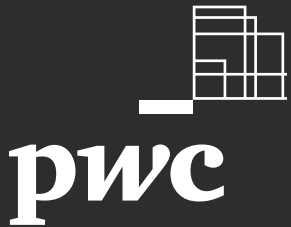


www.pwc.hu

Sustainability Report

1 July 2021 – 30 June 2022



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“Our strategy focuses on two interrelated needs that businesses will face in the coming years: one is to build trust and the other is to deliver sustainable outcomes.”

Tamás Lőcsei

Country Managing Partner
PwC Hungary

Message from the CEO

In 2022, a year in which the continuing pandemic and rising inflation, coupled with the war in Ukraine and the resulting energy crisis, created unprecedented difficulties, PwC posted record profits both in Hungary and globally. Although we had the opportunity to meet face to face, play sports with children in state care in the autumn and hold our Most Attractive Employer of the Year awards in person, the new wave of the pandemic pushed us back online for a while. And although we could be together again from spring 2022, the war in Ukraine has also redrawn the global map of PwC.

I believe that the record result was also due to our new strategy called “The New Equation,” which is based on collaboration to tackle major challenges around the world. In these uncertain times, people are looking for institutions they can trust. The COVID-19 pandemic has forced organisations to rethink and transform their operations, while a myriad of other societal challenges – such as the rise of cyber attacks and fake news, generational inequalities, the automation of jobs and certain sectors’ inability to function – have taught us all a lesson. This complexity has further increased the need for transparency and reliable information.

Quality, independence, excellence and integrity for all our stakeholders remain the cornerstones of our activities. We are constantly adapting our service offering to changing market needs, including the sale of our global mobility business, while making several acquisitions and strategic investments to expand our capabilities in key areas such as the cloud, emerging technologies, and ESG.

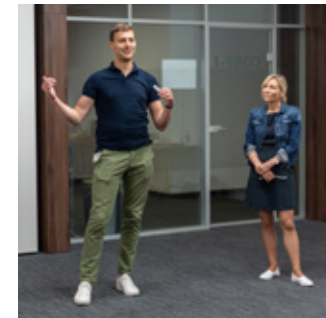
The talented professionals who join PwC not only help to build trust with clients and markets, but they also help to achieve lasting results for business and different segments of society. Their dedication is illustrated by the fact that 87% of our employees are proud to work at PwC and 77% would recommend PwC as a great place to work.

A recent survey of our employees showed how important it is for people to have meaningful work where they feel they can make a difference. As CEO, one of my most important tasks is to make PwC a workplace where we care about each other and where it’s good to belong. Our aim is to attract diverse talent, which we also support by offering flexible and work-from-home arrangements. In recognition of changing workforce trends and the impact of the pandemic on our people, in 2022 we expanded our flexible and hybrid working policy, and as expected, a large proportion of our people spend 40-50% of their time working remotely.

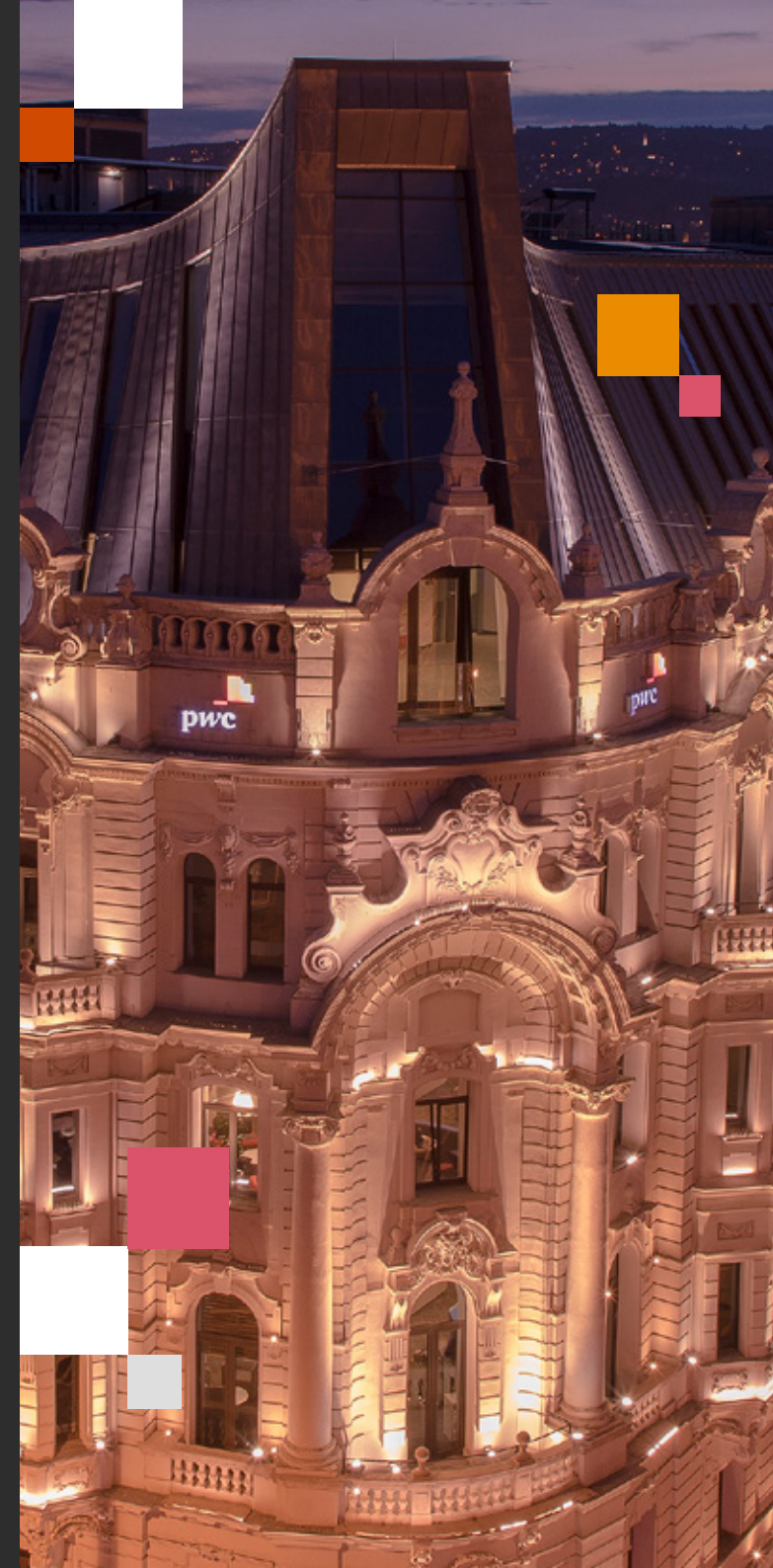
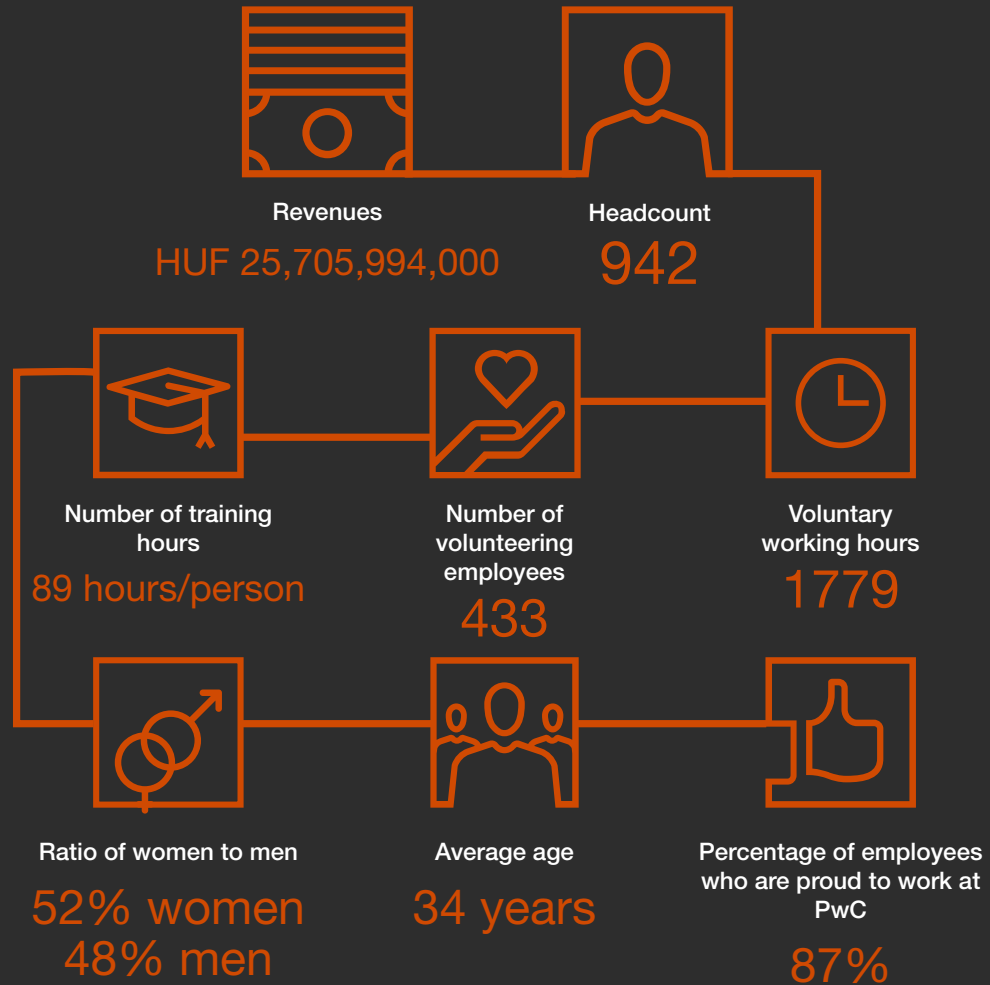
We are also working to create a diverse and inclusive corporate culture for the long term. We have introduced one-month paternal leave, a book club, developed an application that randomly pairs people for coffee breaks, and we use reusable food containers, all inspired by employee ideas. PwC is a workplace where we pay close attention to each other and our immediate and wider communities. In addition to countless volunteer programmes, our people have made a huge effort to help those displaced by the war with donations and housing. At PwC, our colleagues cycle around Lake Tisza or run around Lake Balaton together and motivate each other with in-house tournaments. Of course, we cannot ignore the areas identified in our people survey as needing improvement, so the well-being and training of our colleagues are high on our agenda.

The biggest successes of our collaborative work culture this year include winning the audit of MOL and Magyar Bankholding, preparing the drone strategy for Hungary and the pilot of transformative higher education, and being selected as one of the EU's e-learning suppliers. Today, all our business lines work for export markets. Strengthening this is a key driver of our development.

Our results in 2022 have not only exceeded the previous year, but all our expectations, for which I am extremely grateful to all PwC staff and clients. This Sustainability Report, the eleventh in our series, summarises the inspiring stories and achievements of this record-breaking year.



FY22 in numbers



About the report

PwC Hungary began publishing its annual sustainability report in 2012. This report provides an overview of the efforts we made in a given financial year to find valuable solutions for today's challenges and complex business problems. In this document, we summarise the activities our colleagues carry out every day, aligned with our strategy, to ensure PwC's operation as a sustainable business. Our goal is to continually improve our economic, social and environmental performance and to contribute to the development of the Hungarian and global economy.

Our report is an important management tool, as it provides a comprehensive overview of our past performance and future direction. The internal review carried out as part of the reporting process clarified the extent to which our corporate systems and processes affect our economic, environmental and social performance, and highlighted the areas for improvement that could further improve our performance in the field of sustainability.

We have prepared our report in accordance with international GRI standards, without independent third-party certification.

Our report aims to be comprehensive, showing our stakeholders how our company operates and how we impact our immediate and broader environment. We use the experience gained during the reporting process, as well as the feedback we receive, to improve our sustainability performance.

The report covers all PwC entities operating in Hungary and their sustainability performance, and presents consolidated information on their economic, social and environmental performance.

- PricewaterhouseCoopers Auditing Ltd.
- PricewaterhouseCoopers Hungary Ltd.
- indirectly, Réti, Várszegi & Partners Law Firm PwC Legal

The reporting period includes – in accordance with our financial year – the one-year interval between 1 July 2021 and 30 June 2022 (FY22 or 2022 financial year). Due to the non-calendar financial year, besides the information and data, the special measurement and calculation methods are also shown where necessary. Where possible, we have also provided the data of the previous financial year (FY20) to facilitate comparison. We have prepared the report in accordance with the Global Reporting Initiative (GRI) reporting framework in terms of both the structure of the report and the reporting process. We have prepared our sustainability report in accordance with the GRI Standards: Core option to report about economic and social impacts, emphasizing the following principles for defining report content and quality: materiality, stakeholder inclusiveness, completeness, accuracy, comparability, timeliness, reliability, balance, and the sustainability context.



Definition of the reporting process

In our reporting process, we have progressed in accordance with the steps outlined in the GRI criteria system. Firstly, we determined the focal points (important issues) that are relevant for the future of the company and are closely related to our objectives. Secondly, we explored the company's environment while mapping our wider stakeholder groups, and then ranked them by their influence, and finally we explored the major topics that they think are relevant to the company's operation.

Stakeholder groups or "stakeholders" are those persons and small or large social groups that influence the effectiveness of corporate operation, or on whom the company has any economic, environmental or social impact and who gain benefits or suffer disadvantages as a result of the company's operation.

If you have any questions or comments concerning our sustainability report or PwC's operation, please e-mail us at hu_info@pwc.com. We will use your feedback to improve next year's report.

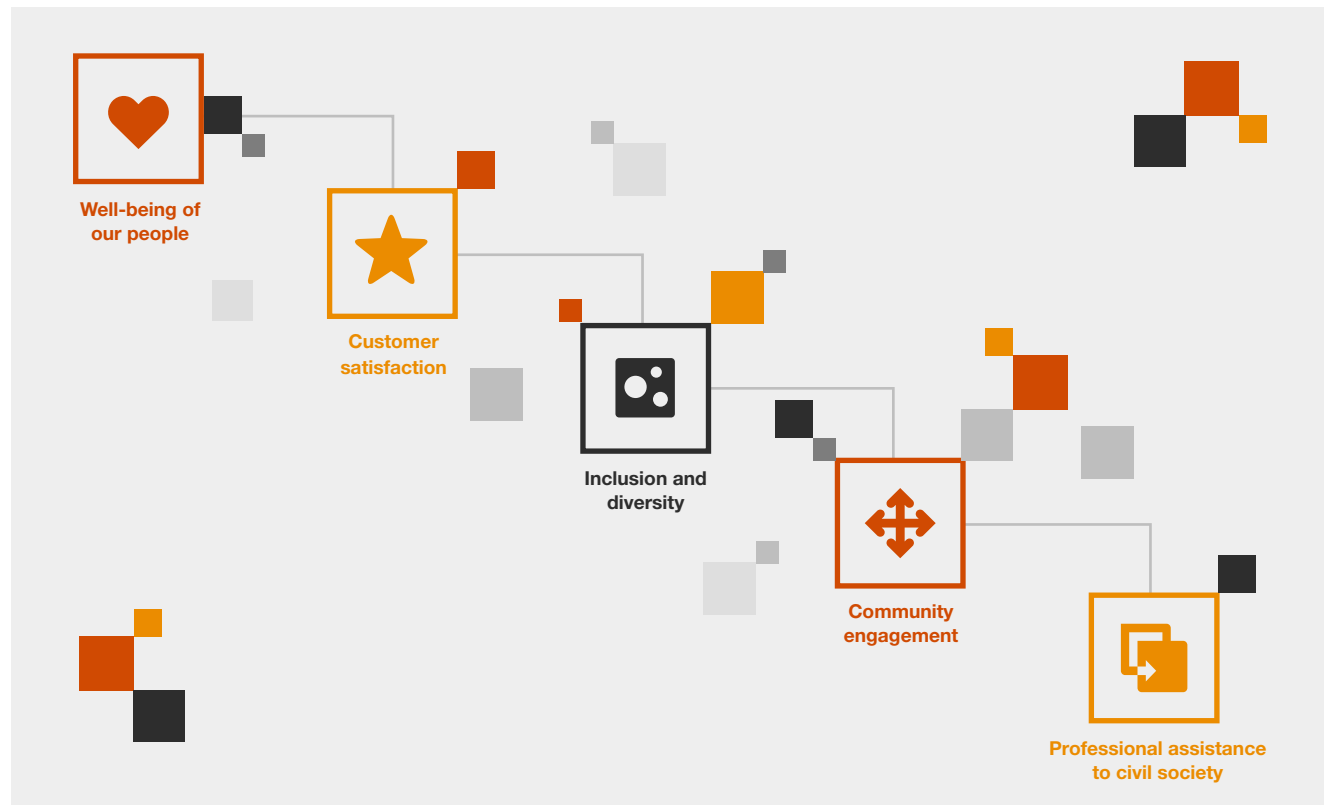
Defining the topics

We summarise below the topics that constitute the basis for how we do business. We report on the performance of the previous financial year by means of these topics because they are the most important in terms of the sustainability of PwC's operations.

The topics covered here have been defined on the basis of the information requested by our leaders and representatives of our various units. Every year, we define the right tools to examine and improve these topics,

and to make them sustainable. In order to determine the topics, we collected information on an ongoing basis, analysed our activities, coordinated with our organisational units, engaged stakeholder groups, and incorporated feedback.

We ranked the relevant areas and topics according to their strategic importance and their social, economic and environmental impact on our stakeholders.



About PwC

PwC is one of the world's leading business consultancy firms. We help our clients achieve their goals through our industry-specific professional services.

With offices in 152 countries and 328,000 people, we are among the leading professional services networks in the world. We help organisations and individuals create the value they're looking for, by delivering quality in assurance, tax, advisory and technology consulting services.

At PwC, our purpose is to build trust in society and solve important problems.

