 48 | | | |
| 301-1 | Materials used by weight or volume | p. 48 | | | |
| 301-2 | Recycled input materials used | p. 48 | | | |
| 301-3 | Reclaimed products and their packaging materials | | not applicable | Due to its business model, the organization does not create physical products and does not use packaging materials | |
| GRI 302: Energy 2016 | | | | | |
| 3-3 | Management of material topics | p. 49 | | | |
| 302-1 | Energy consumption within the organization | p. 49 | | | |
| 302-2 | Energy consumption outside of the organization | | not applicable | Due to the organization's business model, energy is consumed within the organization only | |
| 302-3 | Energy intensity | | not applicable | Considering the lack of physical products output, energy intensity provides no informative value about the organization's activities | |
| 302-4 | Reduction of energy consumption | | not applicable | Energy is consumed solely through the operation of office premises not owned by the organization | |
| 302-5 | Reductions in energy requirements of products and services | | not applicable | Considering the lack of physical products output, energy requirements provide no informative value about the organization's activities | |

| GRI 305: Emissions 2016 | | | | | |
|-------------------------|--|-------|--------------------|--|--|
| 3-3 | Management of material topics | p. 49 | | | |
| 305-1 | Direct (Scope 1) GHG emissions | p. 50 | | | |
| 305-2 | Energy indirect (Scope 2) GHG emissions | p. 50 | | | |
| 305-3 | Other indirect (Scope 3) GHG emissions | p. 50 | | | |
| 305-4 | GHG emissions intensity | | not applicable | Considering the lack of physical products output, emission intensity provides no informative value about the organization's activities | |
| 305-5 | Reduction of GHG emissions | | not applicable | Due to its business model, the organization does not generate a significant amount of GHG emissions | |
| 305-6 | Emissions of ozone-depleting substances (ODS) | | not applicable | The organization does not generate this type of emissions | |
| 305-7 | Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions | | not applicable | The organization does not generate this type of emissions | |
| GRI 306: Waste 2020 | | | | | |
| 3-3 | Management of material topics | p. 50 | | | |
| 306-1 | Waste generation and significant waste-related impacts | p. 50 | | | |
| 306-2 | Management of significant waste-related impacts | p. 50 | | | |
| 306-3 | Waste generated | p. 50 | | | |
| 306-4 | Waste diverted from disposal | | data not available | The organization's waste is processed by an external supplier and the organization was unable to obtain the given data | |

| | | | | | |
|---|--|-----------|--------------------|--|--|
| 306-5 | Waste directed to disposal | | data not available | The organization's waste is processed by an external supplier and the organization was unable to obtain the given data | |
| GRI 308: Supplier Environmental Assessment 2016 | | | | | |
| 3-3 | Management of material topics | p. 51 | | | |
| 308-1 | New suppliers that were screened using environmental criteria | | not applicable | All suppliers are informed about the organization's Third-Party Code of Conduct | |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | | not applicable | Due to the organization's business model, its supply chain consists primarily of office equipment and the organization is not aware of any negative impacts on the environment | |
| GRI 401: Employment 2016 | | | | | |
| 3-3 | Management of material topics | p. 36-40 | | | |
| 401-1 | New employee hires and employee turnover | p. 38-39 | | | |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | | confidentiality | The benefits provided represent a competitive advantage and are subject to market competition | |
| 401-3 | Maternity and parental leave | p. 40, 41 | | | |

| GRI 404: Training and Education 2016 | | | | | |
|---|--|----------|----------------|---|--|
| 3-3 | Management of material topics | p. 42 | | | |
| 404-1 | Average hours of training per year per employee | p. 44 | | | |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | p. 43 | | | |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | p. 43 | | | |
| GRI 405: Diversity and Equal Opportunities 2016 | | | | | |
| 3-3 | Management of material topics | p. 45-46 | | | |
| 405-1 | Diversity of governance bodies and employees | p. 47 | | | |
| 405-2 | Ratio of basic salary and remuneration of women to men | p. 47 | | | |
| GRI 406: Non-discrimination 2016 | | | | | |
| 3-3 | Management of material topics | p. 48 | | | |
| 406-1 | Incidents of discrimination and corrective actions taken | p. 48 | | | |
| GRI 413: Local Communities 2016 | | | | | |
| 3-3 | Management of material topics | p. 52-56 | | | |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | p. 52-56 | | | |
| 413-2 | Operations with significant actual and potential negative impacts on local communities | | not applicable | The organization has not identified any negative impacts on local communities | |

| GRI 414: Supplier Social Assessment 2016 | | | | | |
|--|--|-------|----------------|--|--|
| 3-3 | Management of material topics | p. 56 | | | |
| 414-1 | New suppliers screened using social criteria | | not applicable | All suppliers are informed about the organization's Third-Party Code of Conduct | |
| 414-2 | Negative social impacts in the supply chain and actions taken | | not applicable | Due to the organization's business model, its supply chain consists primarily of office equipment and the organization is not aware of any negative social impacts | |
| GRI 418: Customer Privacy 2016 | | | | | |
| 3-3 | Management of material topics | p. 33 | | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | p. 33 | | | |



About the Report

All information disclosed in this report applies to PwC Slovakia, which is comprised of the following legal entities:

PricewaterhouseCoopers Slovensko, s.r.o.

PricewaterhouseCoopers Tax, k.s.

PricewaterhouseCoopers Advisory s.r.o.

PricewaterhouseCoopers CEE Firm Services s.r.o.

PricewaterhouseCoopers Legal, s.r.o.

This report and all its disclosures relate to our activities carried out in Slovakia. All qualitative and quantitative data contained herein applies to the calendar year 2021 (from 1 January 2021 to 31 December 2021), unless specified otherwise. The ESG reporting period is consistent with the reporting period for which the financial statements and the annual report were prepared, except for PricewaterhouseCoopers CEE Firm Services s.r.o. In this particular case, the ESG reporting period is identical with that of other Slovak PwC entities (from 1 January 2021 to 31 December 2021), whereas the financial reporting period is from 1 July 2020 to 30 June 2021.

This report is not subject to a review by an external auditor. However, if needed or required by law, PwC Slovakia uses the services of an external auditor for auditing its financial statements and reviewing its annual report. The statutory financial statements of individual PwC entities in Slovakia are audited by an auditor in accordance with the law. The auditor is appointed by the General Meeting of the entities' shareholders.

PwC Slovakia annually publishes its CSR Report which is publicly available at this link:

<https://www.pwc.com/sk/en/corporate-responsibility.html>.

Data reporting

All quantitative data in this report has been obtained by extraction or direct calculation from our internal systems and tools, unless specifically stated as being an estimate, extrapolation, etc. Our reporting process is based on the data obtained from specific measurements of our individual departments and submitted to our CSR team. Our carbon footprint is measured as defined by international Greenhouse Gas Protocol methods. Quantitative indicators describe the impacts occurring inside our organization, in direct association with our activities. We also report on our management approach as regards impacts occurring outside our organization, resulting from our activities and business relationships.

GRI Standards

This is the first ESG report of PwC Slovakia and is published in accordance with the Global Reporting Initiative (GRI) Standards. It applies the methodology defined in GRI 1: Foundation (2021). The GRI Index at the end of this report includes all material topics and indicators and lists the pages or direct references where the disclosure for each indicator can be found. The structure of this report has been prepared by using the materiality analysis (see section Materiality Analysis). In this report, we focus on topics identified in this process that are of the highest importance for our stakeholders and our strategy.



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