PwC Global



USD 50.3 bn
Sales revenues



152 countries



688 cities

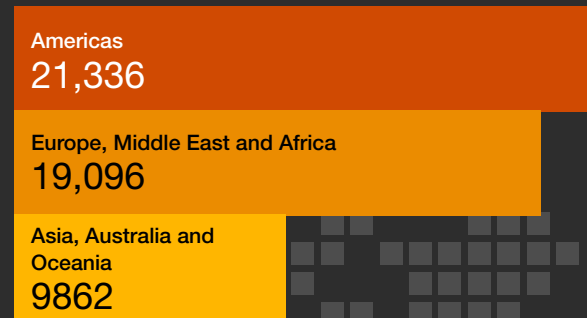


328,000
employees



191,000
clients

Gross worldwide revenue by region
(in millions of USD)



Gross worldwide revenue by service area
(in USD millions)



PwC Hungary



HUF 25,705,994,000

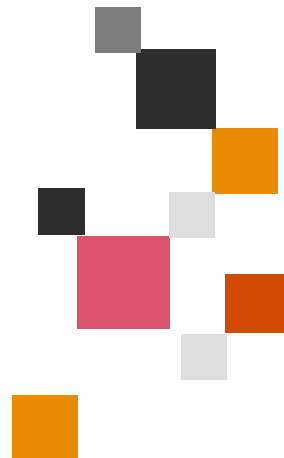
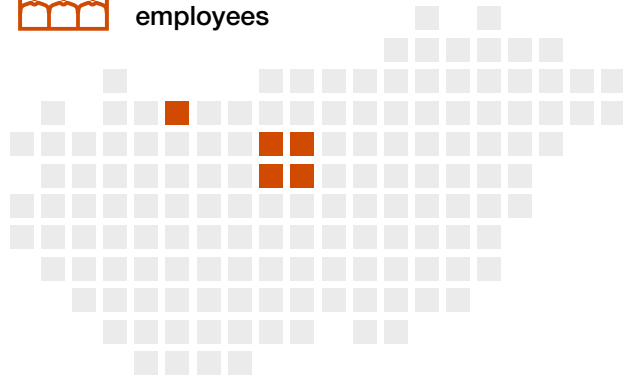
Sales revenues



2 cities



942
employees



What we are particularly proud of about FY22

- We launched PwC Finance Academy, a joint degree programme of PwC, Oxford Brookes University and ACCA for high-school graduates.



- We conducted PwC's 12th Hungarian CEO Survey.
- We organised the first Diversity Week in our Budapest office.
- We launched our "You can be who you want to be!" auditor recruitment campaign, reaching thousands of career starters across the country.
- We increased paternity leave from the statutory 5 days to 20 days after the birth of a child.
- We held our first Father's Day.
- 87% of our employees are proud to work at PwC and 77% would recommend PwC as a great place to work.
- The Science Based Targets initiative (SBTi) validated our network-wide climate targets.
- We created 32,576 new jobs worldwide.

FY22

Our strategy

Our Corporate Sustainability (CS) strategy focuses on community initiatives and environmental protection. We aim to achieve measurable and lasting positive changes in society and the environment both globally and locally. Our annual sustainability report on our corporate responsibility initiatives provides transparency and contributes to keeping our stakeholders informed.

Our report presents our corporate sustainability programmes, our plans, and identifies the areas that need improvement. We believe that we can create permanent and sustainable value for our direct and indirect stakeholders through our core professional activities, technical expertise and related services. Accordingly, throughout the financial year, we provide professional assistance or pro bono services to non-profit organisations, involving as many of our colleagues as possible.

CS management

Our Marketing, Communications and Business Development team is responsible for our firm's CS function. They coordinate and monitor projects, action plans and initiatives concerning our CS strategy, and ensure that our internal and external CS communications are consistent and uniform. Conceptual and strategic CS planning is the task of the CS strategy team, which includes the head of Marketing (Borbála Palotai), the CS Manager (Katalin Simon), and a partner from the Assurance service line (Balázs Mészáros, who also serves as CEE Sustainability Leader), who provide technical support to the CS team. Planning is carried out in consultation and cooperation with our CMP, while specific programmes are organised and implemented by our staff. The content of our Sustainability Report is approved by Balázs Mészáros, Partner.



Approval
CS Partner (Balázs Mészáros) with the CMP's approval



Implementation
PwC employees



Strategic planning
The CS Strategy Team: Borbála Palotai (MCBD Leader), Katalin Simon (CS Manager), Balázs Mészáros (supporting Partner), and Cecília Szőke (CEE CS Manager as facilitator)



Project coordination and communication
Marketing, Communications and Business Development Team



Our CR strategy

PwC's commitment to sustainable development is reflected in the financial and social value that our services help create. We build trust by offering long-term solutions to the most pressing issues through the skills and knowledge of our people.

PwC has been a signatory to the UN Global Compact (UNGC) since 2002 and is deeply committed to its ten principles in the areas of human rights, labour, the environment, and anti-corruption. We report on our activities in the Communication on Progress every year. Click [here](#) for the latest report.

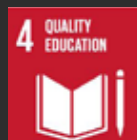
We align our operations and strategy with the 17 Sustainable Development Goals and related commitments adopted by the UN in 2015. Of the 17 Sustainable Development Goals, our strategy focuses on goals that our industry can have the most significant impact on and that afford us the greatest opportunity.

Good health and well-being



The health and well-being of our staff is our number one priority. We offer various programmes and flexible options to help them improve their quality of life in addition to work quality. We also support social causes that improve the living conditions of disadvantaged groups.

Quality education



Our people are our greatest asset, and keeping their skills and knowledge up-to-date is key to our success. We believe that education and providing future generations with the skills to meet the challenges of the digital age play a crucial role in societal success, so we share our knowledge by making it widely available.

Gender equality



Gender equality is one of the focus areas of PwC's global diversity strategy. We provide equal opportunities regardless of gender, support women's career paths, and aim to increase the proportion of women in leadership positions.

Honest work and economic growth



We look for opportunities not only through our CS activities, but also in the services we provide, to contribute to sustainable development both locally and globally. As an engine of change, we support our clients in their efforts to promote sustainable development, integrate sustainability aspects into the services we provide, apply the latest digital technologies in our operations, provide a job to more than a thousand people, and make significant contributions to the local economy through our fiscal (tax) payments.

Climate action



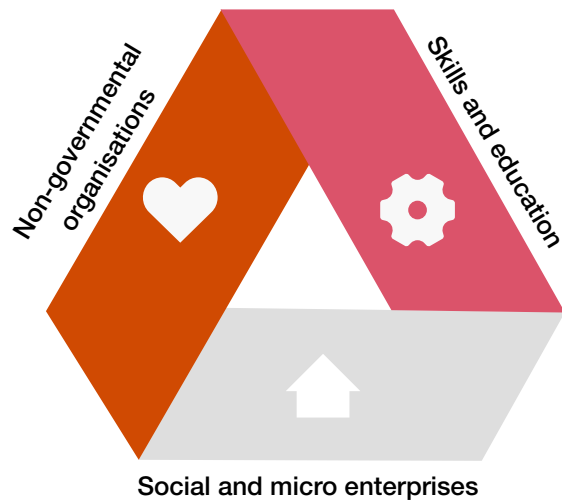
In September 2020, the PwC global network announced a worldwide commitment to achieving net zero greenhouse gas emissions by 2030. This means that we will halve our total operational greenhouse gas emissions within a decade, and invest in carbon removal and storage projects to compensate for all remaining emissions. We will also work with key suppliers and support them to tackle their climate impact.

Our community strategy

In accordance with PwC's community investment strategy announced in 2018, we aim to contribute to the training and skills development of 15 million people globally by 2022. We have exceeded our commitment by reaching 21 million beneficiaries, thanks to our flagship New world. New skills. programme, which equips people with the skills they need for the future.

Under this initiative (Maximising Potential) we focus on three target groups: participants in education, non-governmental organisations (NGOs), and social and micro enterprises.

Of the more than 4 million people, non-profits, community and micro-enterprises we reached in FY22, 3.3 million participated in the New world. New skills. programme.



Our environmental strategy

PwC's global environmental strategy comprises three pillars.



We are reducing our carbon footprint through driving efficiency (by reducing our business travel and adopting efficient online business solutions).

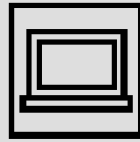


We will be sourcing 100% renewables for our electricity consumption by 2022.

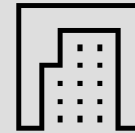


Since 2019 we have been offsetting 100% of our air travel emissions.

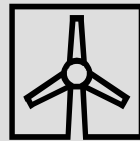
Elements of our approach:



Measuring & understanding our impact



Driving efficiency



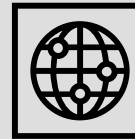
Switching to renewables



Managing our air travel impact

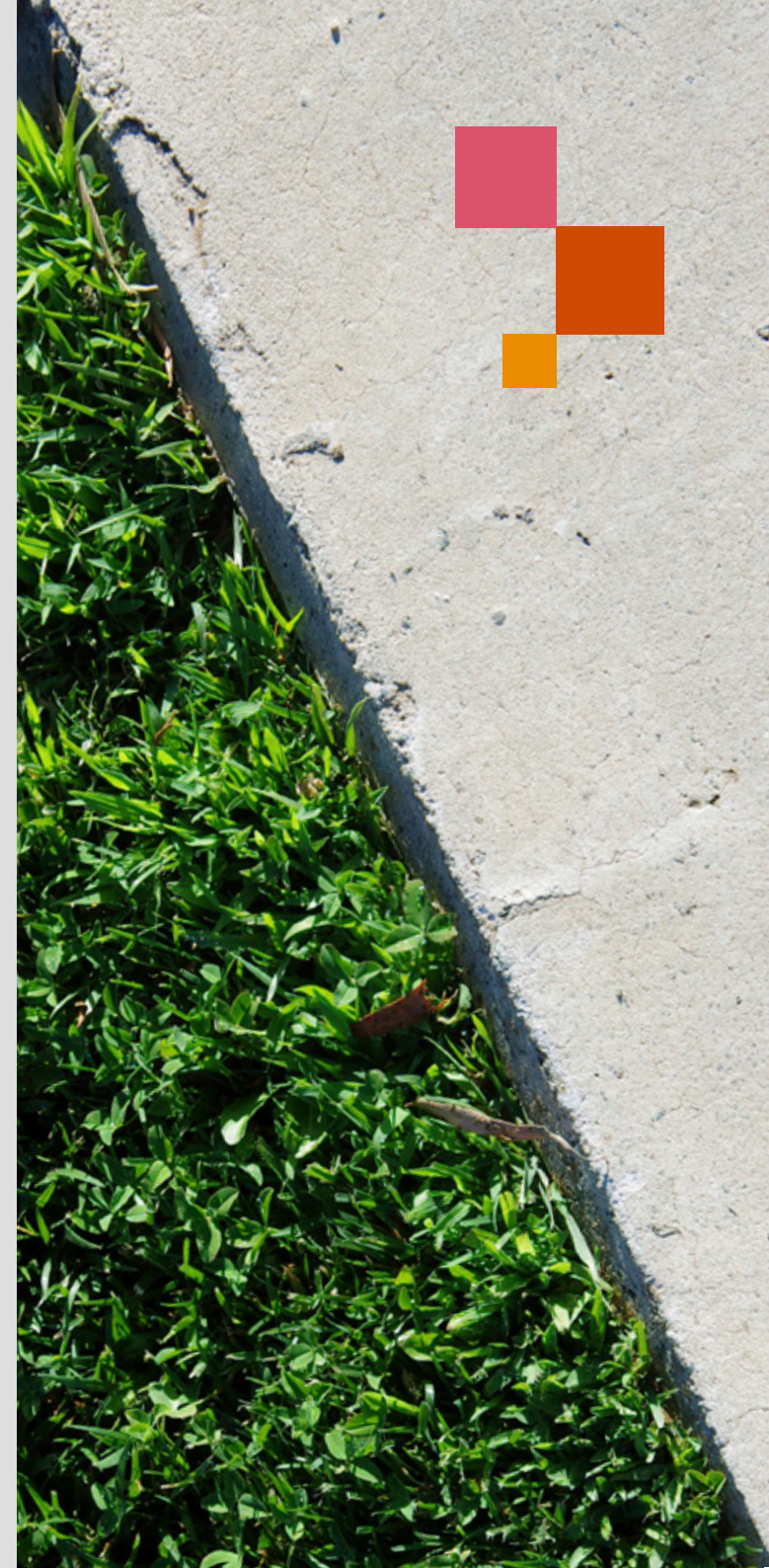


Offsetting unavoidable emissions



Extending our efforts to a broader scope and supply chain

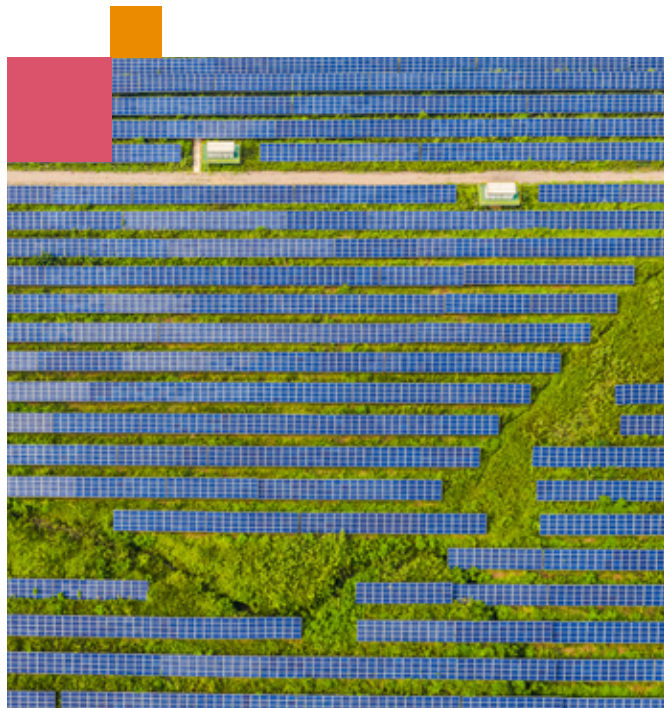
PwC is investing in a range of voluntary carbon offset projects to mitigate the impact of our air travel emissions. Carbon offset projects not only reduce greenhouse gas emissions but also allow us to take responsibility for the impact of our operations while we investigate longer-term solutions.



We have strengthened our climate objectives

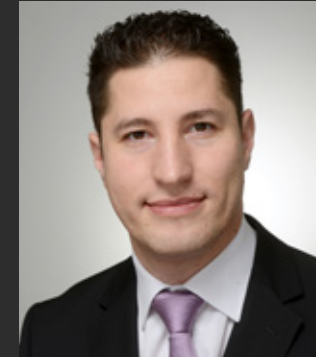
In 2021, the Science Based Targets initiative (SBTi) validated PwC's targets to reduce greenhouse gas emissions by 50% in absolute terms from 2019 levels by 2030 in line with a 1.5 degree scenario.

In addition to Scope 1 and 2 emissions, our targets also apply to our material indirect (Scope 3) emissions. With this approach, which aligns to SBTi's highest ambition level, PwC commits to decarbonising the way it operates and decoupling its business growth from emissions.



What does this mean in practice?

- PwC is committed to decarbonising its operations and supply chain, which includes transforming how we service our clients (e.g. through increased adoption of online meeting technologies, and not just for the duration of pandemic-related lockdowns), permanently reducing our business travel, and increasing our use of zero-carbon energy.
- We are integrating climate-related and other environmental-, social- and governance- (ESG) related factors into our work with our clients, from strategy to implementation.
- PwC continues to work to improve corporate reporting standards that promote reliable non-financial reporting practices (PwC Hungary has been preparing sustainability reports since 2012 and provides sustainable business solutions to its clients).
- We remain committed to long-term research and collaboration programs with other companies, policy makers and NGOs to accelerate the transition to a net zero economy. (For example, we have been playing an active role in the work towards achieving the UN Sustainable Development Goals.)



“Such a commitment requires significant practical measures, and the change must be organisation-wide. As part of the PwC network, we have committed to transforming our business model to decarbonise our value chain, increasing transparency, and supporting the development of robust ESG reporting frameworks and standards. We also encourage our clients and suppliers to reduce their climate impact.”

András Lengyel,

Head of Energy & Utilities Advisory at PwC Hungary

Standard measurement system across the global PwC network

Members of the PwC network report their data at the end of each financial year (by 31 July). As part of this process, we report on our performance with respect to the community and the environment, and aggregate data from members of our network into PwC's Global Annual Review.

| | |
|--|--|
| <p>This year more than</p> <h1>93,000</h1> <p>employees took part in ESG training.</p> | <h1>+13%</h1> <p>net profit compared to FY21.</p> |
| <p>An average of</p> <h1>70 hours</h1> <p>of training per employee per year.</p> | <p>At the largest 21 member firms,</p> <h1>90%</h1> <p>of electricity came from renewable sources in FY22.</p> |
| <p>Greenhouse gas emissions</p> <h1>1,449 kt CO₂e*</h1> <p>37% less than in FY19.</p> | <h1>148,822</h1> <p>new colleagues joined PwC worldwide.</p> |
| <h1>789,579</h1> <p>hours of voluntary work.</p> | <h1>159,327 t CO₂</h1> <p>carbon emissions from air travel.</p> |

* Amount of greenhouse gas equivalent to this many tonnes of CO₂.

PwC's global results for FY 2022

Community investment (USD)

| | | | |
|---|-------------------|-------------------------------------|-------------------|
| 222,500,000 (FY21 208,988,245 m) | | | |
| 103,200,000 | 25,300,000 | 63,400,000 | 30,600,000 |
| Cash and in-kind donations | Volunteer hours | Pro bono and discounted engagements | Management costs |

Number of volunteers

| | |
|---------------------------------------|----------------------|
| 34,254* (FY21 39,222) | |
| 22,381 | 16,358 |
| Skilled and professional participants | General participants |

Volunteer hours

| | |
|--------------------------------|----------------|
| 789,579 (FY21 754,169) | |
| 670,310 | 119,269 |
| Skilled and professional hours | General hours |

Number of beneficiaries covered by community programmes

| | | | |
|---|------------------|------------------|------------------|
| Number of beneficiaries since FY19: 18,988,968 | | | |
| 5,321,345 | 5,247,965 | 4,341,652 | 4,078,006 |
| FY19 | FY20 | FY21 | FY22 |

* The result is not necessarily the sum of the figures below; some voluntary activities count towards both categories.

Our community initiatives #pwctegyunkerte

At PwC, our purpose is to build trust in society and solve important problems worldwide. We believe that businesses have a key role to play in addressing societal issues.

We believe that businesses also have a role to play in addressing societal issues. In this section we present some of the initiatives we have taken to make a positive impact this financial year, for example through volunteering or humanitarian aid.

Today, the systems that underpin societies are facing unprecedented challenges. As a business, we have a responsibility to actively support the development of these systems so that they bring wider benefits to communities.

This is particularly important in the context of the growing gap between economic growth and social progress. For many years, globalisation, digitisation and technological change fuelled global economic growth, resulting in a continuous improvement of many people's lives. At the same time, many countries have also experienced high levels of mistrust and dissatisfaction in increasingly large sections of their population, as access to resources and the benefits derived from that access are distributed unequally among different geographies and social groups. To address the causes and drive change, we must restructure social and economic systems – which includes changing the role of business in both.



“Business has a responsibility to be a force for good in society. This is necessary for companies to maintain a social licence to operate, but more importantly it’s crucial to maintain the healthy societies on which we all depend.”

Bob Moritz,
Global Chairman of PwC

Volunteer Day

At our Önkéntesi event in September 2021, we hosted nearly 200 young people in the child protection system with the help of well-known athletes to exercise, cook and craft together.

The programme included teqball, basketball, ice hockey, football, trampoline, wall climbing and zumba classes. Nearly 300 of our staff played sports with the youth, and many of them also took on the role of animators.



#nemluxustaska donation drive

In January 2022, we took part in the #nemluxustáska initiative to support women living in difficult financial circumstances. Thanks to our staff in Budapest and Győr, 35 bags filled with basic hygiene products were collected. The donations collected were distributed to the needy with the help of the **Hungarian Maltese Charity Service**.



Personalized gifts for disadvantaged children

Our colleagues put presents under the Christmas tree for 67 residents of four children's homes, in partnership with **Segítség Köve Foundation**.



The children's wishes were granted almost immediately. There was no impossible wish, be it an object or an experience. In addition to personalized gifts, a further 30 gift packs for all ages were also delivered.

Denim collection

Between 19 April and 20 May 2022, we organised a denim collection in the office. During the collection period, our colleagues could drop off any blue or other colour used denim clothing at a collection point. A total of 153 items of clothing were collected and donated to the **Old Blue** team to recycle them into pillowcases, doormats, rugs and various home furnishings and gifts.

Permanent collection points in the office

In order to reduce our waste production and keep things in circulation, we have collection points all year round in the office, where colleagues can drop off donated goods and various used household items. As part of the socks recycling programme, we collected used, torn socks to be repurposed as insulation material for the furniture industry and as geotextile fabric for road construction. The **Jane Goodall Institute** has a collection box where staff can drop off used phones for recycling. And at the **Cseriti Box** collection point, we are collecting worn-out, no longer used items that may still be of value to others, which will be distributed to those in need by **Cseriti, a non-profit social enterprise**. In addition, we have a collection point for waste batteries in the office.

| | |
|---|---|
|  <p>Cash value of in-kind donations:</p> <p>HUF 910,000</p> |  <p>Amount of money donated:</p> <p>HUF 1,100,000</p> |
|---|---|

Delivering products for Jókenyér

Between March and April 2022, we joined the charity campaign of the **Csodalámpa Foundation** and **Jókenyér**, in which our colleagues undertook to deliver leftover bakery products from Jókenyér shops in Buda to child patients and employees of the Gottsegen György National Cardiology Institute every weekday evening from March until the end of April. Over the two months, 16 of our colleagues volunteered their time to support this charitable initiative.

OUTLOOK

Measures taken in the context of the war in Ukraine

We would never have thought that we would face a more shocking situation after two years of pandemic, but the war in neighbouring Ukraine has created unprecedented difficulties for us all. Our global network – and especially our colleagues in Central and Eastern Europe – have come together to help. More than 700 PwC staff from Poland, the Czech Republic, Slovakia, Hungary, Romania and other countries have provided shelter to displaced people. PwC employees and member firms worldwide have donated approximately US\$5.3 million in financial aid to causes supporting Ukraine. PwC Poland has launched a free legal helpline for all Ukrainian refugees.

Along with many multinational organisations, we made the decision to cease our operations in Russia following the invasion of Ukraine.

In our network, we put the safety of our colleagues first by setting up a Crisis Team operating at regional level, tasked with establishing a framework and procedures for providing assistance. Our main goal was to be able to place all Ukrainian colleagues seeking assistance in a safe country. The requests and pledges were coordinated by the local coordinators of Ukraine’s neighbouring countries, including Hungary, in cooperation with each other.

We were monitoring the situation around the clock to ensure that our people in Ukraine and their family members who contacted us through various channels received immediate assistance. This meant providing accommodation, transport, financial support and mobile phones to colleagues and their families who relocated to Hungary for the short term. Our local coordinators also provided ongoing assistance with travelling across the country.

83 colleagues offered accommodation to PwC staff from Ukraine. In addition, teams of colleagues provided donations and sandwiches to the refugees.



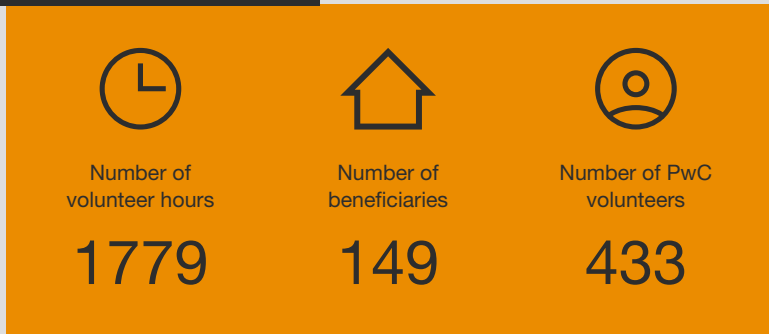
Our colleagues in Győr collected donations for Ukrainian refugees in cooperation with the Hungarian Baptist Aid.

Members of the Indirect Tax team brought non-perishable, ready-to-eat food and hygiene items to Nyugati Railway Station during lunch break, where our marketing colleagues also regularly went with homemade sandwiches, with the Sports Business Advisory team also helping out.



We also collected donations for the PwC Foundation in Poland. A total of 350 colleagues received financial and logistical support coordinated by the Foundation, and the amount donated by colleagues in the regional network exceeded €60,000.

General volunteer activities

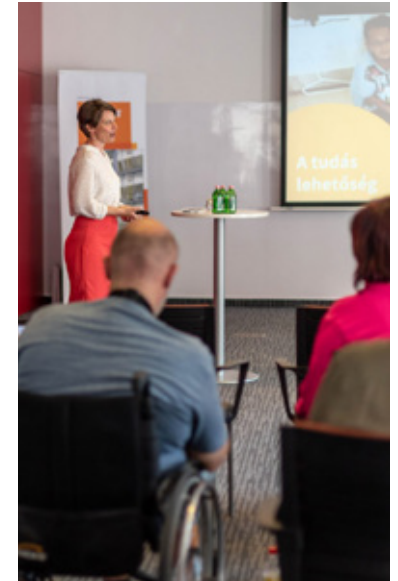


Skilled volunteer activities

| | Number of beneficiaries | Number of PwC volunteers | Number of volunteer hours |
|-----------------------------------|-------------------------|--------------------------|---------------------------|
| Professional volunteer activities | 288 | 54 | 528 |
| Pro bono engagements | 3 | 5 | 144 |
| Discounted engagements | 2 | 3 | 173 |

Training day for non-profit organisations

Since 2014, experts at PwC Hungary have given workshops and presentations on topics relevant to the civil society. Participants were able to join the programme online also in 2021. The topics were designed with digital skills development in mind, in line with the New world. New skills. programme.



The themes of the training day were:

- Current issues in labour law: Hybrid employment at non-profit organisations
- Paperless HR
- Current tax issues
- Using Excel in everyday work
- Artificial intelligence: what are the opportunities for non-profits?



Our instructors:

Péter Honyek, Dávid Kovács, Rebeka Orehoczki, Judit Szalma, László Szűcs, Márta Zsédely

Participants said:

”

I really love this programme, can't wait to meet in person again! Thank you for supporting our work!”

”

The presentations that were not so relevant to my work were also very interesting.”

Basically, we perform knowledge sharing and development activities by offering pro bono services, training and mentoring.



Bridge to Benefits – Masterclass for Responsible Business workshop series for micro-, small and medium-sized enterprises

We have joined the programme of the Budapest Chamber of Commerce and Industry (BKIK) and Civil Impact Nonprofit Közhasznú Kft. as a trainer. The purposes of this workshop series, created by leading Hungarian companies and NGOs, is to develop environmentally or socially beneficial and sustainable business activities in the SME sector through practical training. Ten SMEs were given the opportunity to participate in the course this year, following an open call for applications published in January.

Main course topics:

- Project management; project planning from the beginning – pitfalls, criteria for success, project management, social and environmental aspects
- The importance of stakeholder mapping and management for social/environmental projects
- The process and sustainability aspects of business planning, factors to consider, non-quantifiable outcomes
- Quantifying social and environmental change – or what are the costs at the end of the day?

HiSchool – PwC: working together for informed career choices

We participated in career days in cooperation with the HiSchool team on several occasions. Our colleagues gave one-hour interactive career guidance presentations, based on questions posed by students. We also held this event in the Europe 2000 Secondary School and ELTE's Radnóti Miklós School.

Skool-PwC cooperation: STEMsisters scholarship programme and coding workshop for girls

We got involved in Skool's three-month scholarship programme: a high school student and two PwC mentors worked together to ensure that she received the support she needed to help her choose a career, get into university, and choose a specialisation. We also hosted a space adventure game development workshop. The programme was organised by Skool's team, and our six mentors helped the 15 participating girls to learn the basics of programming through worlds and characters from games.

Civil Impact Academy – six years of training

Six years ago, the Civil Impact team set up a specialised academy to help build service-oriented NGOs; we have been professional partners from the start. The Civil Impact Academy provides training to leaders of NGOs.

Module topics include:

Principles of business planning and service design:

- The steps in preparing a business plan
- Basics of economic and financial planning: preparing and monitoring the annual budget

Civil Mentoring Programme

We have launched our pro bono mentoring programme for non-profits for the sixth time. The topics were adapted to the needs of the organisations that applied, based on the experience of previous years. The five-module training series covered the following topics: formulating a mission statement, motivation, and objectives; business planning; social media platforms, campaigns; corporate relations; and service development.

Based on presentations drawing on the acquired knowledge, we have selected six organisations with which we will continue our cooperation under a six-month mentoring programme. Working together with these organisations, PwC staff will support the development of specific projects (e.g., feasibility studies, organisational structure, pilot project for services, etc.).



Non-profit participants in 2022, our sixth year:

| | |
|--|---|
| Change Mental Health Association | From Streets to Homes (Utcáról Lakásba) Association |
| Társadalomklinika Association | CédrusNet Association |
| Mental Health for Well-being Foundation | HiSchool Foundation |
| UNOKA | Superar Hungary |
| Szivárvány Public Benefit Association for Autism | Volunteering Hungary – Centre of Social Innovation |
| Varázskulcs Community | Hírös Cédrus Association |
| Egyesek Youth Association | Diversity Public-benefit Foundation |
| Roll Natural Association | Létra Cultural Association |



Responsible marketing & communications

The PwC brand

The PwC brand is a cornerstone of the quality we represent.

As a global network, we must protect our brand elements with great care and attention so that they are clear and consistent. A brand is more than just a logo, a set of colours, style or imagery; it is about personal relationships and human emotions. It allows us to tell a powerful and well-formulated story through our people and to articulate our common goal: we strive to build trust in society and solve important problems.

One of the tasks of PwC Hungary's Marketing, Communications and Business Development team is to find relevant forms and channels of communication that allow us to address our stakeholder groups.

All members of the PwC network have a staff member in their Marketing, Communications and Business Development team whose duty is to ensure that all communications materials comply with the rules and principles concerning the PwC brand and trade name, as determined by the PwC Global Brand team. Our aim is to present a uniform corporate image, whether in print publications, sports sponsorship arrangements, client events or press releases. The Brand Site is a platform accessible to everyone in PwC's global network, where brand assets – logo, illustrations, and icons – are available in one place. Members of our international brand team can help with guidance, risk management (for example, when collaborating with a potential external party) or joint media appearances.



Media appearances in the 2022 financial year

In the financial year ended on 30 June 2022, we had 1,455 media appearances, which represents a 20% decrease over the previous year impacted by the pandemic.

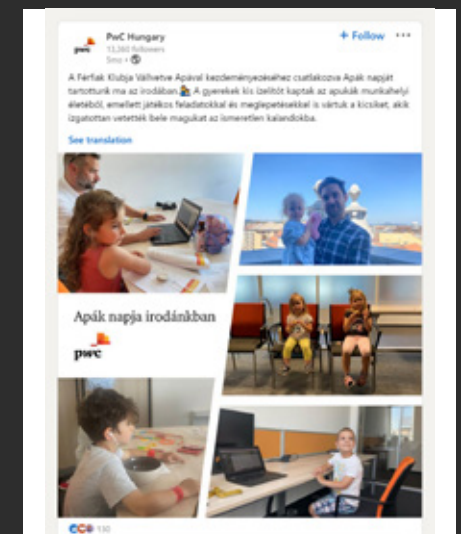
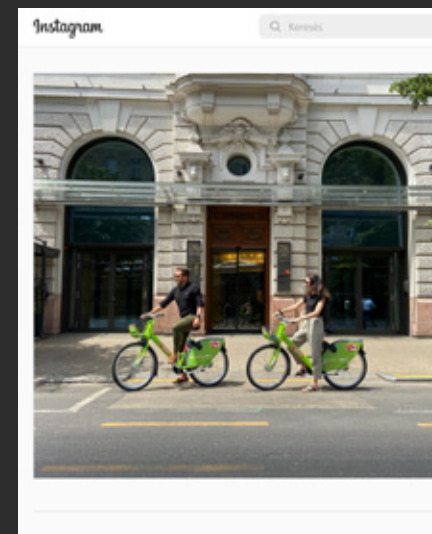
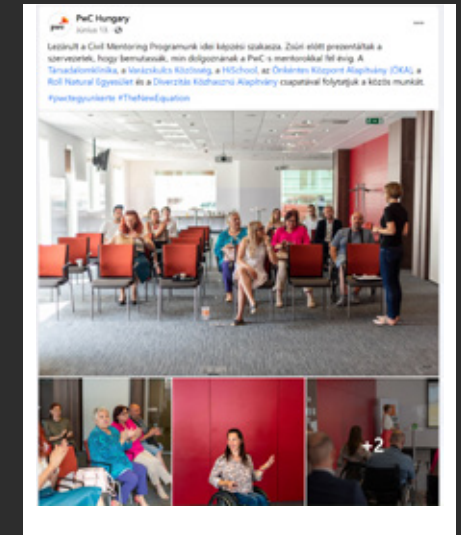
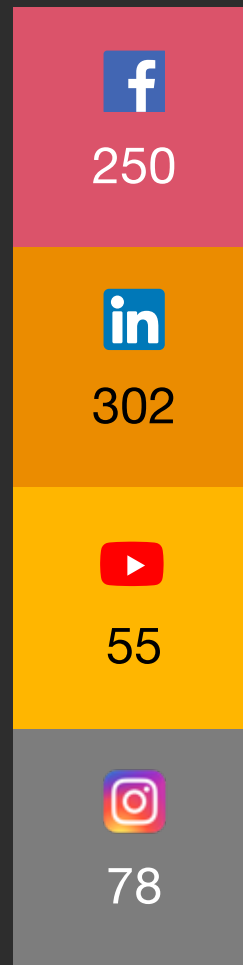
Key topics of PwC Hungary's media appearances:

- COVID policies at the workplace,
- Big Four exit from Russia,
- public health product tax.

(Note: this media analysis was prepared by IMEDIA based on its own media appearance analysis tool.)

Managing our client database is also the responsibility of the Marketing, Communications and Business Development team. In the 2022 financial year, we received no complaints of abuse of personal client information, loss or unauthorised use of client data.

Number of posts/videos:



Our values

At PwC, we strive to address the world's biggest challenges, working together to solve important problems and build trust in society. We facilitate the operation, adaptation and development of complicated systems – whether capital markets, economic or tax systems – in an increasingly complex and fast-paced world in order to enable them to benefit communities and society. We aim to support our clients in making informed decisions and operating in an efficient manner.

Our values drive who we are, what causes we support and how we behave. We have shaped our values together and we all play a role in making these values show in our day-to-day operations. These values help us achieve our goals.

Despite the different backgrounds and cultures in which we work within the PwC network, we have common values all over the world. Our values guide us in our conduct with our clients and colleagues, and make us responsible for delivering the best possible performance in all cases. This is the key to our success.

The trust of our clients, employees and communities in PwC as well as our strict ethical standards guide us in all our activities. Our values constitute the foundation for our Code of Conduct, which serves as a reference framework for our everyday decision-making and business activities.

We build trust and solve important problems together.



Act with integrity

- We speak up for what is right, especially when it feels difficult.
- We expect and aim to achieve the highest professional standards.
- When making decisions and performing our activities, we behave as if our own reputation were at stake.



Reimagine the possible

- We question conventional ways and try new paths.
- We innovate, test and learn from failure.
- We seek opportunities in all ideas.



Make a difference

- We are informed and ask questions about our future.
- With the help of our colleagues, our clients, and social groups, we make an impact through our actions.
- We respond promptly to the challenges presented by the constantly changing environment in which we operate.



Work together

- We co-operate and share our relationships, ideas and knowledge within the PwC network.
- We seek and integrate a diverse range of perspectives, people and ideas.
- We provide and request feedback to develop ourselves and each other.



Care

- We aim to understand all parties we get in contact with.
- We acknowledge all contributions to a common cause.
- We cherish each other's development and let everyone perform at their best.

Trust is key to business success

Trust is the hallmark of high-performing companies, the glue that binds cohesive societies, and a driver of shared prosperity. Our 2022 Annual Global CEO Survey of 4,400 CEOs from 89 countries found that the single most important predictor of a company's past and future financial performance is trust. 71% of CEOs of high-trust companies are confident in their companies' prospects for revenue growth, compared to only 47% for low-trust companies.

However, it's not just companies that rely on trust. Trust is key to the social cohesion, prosperity, and quality of life of communities and countries. According to the 2022 Edelman Trust Barometer, "distrust is now society's default emotion." Concerningly, the lowest socio-economic quartile of the population has very little trust in any of society's institutions. Today, trust is harder to earn.

For companies, trust has never been more important. It's the link that connects the organisation, its people, its customers, its stakeholders and the world. Trust can't be bought. It must be earned through every interaction, every experience, every relationship and every outcome delivered. But in order to build trust today, companies must meet the expectations of a broader set of stakeholders on a wider range of issues such as cybersecurity, diversity, data security, tax payments, and environmental performance.

Our global strategy, The New Equation, is all about helping companies build the trust they need to succeed, and once they have earned that trust, to maintain their social licence to operate and their ability to thrive. When companies consistently deliver the outcomes their stakeholders value, trust is built. In this way, trust and sustained outcomes enable each other in a virtuous cycle. There are two key ways that PwC helps to build trust in business and society:

- We help companies build trust in their delivery of value for a range of stakeholders, achieve the results their stakeholders want, and demonstrate these results (for example, we deliver robust, trustworthy evaluations of clients' performance in both financial and non-financial areas);
- We support the systems on which trust in society depends (such as the tax, legal, and public reporting systems).



Eight Trust Drivers

Trust may be hard to build, but it can be measured. In 2022, we applied our proprietary trust framework to map eight quantifiable trust drivers for companies, ranging from financial performance to ESG to transparent reporting.

| | |
|--|---|
|  <p>Financial Creating long-term shareholder return</p> |  <p>Economic Broader economic impact in the communities where you operate and in broader society</p> |
|  <p>Brand Perception in the public domain</p> |  <p>Environmental Positively impacting natural environment across the value chain of its products and services</p> |
|  <p>Social Ensuring people's well-being by fostering safe, diverse, inclusive, respectful communities</p> |  <p>Governance Conduct ethically and with integrity, in line with applicable laws for corporate accountability</p> |
|  <p>Reporting Transparently demonstrate and communicate consistent and aligned behaviour</p> |  <p>Technology Leverage technology to avoid adverse effects and improve business outcomes</p> |

This framework encompasses a broad range of stakeholders from policymakers to the public. It enables our clients to map their stakeholders, measure trust levels, identify problem areas, and track progress.

Our Global Chairman Bob Moritz has set out the trust imperative for business. In the face of dramatic disruptions (from a pandemic to war to climate change) that can fray trust in society, business has an opportunity – and responsibility – to lead. Business should be part of the long-term solution to society's greatest challenges. This means defining and adhering to a long-term vision for the company as a force for good in society that delivers value to all stakeholders. Expectations are growing for business to lead on societal issues: CEOs are expected to shape conversation and policy on jobs and the economy, wage inequity, technology and automation, climate change and more ([2022 Edelman Trust Barometer](#)). Along with many multinational organisations, we made the decision to cease our operations in Russia following the invasion of Ukraine. Today PwC no longer operates in Russia or Belarus.



“Companies that embrace a role as a valuable, purpose-driven contributor to society – and whose leaders make bold, long-term decisions consistent with that role – will earn trust.”

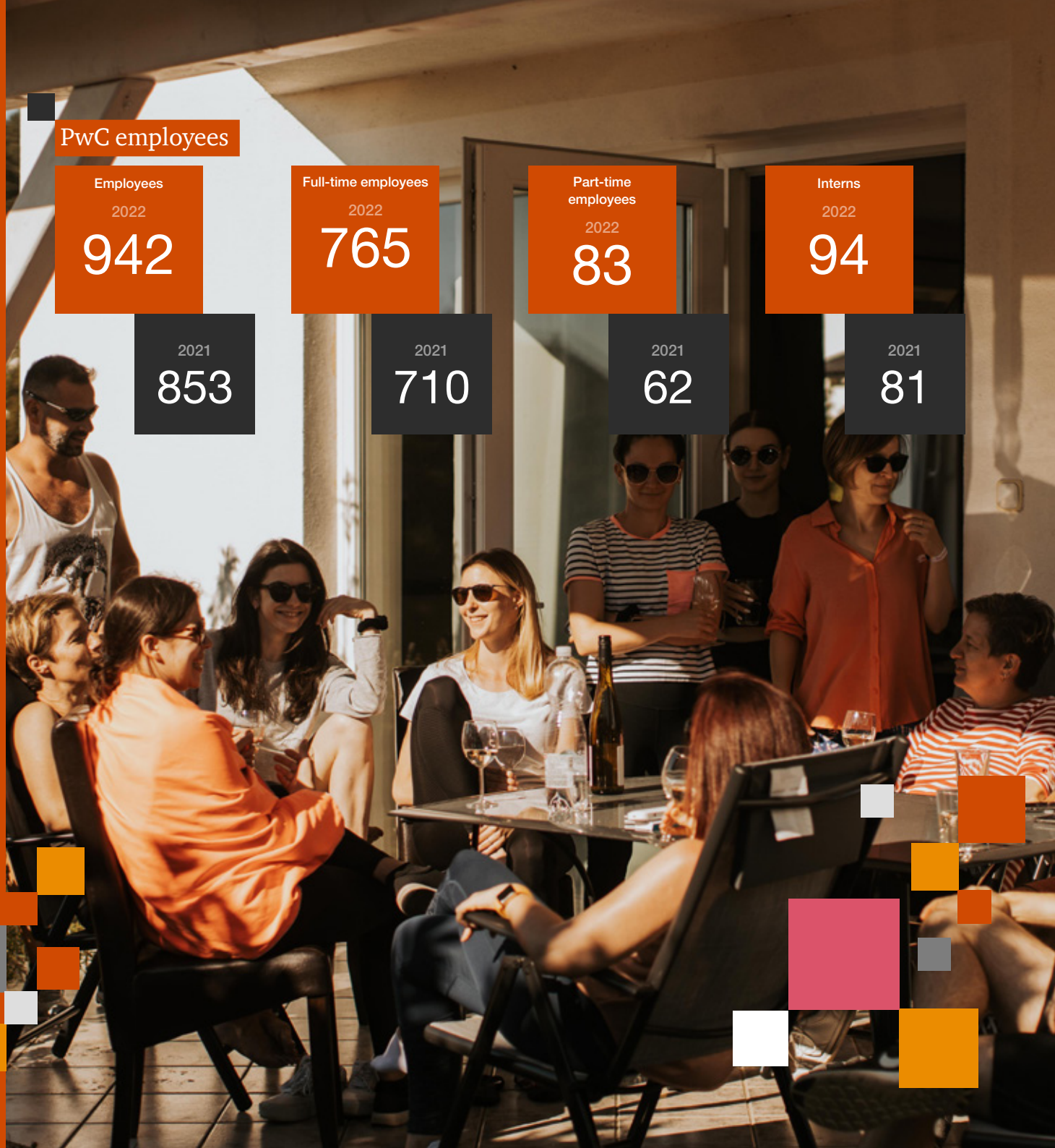
Bob Moritz,
Global Chairman of PwC

Our people

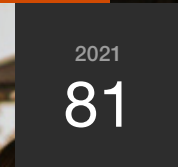
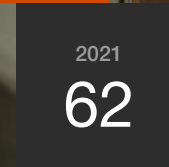
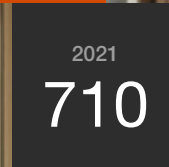
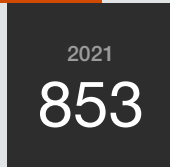
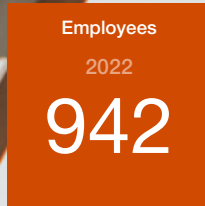
PwC's most valuable assets are our people because they have the knowledge, professional expertise and experience on which we build our services. This is enriched by a wide variety of human factors that carry the feeling of belonging to a community. At PwC we focus on ambition, competence, flexibility, leadership and networking skills and develop them every day.

Our total staff in Hungary numbered 942 according to statistical data as of the last day of the 2022 financial year (including full-time and part-time employees and interns). Our people work in the following areas: financial consulting and advisory; audit; tax and legal; business and technology consulting; marketing, communications and business development; human capital; finance; IT; and infrastructure and procurement.

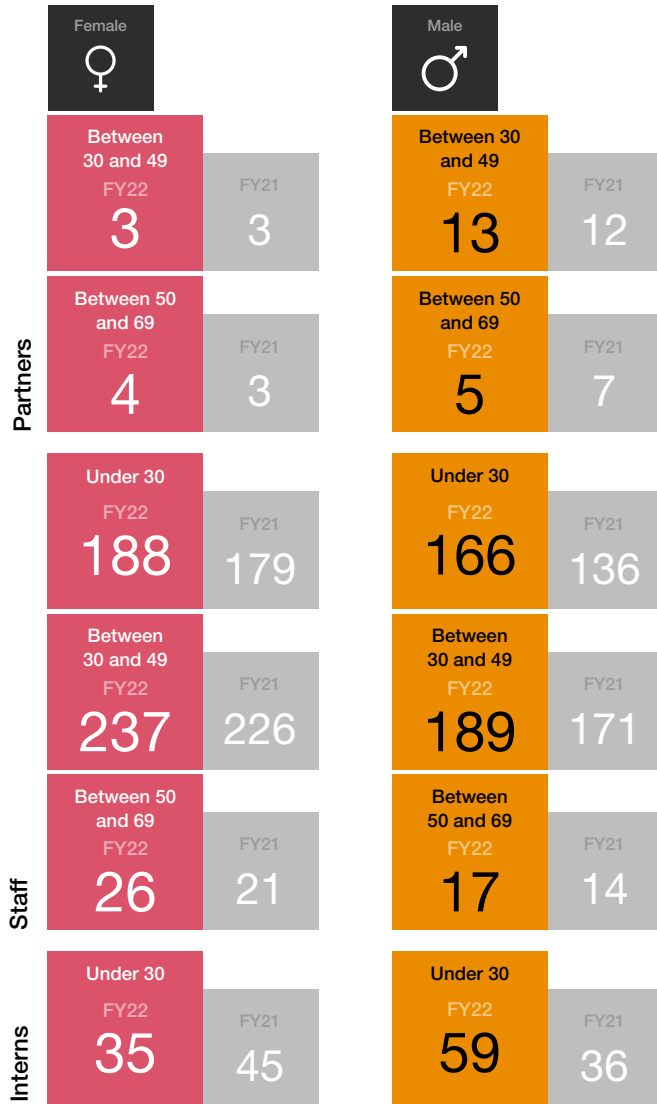
The workplace is a space for self-fulfilment in a community.



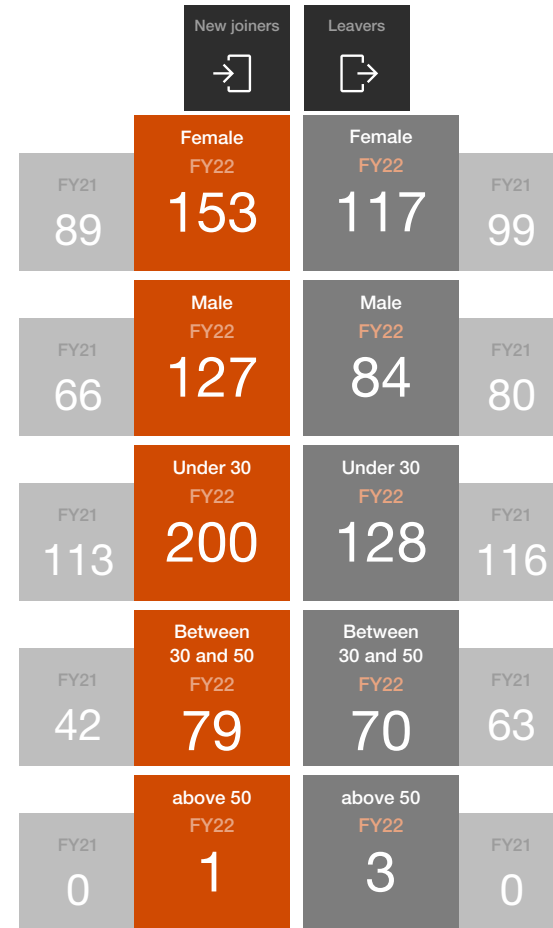
PwC employees



Staff numbers by position, gender and age



Turnover according to age and gender



PwC's headcount is characterised by constant minor fluctuations, reflecting changes in the labour market, development of the annual business figures and the individual interests of our colleagues.



2 secondees arrived in our Budapest office.

7 colleagues had the opportunity to go on secondment abroad.

2 colleagues joined PwC's management.

Number of young mothers: 53

Number of young mothers returning to work: 11

Remuneration

Remuneration

Cafeteria, insurance, promoting health, paid company holidays, learning & development, sports, flexitime, company events, sabbatical leave, extended paternal leave, tech equipment, fruit day

Other incentives

Instant recognition card, loyalty recognition, success story award for teams, Key Talent programme

Financial incentives

New business bonus, referral bonus, project bonus

Variable pay

Company bonus and/or sales incentives

Guaranteed pay

At PwC, we aim to make life more pleasant and easier for our people. We offer free, unlimited coffee to keep people going during the week, and on Thursday evenings they can start off the weekend with a complimentary spritzer at the bistro downstairs. We endeavour to enhance our people's health with various free or discounted specialist medical examinations, general medical consultation, and weekly fruit days. We arrange for many discounted services to be offered in our office (massage, shoemaker, tailor, dry cleaning).

Promoting a healthy lifestyle

Physical activity is part of a balanced lifestyle. To that end, we offer our employees sporting opportunities, including

- weekly in-house Pilates classes (online since March 2020)
- team sports (soccer and volleyball)
- MOL Bubi (public bicycle fleet) pass
- In-house Step Counting and Cycle to Work competition
- running competitions
- annual volunteer and sports day
- Care4Life – promoting a healthy lifestyle



“I think the best way to motivate people is by example, which is why I want to be actively involved in Care4Life team projects. Our goal this year is to get more colleagues to incorporate regular physical exercise into their daily routine, and to build a better community through doing sports together.”

Szabolcs Bak,

Manager, Assurance, Care4Life Physical Team

Cafeteria plan

From 2022, we increased the gross cafeteria amount by HUF 100,000 for all employees, so the new annual amount is HUF 480,000. In addition, as requested in the Global People Survey, several well-being-related benefits have been included in the plan as new electable items, such as health insurance, with 60% of the taxes and dues paid by the firm.

In 2022 the following benefits could be chosen:

- | | | | |
|---|---------------------------|---|---|
|  | Home office allowance |  | Tickets for cultural events |
|  | Language course support |  | Fuel card top-up (Only for company car users) |
|  | SZÉP Card – hospitality |  | Cash allowance (Cafeteria benefit paid in cash) |
|  | Healthcare Services |  | Support for nursery/ kindergarten fees |
|  | SZÉP Card – accommodation |  | SZÉP Card – leisure |



Employer-employee relationship

It is our goal to work with the most talented and most excellent experts, and to make PwC an attractive workplace for professionals who can identify with us and our values. It is therefore important to make our employee brand promise not just appealing but also credible.

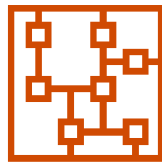
Along with the values that PwC represents globally, our employees expect us to provide them with the following:



Opportunity to become an expert



Continuous development



Diverse clients & sectors



Teamwork culture



Friendly workplace



Source: Global People Survey 2022

Recruitment and selection

To have the best professionals, we need to find and attract the most talented workforce. The work of our Recruitment team within Human Resources involves hiring new colleagues according to market needs. We are present on several online platforms and events where prospective employees can get to know our firm and the positions we offer.

Welcome bites

New joiners get acquainted with professional and community activities based on PwC's values in small teams and in an interactive manner on their first day with us. They can gain deeper insight into an activity they choose (e.g. pro bono volunteering, innovation opportunities, digital skills development) already on their first day.



“One of my key responsibilities is to find answers to the issues of attracting and retaining talent, contributing to the high quality of professional client service, which a hallmark of PwC.”

Anikó Hinterstein,
HR Leader

Training

We pay particular attention to ensuring that our people have extensive and up-to-date knowledge, so they can meet the highest professional standards. We develop our business-specific training structure accordingly, and continuously improve and update our training offerings. Training courses are offered in consulting, negotiating skills, assertiveness, presentation skills and many more areas.



Talent programme

PwC's talent development programme continued in FY22. This involves highly talented colleagues participating in a range of professional training and networking events.

There are three levels of seniority: the Early Talent Programme is open to senior associates, the Manager Talent Programme to managers and senior managers, and the Leaders of the Future Programme to experienced senior managers and directors.

In FY22, 17 early talents and 14 manager talents were selected by our leaders to receive training and participate in other programmes for one year.

Mental Health programme

The isolation caused by the coronavirus pandemic has also affected our mental health. This is compounded by a highly volatile economic environment, which continues to change from day to day. At this challenging time, we believe it is important to pay particular attention to the mental health of our people and to help them cope with the stress they face.

To support this, we launched our Mental Health programme, providing free mental health and well-being counselling to our Assurance colleagues between 7 December 2021 and 30 June 2022. The service offered them online support for individual and professional dilemmas, even anonymously.

The programme offered three services to staff:

- They could consult with programme experts online, in person or in writing, and share any work-related or personal dilemma, e.g. feeling stuck in their job or personally.
- Our online well-being portal provides access to a growing knowledge base of articles on mental health and psychoeducation.
- They could also watch one-hour monthly online live webinars by experts on various topics in mental health and psychology.

Results

Over a period of more than six months,

66.8%

of the colleagues involved (340 people) took advantage of the service, and there was a lot of positive feedback from participants. Following the positive reception, the management decided to make the programme available to all staff, in addition to Assurance, from September 2022.



OUTLOOK

Everyone can be who they want to be! Creative auditor recruitment

In the autumn of 2021, we launched an online campaign with actor Péter Scherer, who plays the role of a father giving career advice to his child, who, despite all the suggestions – “become a policeman, an actor, an influencer, a life coach” etc. – ends up becoming an auditor, to his father’s dismay (“Auditor, f### it, auditor...”).

The purpose of the campaign is to make the audit profession attractive to as many enthusiastic young career starters as possible; to show what auditors do, how colourful and diverse this job is, and what it’s like to work in an inclusive community. All this, of course, using the power of humour and situational comedy.

The main message of the campaign in one sentence:
Come and work for PwC as an auditor because here you can be who you want to be!



Inclusion and diversity

The key to The New Equation is to create an inclusive community where everyone can be their authentic selves. That's why we constantly strive to make PwC not only one of the most attractive employers, but a leader in fostering a diverse and inclusive corporate culture. The diversity of skills and perspectives in our community of solvers is key to our effectiveness. Our vision is to be recognised as a leading organisation for inclusion and belonging as well as a top employee destination for diverse talent, enabling us to address the complex challenges facing business and society.

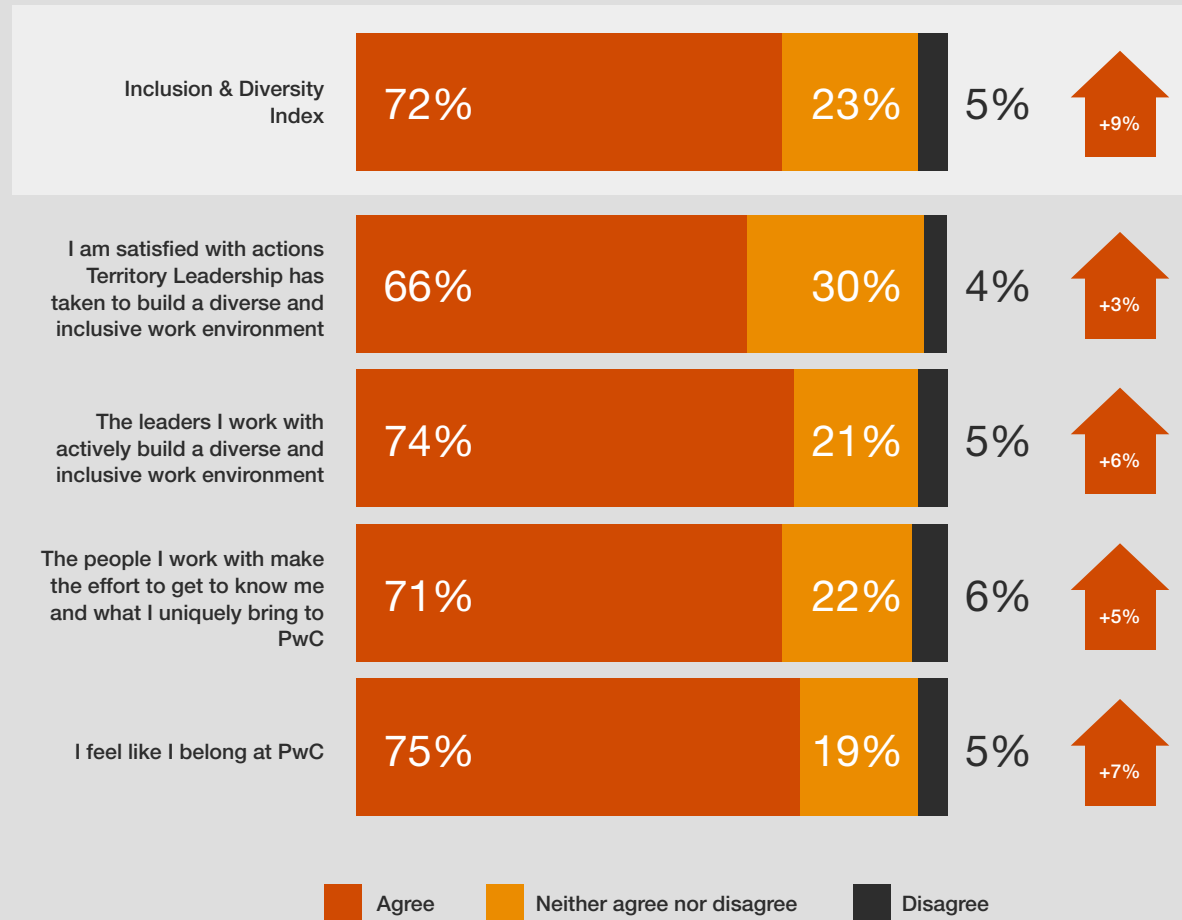
The strategic importance of inclusion and diversity is reflected in the appointment of the Global I&D Council, which has endorsed our reframed network I&D strategy – Inclusion First – which embeds I&D into PwC's culture. A culture of inclusion, inclusive ways of working and corporate systems provide the basis for increased accountability, which is measured against a framework of seven I&D key performance indicators (KPIs):

- Percentage of female partner admissions (including 3-year average)
- Proportionality of promotions (gender)
- Representation of female experienced hires (Senior Manager and above)
- Percentage of women in succession plan for key territory roles
- Percentage of women leading local or global priority accounts
- Global People Survey Inclusion Index
- +1: be an inclusive employer and increase the percentage of professionals belonging to different communities (disabled, Roma, LGBT+)

All member firms, including PwC Hungary, have set aspirational targets against the KPIs and will measure progress against them.

We are proud that our recent diversity measures have had a positive impact on employee satisfaction, with improved results for all diversity-related questions in our annual





The focus areas of our local diversity strategy, redefined in line with the global Inclusion First I&D strategy:



Paternity leave

It is important for us to create a workplace where everyone's well-being matters. As a result, at the initiative of our employees, from 1 January 2022, we have increased the statutory five-day basic leave for all new fathers to 20 working days. Our aim with this initiative is to make the crucial post-natal period more joyful and to help fathers play an active role after the birth of a new child.

Fathers' Club and Father's Day

In support of the well-being of fathers, Father's Club is our partner-sponsored programme, which aims to help fathers build a harmonious relationship with their children through regular meetings, information sharing, and harnessing the power of community.

In June, we held a Father's Day in the office, joining the Men's Club initiative Shoulder to shoulder with Dad. The children got a taste of what it's like for their fathers at work, and there were also fun activities and surprises for the little ones.

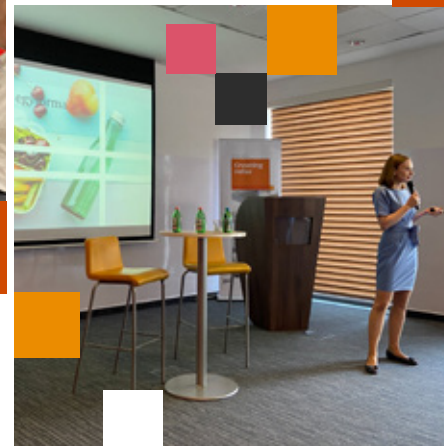


Diversity Week

Our Diversity Week in June was about all of us. About the colourful community we live in and beyond, about the colourful diversity that surrounds us. We aimed to give our people insight into the diversity of Hungarian society, the power of different perspectives, and the importance of understanding and cooperation.

In the communication workshop of the [Bagázs Public Benefit Association](#), participants had the opportunity to experience life situations in which intervention or non-intervention can be crucial; in the [Diversity Public Benefit Foundation's](#) role-playing game, we could put ourselves in another's shoes by trying out what it would be like to decide on another person's behalf and to live with the options available to them; and we could borrow "books" from the "Living Library for Human Rights" to learn about life paths that are very different from ours – from members of discriminated minority groups, through people with a serious illness, disability or addiction, to LGBTQIA people.

We also had the chance to learn about a varied and sustainable diet, dispelling many misconceptions about what we believe to be a balanced diet, and we took selfies to show our commitment to equal opportunities.



Supporting disadvantaged groups

PwC's global mission is to solve important problems and to use our knowledge and expertise not only to help our clients, but also to contribute to the potential and success of civil society. One of the pillars of our new Inclusion & Diversity strategy is supporting the education of disadvantaged groups, including the Roma population. As part of this, in FY22 we prepared our participation in the HBLF Romaster programme, in which senior colleagues will mentor Roma youth during their university studies, and we are working with the Bagázs Public Benefit Association to support young people living in Roma settlements in Bag and Dány in their studies and helping adults to succeed in life with professional advice.

Inclusive leadership culture

An inclusive corporate culture is unthinkable without leadership commitment and leading by example. That's why we pay special attention to sensitising and developing the skills of our leaders, so that they can lead by example and become flag bearers for diversity. PwC Hungary's partners participated in a training on unconscious bias, where they experienced real-life examples of how hidden biases can lead to bad decisions and were given tools to effectively manage cultural and social differences in their organisation.

We are moving towards lasting organisational and cultural change according to an action plan, with the aim of creating an environment that is free of stereotypes. To do this, we will review recruitment processes, working conditions, task allocation, and promotion practices.



Our stakeholders

Companies are being forced to rethink their strategy due to the crisis caused by health and geopolitical risks. They need to develop a much more resilient and adaptable way of operation. Our responsibility to our people and communities is now more important than ever. But it is not just about organisations being good corporate citizens; it is also necessary to demonstrate and communicate this to all stakeholders. This is because transparency increases trust, and trust creates long-term value for shareholders. Communicating reliable information is therefore key for all stakeholders.



Relations with stakeholders

| Stakeholder group | Communication tools | Forms of cooperation in FY22 | Development opportunities |
|---|--|--|---|
| Employees | Global people survey, annual performance evaluation, regular career meetings and coaching, staff events, internal staff magazine, newsletters | <p>Annual global people survey across the PwC network.</p> <p>We usually organise our internal events in a hybrid format, and in our internal staff magazine we publish inspiring stories.</p> <p>We improve our internal processes through continuous technological innovation and offer up-to-date tools to enhance our employees' skills.</p> | <p>Incorporating feedback into our operations, leading to real action. Reviewing critical areas also during the year.</p> <p>Supporting the mental well-being of our colleagues, involving external experts, is a focus for us at PwC.</p> <p>Launching programmes that provide the experience of belonging to a community despite the reduction of interpersonal contacts.</p> <p>Further expanding our professional knowledge bases, knowledge sharing, facilitating cooperation between sectors.</p> |
| Customers and clients | Client feedback surveys, newsletters, professional events, studies, social media campaigns, tenders | <p>Building relationships and demonstrating PwC's expertise in various events, e.g. presenting the Hungarian CEO Survey and Future of Finance surveys, CFO Club, beer and wine dinners, programmes at the Budapest Sports Arena.</p> <p>Publication topics include: blockchain technology, metaverse, employee preferences, changes in consumer habits, and social listening</p> | <p>Optimising client experience by considering environmental factors. Serving the needs of both groups of participants at hybrid events.</p> <p>Mitigating the economic damage caused by the pandemic and the war, introducing personalised services.</p> |
| Suppliers | Traditional dialogue with suppliers, tenders, feedback | We work with responsible, certified suppliers. | Further increasing the ratio of responsible suppliers. Overview of the top 20 suppliers by SBTi. Communicating our net zero commitments. |
| Government and regulatory bodies | Participation in professional forums, publications, surveys, membership in professional organisations, press releases | Inviting external organisations and experts (e.g. NAV and Ministry of Finance experts); topics: "Experiences from the first year of Online Invoice 3.0 and NAV's e-invoicing;" Extra-profit taxes and other tax updates; Unlocking the business potential of blockchain technology – joint event with the Hungarian Blockchain Coalition | Reviewing professional materials, active participation in the preparation as a consulting partner. Facilitating dialogue between regulators and businesses, organising joint events. |
| Next generation, potential employees | Youth surveys; participation in job fairs, open days and career days, and academic competitions; youth projects and competitions; social media campaigns | Participating in career fairs, online during the pandemic, and employee preference surveys | Continuing employer branding activities for career starters. |
| Local communities, non-profit organisations | Participation in professional forums and events, collaboration in non-profit projects, volunteer tasks, pro bono services, training, and memberships | <p>Civil Mentoring Programme, in-house training day for non-profits, pro bono and discounted services, volunteer day.</p> <p>Cooperation with professional organisations, e.g. BCSDH, ÖKA, Civil Impact, Scale Impact, SIMPACT.</p> | <p>Adopting and sharing best practices, involving as many employees as possible in activities, and facilitating civil society cooperation.</p> <p>Increasing the rate of digital skills development in training programmes.</p> |
| Media | Newsletters, professional events, studies, social media campaigns, statements | Preparing press releases, expert interviews, professional articles, newsletters, and background materials | Current tax and legal issues, monitoring and clearly explaining changes; supplementing materials prepared by the global network with local information. |
| Alumni | Alumni club, events, newsletters, alumni magazine, social media, training invitations | Circle – an informative magazine for former colleagues, twice a year. | Creating additional opportunities to build and maintain relationships. Three issues a year instead of two of the alumni magazine. |

Employees

PwC aims to be the best employer by attracting and retaining the best talents. It is therefore particularly important to provide our employees with equal opportunities for development, show exemplary leadership, and recognise outstanding performance. We strive to create a culture of flexibility where work-life balance is critical. We support the well-being of our people with various programmes and motivate them to achieve outstanding performance, to acquire proficiency in digital technologies, and to continuously develop their knowledge. Celebrating our successes and spending time together outside of work are also key, as they promote a sense of belonging to our community.

We strive to equip our professionals with the skills and abilities they need to succeed in an ever-changing digital world.



“Digitalisation creates opportunities to improve efficiency and processes, respond faster, measure better, and thanks to continuous feedback, to increase customer satisfaction. At the same time, digitalisation is only a tool; we need to be able to define based on our business objectives what tasks and processes we transfer to the digital space.”

Anikó Hinterstein,
HR Leader



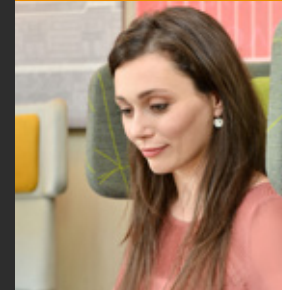
OUTLOOK

Making our people's voices heard

We have Employee Representative Forums in all our business lines. Our colleagues tell us about issues they are dealing with and how teams cooperate.

Our aim is to meet at least quarterly, notifying people well in advance, so that representatives can sit down with their team and solicit all the exciting topics. As we have quite a lot of representatives (20+), after the first few meetings, we decided to break into three smaller groups and brainstorm in a more facilitated environment. New ideas and requests come out best in small groups, where there is time for everyone to have their say. We also realised that we can't go in too many directions, so we weight the issues and take the most popular topics to our leaders first.

Bea Lénárd-Bujnóczki, Tax



For several years now, colleagues have been asking for health insurance to be included as a cafeteria item. This was also the case at the beginning of this financial year: in January, health insurance became an elective item. This is the result of the work of employee representatives; because they kept this need high on the agenda, management knew that it was important to our colleagues.

Dóra Szaszko-Kormos, Advisory



Personally, I find these forums extremely useful because so far we have received positive feedback on every issue and request raised, and every project implemented has served our well-being at PwC.

For those who have not participated in such forums before, I can only recommend them because here we can really discuss everything, and any topic that comes up will be considered, and even if an idea is not fully feasible, we will find an alternative.

Béla Szalkay, Assurance

The next generation, potential employees

To have the best professionals, we need to find and attract the most talented workforce. PwC's recruitment team and experts regularly participate in university career fairs; our colleagues serve as instructors in secondary schools and higher educational institutions.



Our clients

PwC has been present in the Hungarian professional services market for over thirty years. During this time, we have delivered value-added professional services to the majority of multinational and privately owned companies in Hungary. In addition to knowing our clients' business, so we can better support them, a key to our success is listening to our clients.

In order to provide our services at the highest possible level of quality and to realise personalised ideas according to changes in the economic environment, we strive to develop multidirectional and effective communication with domestic companies.

That's why we create opportunities to meet and exchange ideas with our clients on diverse platforms: business events, professional forums, surveys, trainings, cultural and sports events, and personal discussions.

Client acceptance and retention

PwC Hungary has implemented a process to identify acceptable clients supported by the proprietary PwC International decision support system for client acceptance and retention (Acceptance and Continuance – A&C). This is how the system works: the engagement team, together with industry specialists and risk management staff, consider jointly whether the risks associated with an existing or potential client are manageable, and whether we want to do business with that client and its management.



Client feedback survey

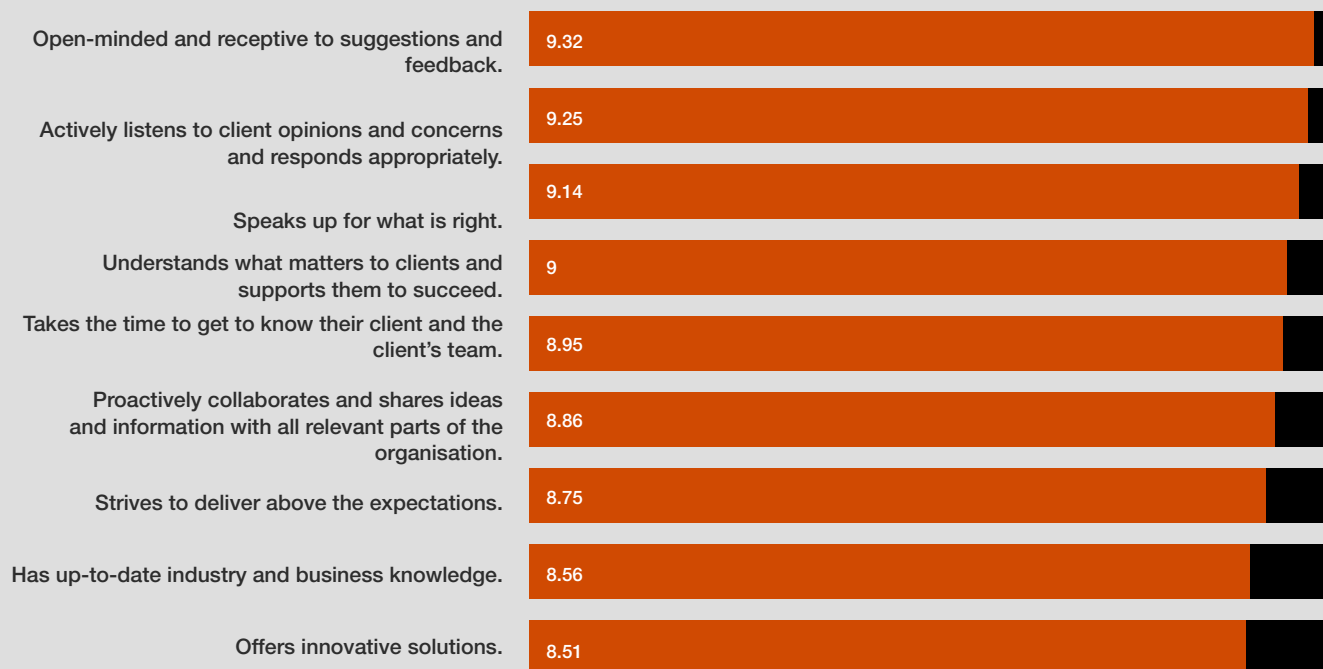
We have been soliciting online feedback from our clients as part of our Client Feedback Programme for years. The survey helps us measure the overall level of our clients' satisfaction with our services, and gives us the opportunity to identify areas that need further improvement. The survey is coordinated by two members of our Marketing, Communications and Business Development team. In the previous financial year, they implemented internal communications processes to promote the programme, automate certain parts, and communicate the results. In the client feedback survey, we use a measure called Net Promoter Score (NPS), which shows the loyalty of

our clients. This metric is a branded joint development of Fred Reichheld (an American business strategist famous for his research and publications on the loyalty business model and loyalty marketing), Bain & Company (a global management consulting firm) and Satmetrix (a U.S.-based provider of customer experience software). A positive NPS (the sum is greater than zero) is good, while an NPS over 50 is excellent.

In FY 2022, we scored a net NPS of 71.4 in our client feedback survey.

Values demonstrated by PwC

The answer can be given on a scale of 1-10, where 1 is the worst and 10 is the best value.

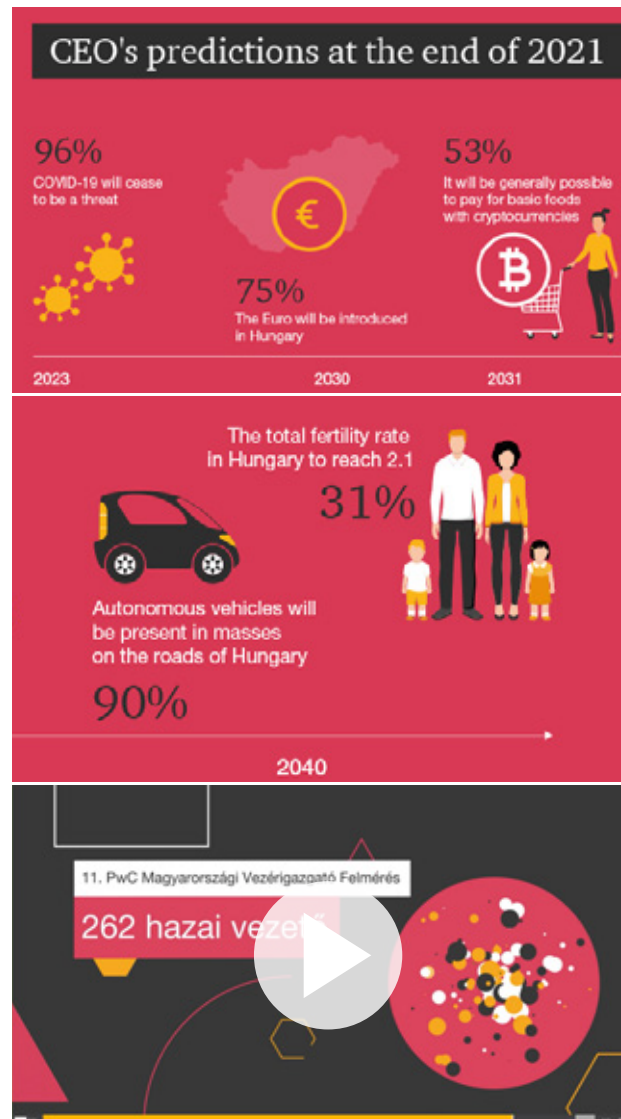


Our key surveys and analyses serve as a compass for both existing and potential clients

PwC's Hungarian CEO Survey

This is the eleventh year that PwC Hungary has gauged the opinions of Hungarian CEOs about trends shaping their business. Although CEOs' short-term prospects have changed due to the war by spring 2022 since we recorded their responses at the end of 2021, adhering to long-term strategic goals is still crucial for business success. Survey results show that CEOs' personal goals are often not aligned with company objectives, i.e. CEO performance is not assessed on this basis. At the same time, there is growing demand among investors for companies to focus on long-term goals such as ESG and increasing customer trust. Changes in global tax policy go unheeded by many CEOs, despite the fact that few believe that it will not affect their organisation.

CEOs' performance is still assessed mostly on the basis of financial metrics: only 45% of Hungarian CEOs said customer satisfaction is one of their performance indicators; 40% cited employee engagement, while 34% mentioned automation and digitalisation goals.



“In an increasingly volatile economic environment, members of the business community have gradually risen above other players in terms of the trust placed in them. CEOs and other business leaders remain the link of trust between the private and public sectors.

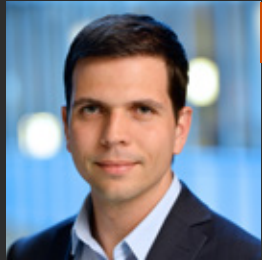
They are the ones who are accessible and more directly accountable for their words and actions, especially in today's tight labour market. Meeting these expectations requires more responsibility and new roles from us leaders.”

Tamás Lőcsei

Country Managing Partner
PwC Hungary

Future of Finance

Hungarian CFOs face growing expectations, with scarce resources for development projects. Over the next 12 months, the biggest challenge will continue to be motivating their teams and simultaneously increasing automation. The results show that a significant number of CFOs have not achieved notable progress on the full transformation journey in the past three years, according to PwC Hungary's third CFO Survey.



“Transformation is often perceived as a technology-focused project in practice, even by CFOs, but as the responses show, in most cases the key to success lies in human capacity, skills, and change management.”

Roland Balogh,
Leader of the survey

Employee preference survey

PwC's 2021 survey of nearly 30,000 respondents showed that the decreasing uncertainty in the 19–28 age group has not reversed the shift in priorities that resulted from the pandemic, and that some aspects have been reinforced: base salary remains the most important factor. This was followed by control over working time, i.e. a flexible and predictable schedule.



“Organisations need to rethink the ratio of remote work to office work, or what it means to work flexibly during the day, and they must understand that their employees want different ways to work and build relationships. In addition, executives face increased expectations, as employees expect more transparency, open, honest and credible communication.”

Róbert Bencze,
People & Organisation



rence

ges

PwC - Most Attractive Employer of 2021 awards in 10 industry categories, overall

Our supply chain

We are putting special emphasis on the selection of our suppliers. We strive to develop long-term relationships with them, thereby ensuring the consistent quality of the services we receive. We also aim to continually increase the number of our non-profit suppliers. Our supplier policy refers to PwC's Third Party Code of Conduct, which explains the minimum standards of integrity and business conduct PwC expects of the third parties with which it does business.

Partner organisations, memberships

- Blockchain Coalition
- Budapest Stock Exchange
- Budapest Chamber of Commerce and Industry
- Civil Impact
- Effekteam (formerly Hungarian Donors' Forum)
- Ecommerce Hungary
- Győr-Moson-Sopron County Chamber of Commerce and Industry
- Association of ICT Companies
- Industry 4.0 National Technology Platform
- Irish-Hungarian Business Circle
- Joint Venture Association
- Hungarian Automotive Industry Association (MAGE)
- Hungarian Private Equity and Venture Capital Association
- Hungarian Leasing Association
- Hungarian Hotel and Restaurant Association
- Hungarian Competition Law Association
- Hungarian Customs Association
- British Chamber of Commerce in Hungary
- Association of Japanese Enterprises in Hungary
- Business Council for Sustainable Development in Hungary (BCSDH)
- Artificial Intelligence Coalition
- Confederation of Hungarian Employers and Industrialists
- Deutsch-Ungarische Industrie- und Handelskammer
- Hungarian Association of International Companies
- Hungarian Advertising Self-Regulatory Board
- Public Company Accounting Oversight Board
- Association of Management Consultants in Hungary (VTMSz)
- Volunteering Hungary – Centre of Social Innovation
- Scale Impact
- ICT Association of Hungary (IVSZ)
- Hungarian Corporate Compliance Society

Awards and recognition

For the 18th consecutive year

This list is an annual ranking of the 100 best companies with outstanding workplace cultures. Rankings are based on survey responses from U.S. employees, with respondents rating their workplace culture on more than 60 elements.



Award-winning auditor campaign

Our auditor recruitment campaign, starring Péter Scherer, was awarded a silver certificate in the Creative & Attractive category of the Zynternship Awards, an employer brand competition of Zyntern.com, one of the largest and most visited job portals for career starters.



Responsible operation

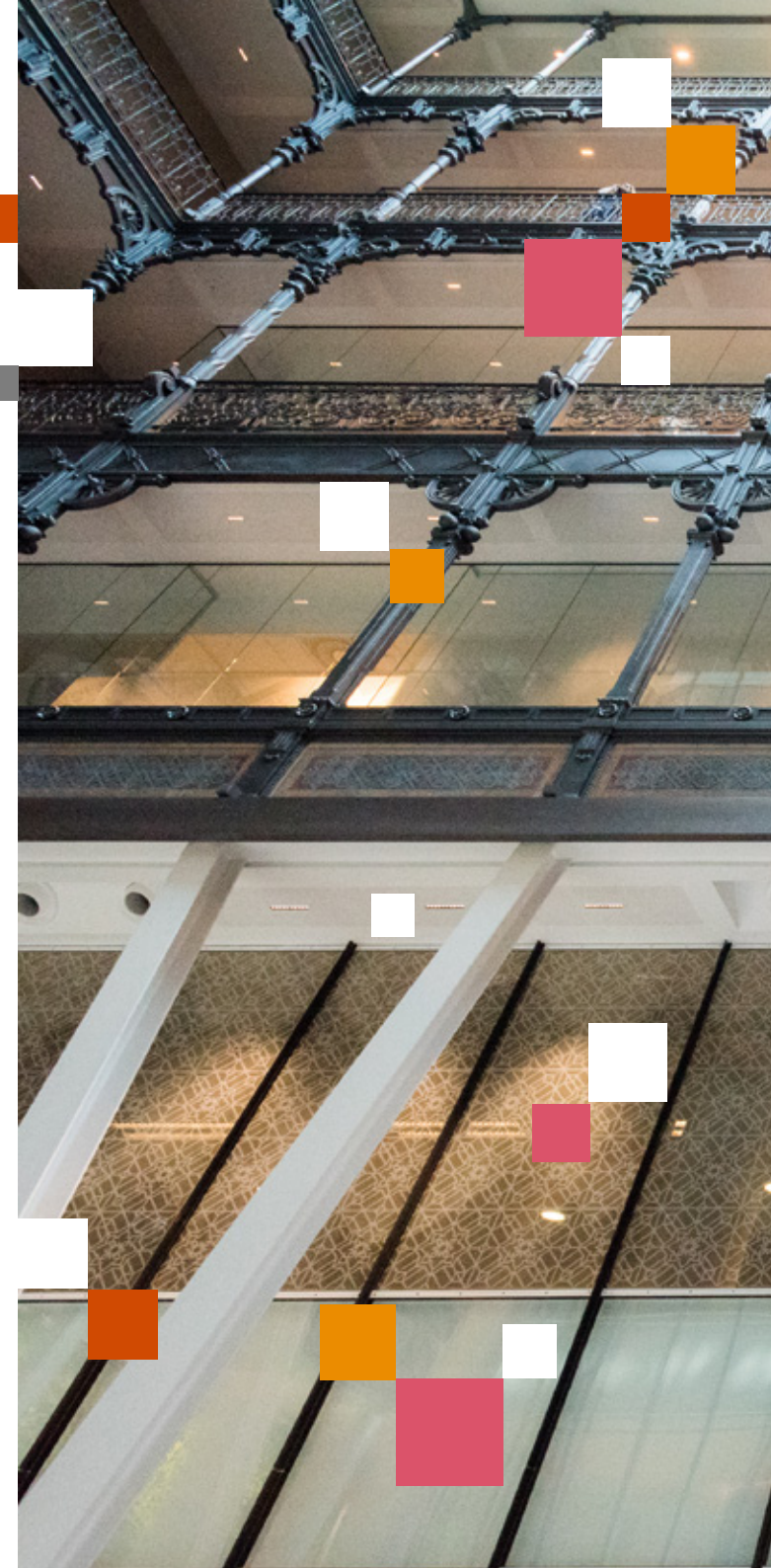
Environmental and operational awareness

Modern, environmentally friendly offices

PwC Hungary's office is housed in the Eiffel Palace in Budapest. The Eiffel Palace is the first office development project in Central and Eastern Europe to meet the strict requirements of both the BREEAM and LEED environmental standards with excellent results.

Green features of the building:

- energy efficiency class "A";
- the roof accommodates 120 solar panels; sufficient to produce 50,000 kWh/a of electricity; the electricity produced by solar panels is used in breakout areas;
- the building is heated and cooled using an air-source heat pump system;
- the CO₂ emission of the building is reduced by more than 30% through the use of local low and zero carbon technology (VRV system, solar energy water heating, PV system);
- bike storage and changing rooms with shower on the garage levels;
- high-efficiency lighting systems are controlled by sunlight and motion sensors;
- rainwater utilisation system with a storage capacity of 200 m³; rainwater is used for flushing toilets and watering plants;
- external facade lighting with an LED source and BMS control;
- pre-programmed elevators with high energy efficiency;
- more than 60 m² of planted "green wall" in the lobby, watered with rainwater;
- 100 bicycle stands and eight showers available to our employees;
- it should be easily accessible by public transport;
- the proximity of bicycle routes, providing an alternative means of transport;
- photovoltaic panels providing electricity for electric and hybrid vehicle chargers;
- the use of faucet aerators to conserve water;
- energy-efficient cooling/heating system;
- automatic lighting control using presence and motion detectors;
- local separated waste collection (in both the implementation and operational phases);
- use of certified, regional materials;
- energy-efficient LED lighting in breakout areas;
- environmentally responsible waste management;
- extensive green roof on multiple levels;
- waterless car wash using little or no water



Key results globally:



all PwC member firms have a net zero action plan



Our net zero commitment was validated by the Science Based Targets initiative (SBTi) in 2021



We have reduced our carbon footprint by

37%
since 2019



We source

90%
of our electricity from renewable sources



93,000

employees took part in ESG training organised by the Global ESG Academy

Key results in Hungary:



We use
100%
renewable energy



We have reduced our carbon footprint by
67%
since 2019



business travel has fallen by
83%
since 2019



per capita emissions fell by
72%

The effects of climate change are in the news every day: in addition to melting ice caps and devastating floods, we have recently experienced the consequences of a prolonged drought in Hungary. These phenomena have a serious impact on the economy and our daily lives.

Global greenhouse gas emissions must be halved by 2030 and reduced to net zero by 2050 to prevent catastrophic impacts on health, living standards, economic development, the safety of societies, and vital ecosystems. Global efforts to date to mitigate greenhouse gas emissions by countries, cities, companies and investors are not enough. To address the risks of climate change, public and private actors and societies need to work together more and accelerate decarbonisation processes.



EU Green Deal

The European Union Green Deal, adopted in December 2019, will affect nearly every aspect of business, including taxes, manufacturing, procurement, supply-chain management, finance and human resources, as well as corporate reporting. Organisations will need comprehensive and long-term efforts to respond appropriately. But according to a [survey by PwC](#), fewer than half (40%) of organisations are familiar with the EU Green Deal, and only about half (49%) consider their organisation prepared for the expansive new requirements.

According to Balázs Bozsik, Sustainability and ESG Business Services Leader at PwC Hungary, the lack of familiarity with the Green Deal in the survey reflects that a majority of companies aren't coordinated across their business to adapt most effectively to the coming changes. Most companies taking action on sustainability initiatives are doing so in a piecemeal fashion, as part of a long-term programme. The challenge for the executives surveyed is understanding and addressing all of the Green Deal dimensions across their entire organisation.

Under [PwC's global Net Zero commitment](#), we have committed to achieve carbon neutral operations by 2030, while working to accelerate the transformation of markets to net zero. We have set clear targets and developed practical plans to achieve real outcomes, in partnership with organisations in our wider ecosystem. We are proud of our achievements in FY22 and remain committed to being an active player in the global net zero transition.

Net Zero Economy Index


The 2022 [Net Zero Economy Index](#) shows progress on decarbonisation is falling alarmingly short of what is required to limit global warming to 1.5°C above pre-industrial levels, with nine of 20 major economies showing increases in

carbon intensity over the last year, which will further increase the greenhouse effect, contributing to warming rather than curbing it. Required annual rate of decarbonisation has risen to 15.2%, 11 times faster than the global average achieved since 2000.


FY22 was a milestone year for the net zero transition, as we had to restate our FY19 baseline figures, which now form the starting point for local emissions reduction targets, in line with our global commitment to make our business net zero by 2030. Each member firm, including PwC Hungary, measures its progress and shapes its operations against this goal.

CO₂ tracker

To monitor emissions from air transport, which accounts for the largest share of our total emissions, we have developed a CO₂ tracking application in the region, which allows all staff to track their individual and company-level CO₂ emissions and calculate the expected carbon emissions for a given trip, encouraging everybody to choose alternative means of transport or online meetings.



Clients:
PwC will work with its clients to support their efforts to make a net zero future a reality for all. Building on existing client work in sustainability and net zero transformation.



Operations:
PwC will reduce its emissions in line with a 1.5 degree climate scenario, including a 50% reduction in scope 1 and 2 emissions and a 50% absolute reduction in business travel emissions from a 2019 base by 2030. In addition, PwC will accelerate its transition to 100% renewable electricity and to mitigate its impacts today, PwC will continue to offset its emissions through high-quality carbon credits.




Climate agenda:
PwC will continue its long-standing programme of research and collaboration with business, policy makers, and NGOs to accelerate a net zero economy.

Net Zero
2030



Suppliers:
PwC will engage with key suppliers, encouraging and supporting them to achieve net zero. We commit that 50% of our global purchased goods and services suppliers by emissions will have set their own science-based targets to reduce their climate impact by 2025.



“The message from our Net Zero Economy Index is clear: we need to significantly accelerate the rate of decarbonisation at pace and at scale if we are to stand any chance of limiting global warming to 1.5°C. “We’ve seen a strong appetite for change, but this is set against a fragile geopolitical and economic backdrop. Soaring energy prices, and the need to stimulate economic growth following the pandemic, have hampered recent progress.”

Balázs Bozsik,
ESG Business Services Leader, PwC Hungary

Environmental, social, and corporate governance (ESG)

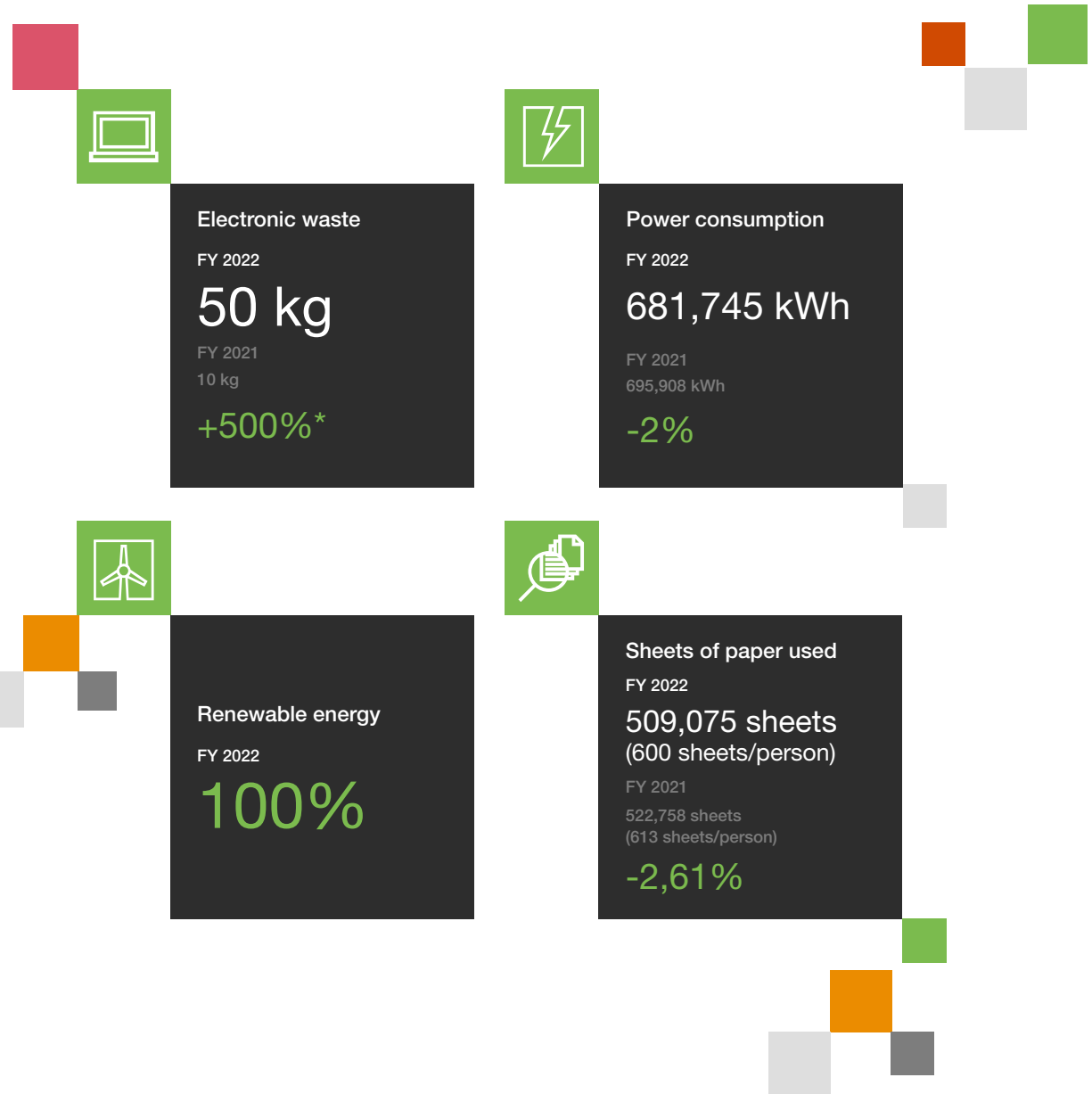
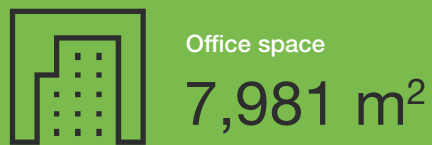
In line with our global strategy, we are investing in the development and scaling of [climate-related services](#). New EU sustainability legislation and trends, coupled with international ESG market developments, indicate that Hungarian companies will be facing rapidly changing and increasingly stringent sustainability requirements and market expectations. These changes will affect nearly every aspect of business, including taxes, manufacturing, procurement, supply-chain management, finance and human resources, as well as corporate reporting.

As a result of the above, sustainability considerations are becoming more and more financially relevant and therefore need to be audited by trusted partners. That is why we are continuously expanding our sustainability services – we want to be a trusted partner for our Hungarian clients in this new compliance environment. We provide our auditors with relevant training, tools and methodologies to enable them during audits to confidently assess material climate risks and their potential impact on the financial statements. PwC's Global ESG Academy is the basis of our ESG skills transformation programme. The Academy now offers 33 modules, which are available to all PwC staff. We are proud of the fact that more than 93,000 of our people have completed at least one learning module from the ESG Academy. Understanding and being aware of climate change is essential for all our people. Being able to discuss it with our clients is a business imperative.



Climate protection and reducing our environmental footprint are of strategic importance in PwC's global network. In order to drive sustainable growth, we have undertaken to implement short- and long-term environmental goals, and we align our operation with these goals.

Our most important achievements in the past financial year in terms of reducing our environmental impact:



* Broken mice and keyboards. All other devices and equipment have a secondary market, so we are able to sell them.

Electric cars

Our firm owns one Nissan Leaf all-electric car, which demonstrates our commitment to environmental consciousness and sustainability. We use this car for courier services, reducing our environmental impact in Budapest.

PwC – MOL Limo and MOL Bubi cooperation

To promote alternative means of transport, in addition to taxis, MOL Limo is also available for business use. In addition to car sharing, we also promote public bike rental services: we provide annual MOL Bubi passes to all our staff.

Road travel

Based on the mileage records submitted, we present below the usage data for vehicles belonging to the fleet leased by PwC.



During the reporting period, 10 more cars were in use than in the previous financial year: 129 cars in total.



Gasoline-powered (88)

FY 2022
1,076,504 km

FY 2021
821887 km

+30%



Diesel-powered (34)

FY 2022
415,922 km

FY 2021
465208 km

-11%



Hybrid (6)

FY 2022
73,398 km

FY 2021
95028 km

-23%



Electric (1)

FY 2022
25,000 km

FY 2021
22000 km

+13%



Taxi*

FY 2022
94,933 km



Train*

FY 2022
5,866 km

Total

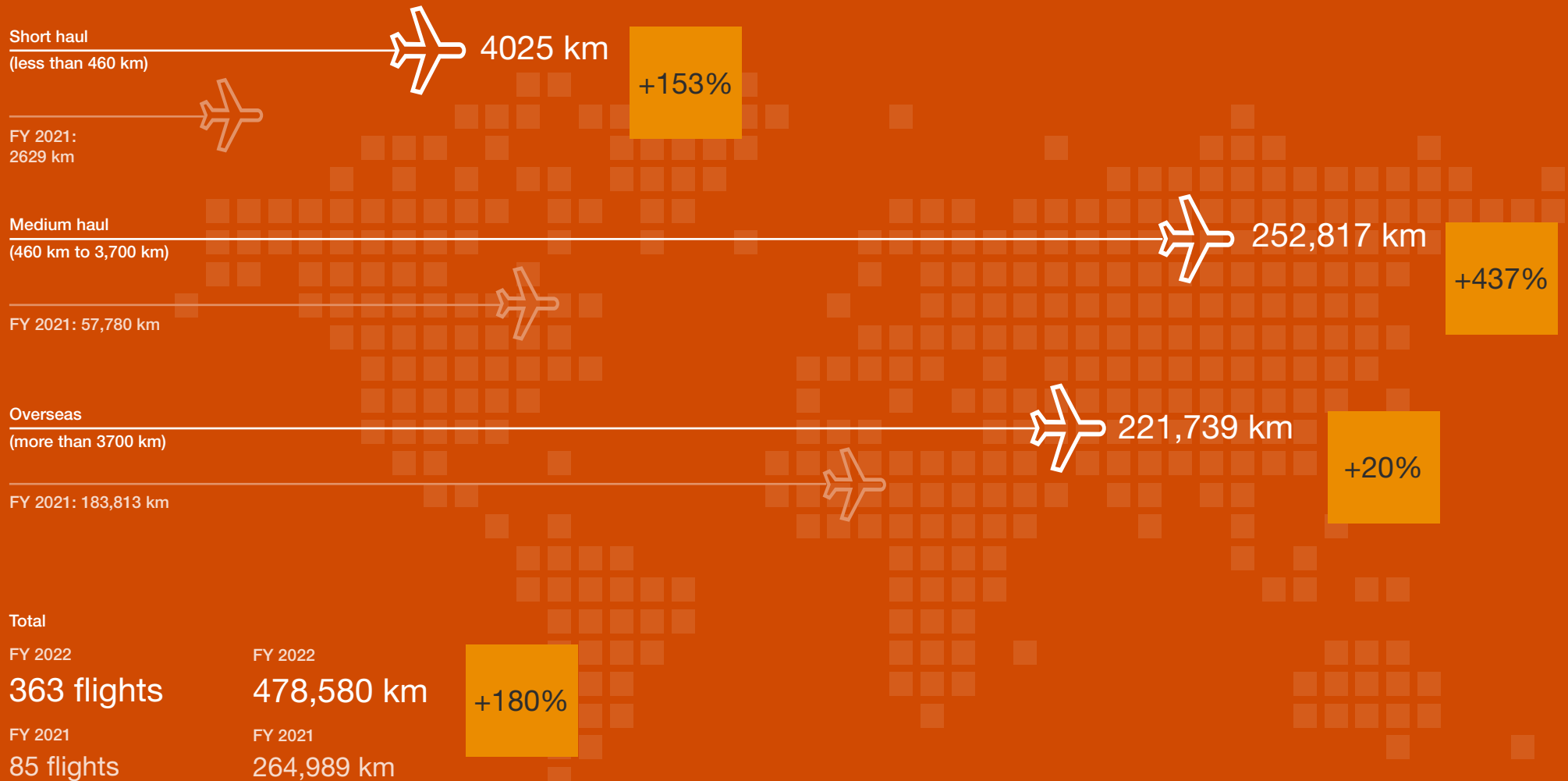
FY 2022: 1,590,824 km (total km driven by the fleet)

FY 2021: 1,404,124 km

+13%

* new KPI as part of the Net Zero reporting obligation

Air travel in numbers



Comment: Air travel has increased following the coronavirus pandemic. However, overall business travel has fallen by 83% since 2019 (see page 49).

How can we become greener?

In this extraordinary year, declining office use and travel restrictions have significantly impacted some of our environmental metrics: power consumption, paper usage, waste generation and air travel decreased. At the same time, we saw an increase in our environmental footprint:

- we will reduce our environmental impact to a minimum;
- achieve net zero by 2030;
- maintain the proportion of hybrid and flexible working;
- minimise air travel;
- reduce our environmental footprint resulting from office use (paperless office, minimising waste generation, promoting public transport).

GHG offset

We are committed to minimising the impact of our carbon emissions focusing on areas of our footprint that are most material to our business. While professional services firms do not have the footprint of many other industries, we use significant power in our offices and data centres, and travel to deliver on our client engagements.

Air travel is, to a certain extent, an essential part of how we perform our client-facing work, but it is also one of the largest sources of our carbon emissions. To help reduce the impact of our travel, our firms are adopting new meeting technologies and raising awareness amongst our people of alternative ways to travel. The decrease in our environmental footprint is partly due to the travel restrictions caused by the coronavirus pandemic and to the prevalence of remote work. We strive to maintain the proportion of digital practices and ways of working: we are constantly optimising our work processes and developing our services so that they involve significantly less travel, favouring a digital workflow over a paper-based workflow.

To counterbalance emissions we have not yet reduced, we purchase high-quality carbon credits in the voluntary carbon market. Since 2018, our 21 largest territories – including PwC CEE, of which PwC Hungary is a part – have offset at least air travel emissions. From next financial year (FY23) we will offset energy and mobility emissions (scope 1, 2 and 3 business travel) in all markets. From FY30, we will transition our portfolio to carbon removals.

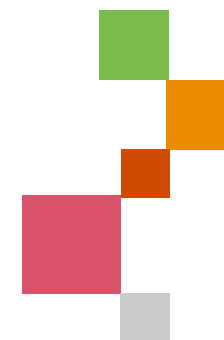
The PwC network runs a global carbon credit purchase process for its member firms. This portfolio offers a range of credits – from natural climate solutions such as environmental protection, through projects that increase carbon storage or avoid GHG emissions, to technology-based solutions – that must meet strict quality criteria. Member firms make their own choice for their local portfolios based on their priorities and preferences. In FY22, 65% of our credits were from natural climate solutions – conservation, restoration or land management projects.

As the voluntary carbon market is rapidly changing, over the last 12 months we have been reviewing our approach to the purchase of carbon credits. We want to make sure that our portfolio continues to support quality projects that deliver real and verified outcomes. We also want to maximise our impact beyond value chain mitigation to support nature and local communities.

In 2021 we joined the [LEAF Coalition](#), a public-private effort seeking to halt deforestation by funding tropical forest protection. Protecting tropical forests is critical to achieving the goals of the Paris Agreement to achieve global net zero by 2050. Credits purchased through the LEAF Coalition will not only help us to mitigate our impact, but will also benefit biodiversity and local communities and support the expansion of the voluntary carbon market.

Green office task force

The members of our green office task force meet monthly to discuss ideas on how to be more environmentally conscious in our everyday life, both at home and at work, and how we can shape our colleagues' approach. Through our internal communication channels, we draw our colleagues' attention to green initiatives and publish articles on the topic. Our event organisation team pays special attention to minimizing unnecessary waste at our events, and we favour suppliers who operate in a sustainable manner.



Bermuda Shorts Days

Summer Fridays are Bermuda Shorts Days at PwC Hungary, which means that our colleagues may dress more casually, as appropriate for the weather. What does this mean in practice? There is no strict dress code for summer Fridays; our colleagues are free to dress as their day requires. In addition, on the last working day of the week, a uniform temperature of 25°C is set in our office. With this initiative, we want to encourage other companies to take simple but effective steps to combat climate change and achieve more efficient use of energy.

Count Us In

At PwC Hungary, we believe in the importance of individual responsibility in tackling climate change. Every small step we can take at our own level contributes to a greener future.

That's why we have joined the Count Us In initiative, and our colleagues have made individual commitments in areas that are important for the environment, such as eating less meat, preferring seasonal food, avoiding goods with plastic packaging, cycling more, etc.



Peer Parliament

In February, we joined the European Commission's (EC) environmental initiative Peer Parliament, which aims to launch a dialogue on three key environmental issues. PwC organised two small group discussions with volunteers on sustainable transport and sustainable consumption. The results of the debate were sent back to the Commission, which incorporated them into their deliberations on the future of Europe.



"I think healthy debates should be part of the corporate culture of the 21st century. I'm

delighted that everyone at PwC can share their ideas on a particular topic, and even better, these ideas can lead to constructive discussions that shape our thinking, and make us more open to other perspectives on a particular topic. I came away from the debate feeling that not everything is black or white, that there are many approaches to a given issue, and that it is worthwhile to consider the different perspectives of the people involved. And talking to experts in the field is always a great experience because it gives you new information."

Levente Szabados,
Participant

World Environment Day volunteer programme

On the second weekend of June, on the occasion of World Environment Day, our colleagues volunteered in the Buda Hills and on the Kispatlak Nature Trail in Vecsés. In the Buda Hills, they helped the national parks by picking up litter, in Vecsés, they also painted trail signs and bird feeders. The programme was also attended by enthusiastic family members of several colleagues.



Idea Challenge

PwC Hungary's first Net Zero, Work Well and Well-being innovation brainstorming competition was launched at the initiative of three leaders. We looked for solutions that improve our working environment and well-being and contribute to our environmental ambitions.

Reusable food containers

One of our colleagues calculated how much waste we produce just by bringing our lunch into the office in plastic containers. Keeping our net zero goal in mind, we have made this idea a reality: by the end of May, these logoed reusable food containers were made available in the dining area. From now on, it's up to us to make the most of this opportunity.



Urban cycling training

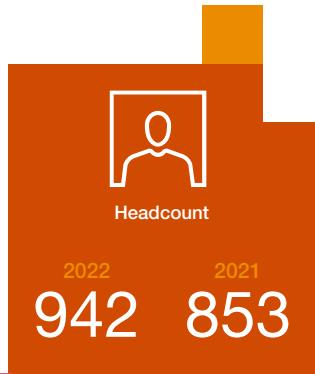
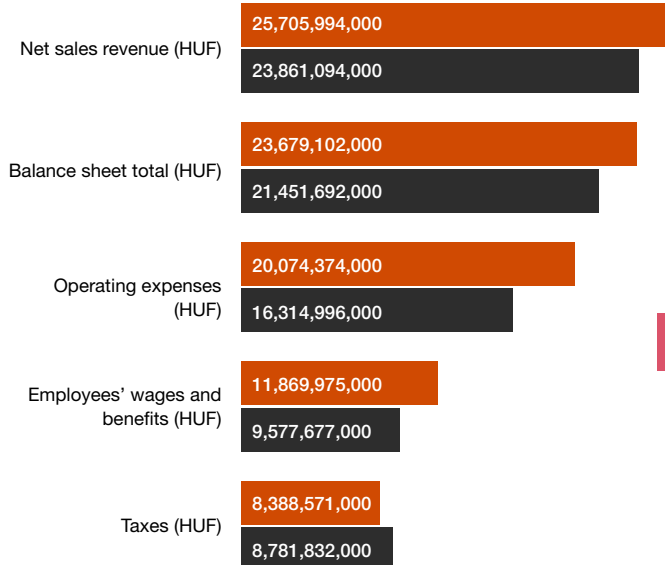
The main motivation for our colleague who came up with this idea was to overcome fears of urban cycling, and in collaboration with Velo Budapest, they designed the programme to add as many useful and safe experiences as possible to the skill set of PwC cyclists. We also coordinated the training sessions with the start of our in-house cycling competition to make cycling even more fun.



PwC in Hungary

In Hungary, in our offices in Budapest and Győr, 942 employees assist our clients in three main service areas: assurance, tax and legal, and advisory services, and in many other specialties. We have grown to become a leading audit and business advisory firm because we have been gathering experience ever since we were established in 1854. We use this experience and combine it with our local expertise. The source of this experience and expertise is our people, on whom our present and future depends.

Economic indicators



2022 2021



Our services

Assurance services

Audit services

- Audit or review of standalone or consolidated financial statements prepared in accordance with HU GAAP (Generally Accepted Accounting Principles), US GAAP, IFRS (International Financial Reporting Standards), (or other) and in accordance with ISA (International Standards on Auditing) or other GAAS
- Audit or review of group reporting packages
- Interim review reporting
- Special purpose audit reports
- Audit support

Risk Assurance Services

- Governance, risk and compliance
 - Internal audit services
 - Enterprise risk management
 - Compliance
 - Business controls improvement
 - Interim management
- Cybersecurity and data privacy
 - Information security compliance and vendor management
 - Information security strategy management
 - The human side of IT security
 - Data protection
 - Incident management and response
 - Implementation and operation of information security tools
- Data-driven audit and process development
- SAP solutions and services

Accounting and capital markets advisory (CMAAS) and PwC's Academy

- Accounting and capital markets advisory services
- Treasury services
- Future of Finance
- Controlling advisory
- Advisory services for the financial sector
- Actuarial services
- Placement of accounting experts
- PwC's Academy
 - Training consultancy
 - Design and development of online training courses
 - E-learning series
 - Training framework and training management services
 - Professional training courses (classroom and online)
 - Professional qualifications

Tax and Legal Services

Tax advisory

- Tax Controversy & Dispute Resolution
- Tax policy
- State aid and tax incentives
- Tax reporting & strategy
 - Consulting on tax and accounting technology
 - Tax strategy & operation
 - Accounting review
 - Accounting compliance services
 - Payroll accounting
 - Payroll review
 - Tax returns and deferred tax
 - Staff leasing
 - Company Gateway ("Cégkapu") services
- Indirect Tax
 - Value added tax
 - Smart Tax – automated tax solutions
 - Customs and international trade
 - Excise duty, environmental product fee, and public health product tax
 - E-invoicing and e-archiving
- Direct taxes
 - Mergers and acquisitions (M&A)
 - General corporate tax consulting & restructuring
 - R&D-related tax allowances
 - Sports consulting
 - Development tax incentive
 - Tax incentive for investment projects related to energy efficiency
 - Advice on tax matters concerning real estate
 - Tax advice to family-owned businesses and business owners
- International tax services
- IFRS direct taxation matters
- Transfer pricing
 - Transfer pricing documentation
 - Advance pricing agreement (APA) requests
 - Transfer pricing consulting, planning, formulating transfer pricing policies
- Audit of Tax
- Global Mobility
 - Global Mobility consulting and compliance services
 - Global visa solutions
 - Employer-paid personal income tax and social security contributions
 - Marketing campaigns and corporate events

Legal services

- Company law, company conversions
- Acquisitions
- Disputes and litigation
- Land and buildings
- Financing and banking transactions
- Competition law and consumer protection
- Data protection law
- Employment law
- Pharma and health
- Intellectual property and IT law
- Energy, utilities and mining
- Public procurement, transport, other public services, and state aid
- Economic criminal law
- Private clients
- Sports law services
- E-commerce – legal services
- Environmental law

Advisory

Management consulting services

- Industry sectors
 - Energy and public utility consulting
 - Technology, Media & Telecommunications
 - Financial sector
 - Tourism
 - Public service consulting (public administration, healthcare, education, development policy)
 - Logistics and postal services
- Solutions
 - Strategy & Operation
 - CRM & Customer Technologies
 - Project, program and investment management
 - Innovation management and start-ups
 - Future of Finance
 - CIO and IT implementation consulting
 - Data Analytics – Enterprise Analytics & Data Solutions
 - Digital business strategy and operation

Financial and transaction advisory

- Valuation & business advisory
- Transaction services
- Business recovery services
- Infrastructure and transport consulting
- M&A and financing advisory services
- Real estate consulting

People and Organisation

- Change management and communication
- HR analyses and surveys
- HR organisation and functions
- Strategic HRM
- Organisational culture
- Remuneration and benefits

Forensic & Compliance services

- Reactive services
- Litigation support
- Preventive services

Services across business lines

- CFO services
- Controlling advisory
- Sports business advisory
- ESG and sustainable business solutions

Legal structure and ownership of PricewaterhouseCoopers Auditing Ltd.

PwC Ltd. is a limited liability company. The shares and voting rights of the company are held by:

- PricewaterhouseCoopers CEE Firm Services s.r.o. (86.75% ownership, registered in Slovakia),
- PricewaterhouseCoopers Spolka z o.o. (11.75 % ownership, registered in Poland), and
- PricewaterhouseCoopers Eastern Europe BV (1.5% ownership, registered in the Netherlands).

Such entities are ultimately owned by the partners of PricewaterhouseCoopers member firms.

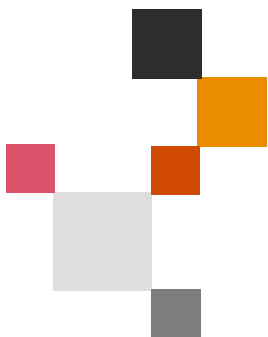
PwC Ltd. is a member of PricewaterhouseCoopers International Limited.

PwC Ltd. cooperates with other Central and Eastern European member firms to provide services to local and mutual international clients operating in our region. This

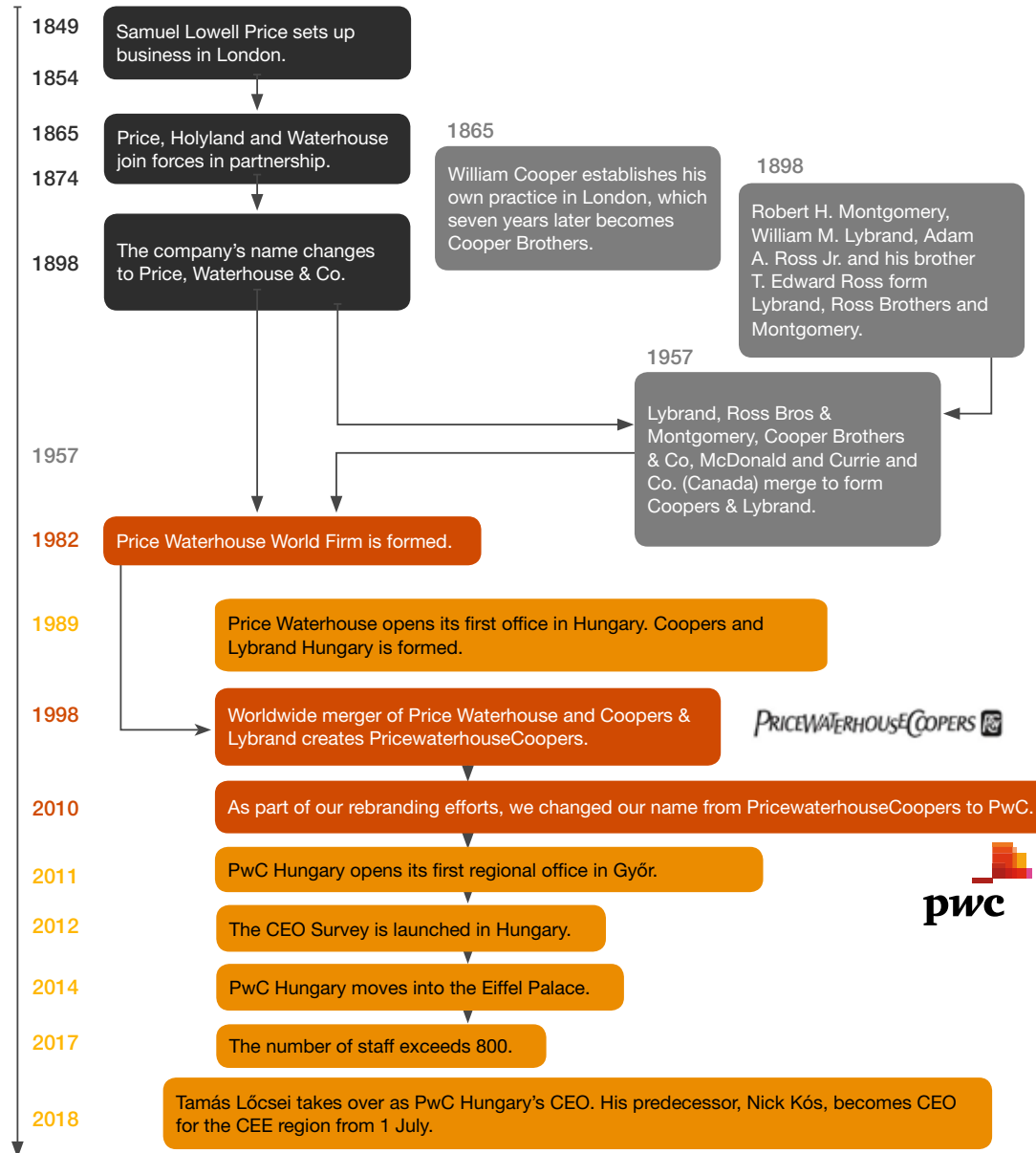
cooperation is organised through a regional management team which, in addition to ensuring the adherence of these regional firms to the policies and procedures of PwC International, enables resource sharing, the enforcement of risk management policies and quality standards.

Each national member firm also has its own management structure in place, in accordance with relevant legal and operational requirements. This legal structure and network arrangement gives each member firm the flexibility and autonomy to respond quickly and effectively to conditions in its local market.

It also reflects the fact that regulatory authorities in some countries grant the right to practise as auditors to nationally based firms in which locally qualified professional auditors (or in the European Union a combination of auditors and or EU audit firms) have at least a majority ownership and control.



PwC's history



Governance

Within the Central and Eastern European grouping of PwC member firms, which includes 27 national territories, a matrix system of management is operated. Each partner votes every four years in an election that chooses a PwC CEE Chief Executive, who in turn appoints a Management Board, including representatives from geographical and business lines and Operational Leaders. This Management Board is responsible for setting broad business objectives and ensuring compliance with PwC International policies.

Across geographical lines the policy and business objectives of each principal business line (Assurance, Tax & Legal and Advisory) are set by the business line management team.

Oversight of the Regional Management Board on behalf of the partners is carried out by an elected regional Partners Council, which approves key policies and decisions which affect partners and the firm.

PwC Kft. is managed by the managing directors appointed by the shareholders. The managing directors as of 30 June 2022 are:

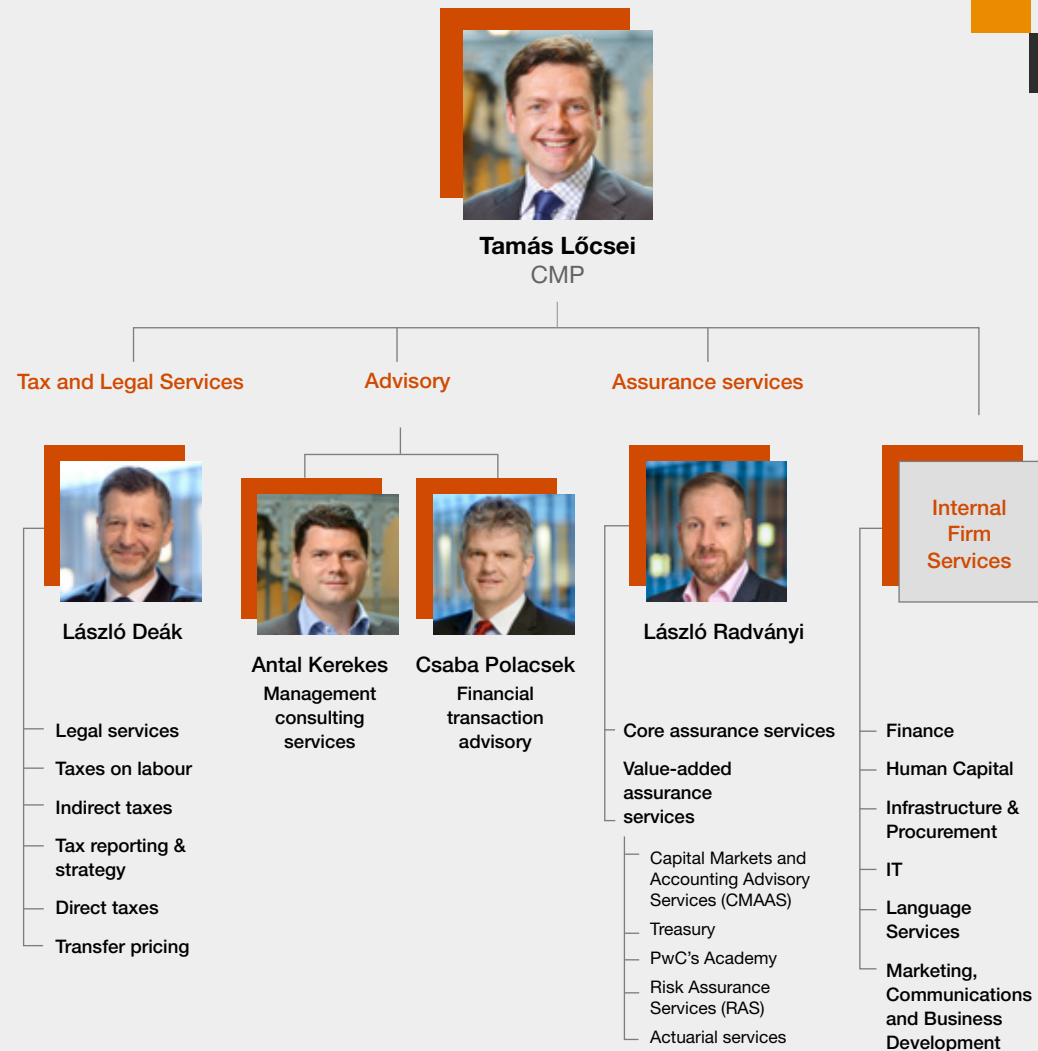
Dr. Tamás Lőcsei and Árpád Balázs ACCA, registered statutory auditor.

Éva Barsi, registered statutory auditor, serves as chief executive.

A three-member Supervisory Board was also elected, consisting of the following members: Dr. Zoltán Várszegi, Paul Grocott and Nick Kós.

The Company's supreme body is the Shareholders' Meeting, which is convened at least once annually.

PwC Hungary's organisational structure between 1 July 2021 and 30 June 2022



PwC's global network

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms form the PwC network. 'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

In many parts of the world, accounting firms are required by law to be locally owned and independent. The PwC network is not a global partnership, a single firm, or a multinational corporation. The PwC network consists of firms which are separate legal entities.

PricewaterhouseCoopers International Limited ("PwCIL") is one of the world's largest networks of professional services firms. PwC's 328,000 employees help our clients and stakeholders in 152 countries with industry-specific audit, tax, legal and advisory services.

PricewaterhouseCoopers International Limited

Firms in the PwC network are members in, or have other connections to, PricewaterhouseCoopers International Limited (PwCIL), a UK private company limited by guarantee. PwCIL does not practice accountancy or provide services to clients. Rather its purpose is to act as a coordinating entity for member firms in the PwC network, focusing on key areas such as strategy, brand, risk and quality. PwCIL works to develop and implement policies and initiatives to create a common and coordinated approach for PwC firms. Member firms of PwCIL can use the PwC name and draw on the resources and methodologies of the PwC network. In addition, member firms may draw upon the resources of other member firms and/or secure the provision of professional services by other member firms and/or other entities. In return, member firms are bound to abide by certain common policies and to maintain the standards of the PwC network as put forward by PwCIL.

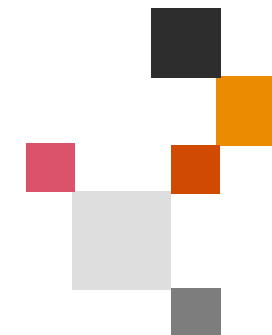
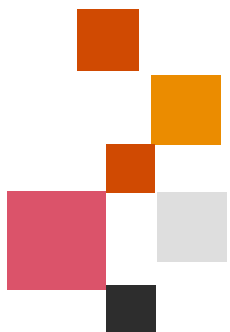
The PwC network is not one international partnership. A member firm cannot act as agent of PwCIL or any other member firm, cannot obligate PwCIL or any other member firm, and is liable only for its own acts or omissions and not those of PwCIL or any other member firm.

Similarly, PwCIL cannot act as an agent of any member firm, cannot obligate any member firm, and is liable only for its own acts or omissions. PwCIL has no right or ability to control member firm's exercise of professional judgement.

The governance bodies of PwCIL are:

- Global Board, which is responsible for the governance of PwCIL, the oversight of the Network Leadership Team and the approval of Network Standards. The Board does not have an external role. Board members are elected by partners from all PwC firms around the world every four years.
- Network Leadership Team, which is responsible for setting the overall strategy for the PwC network and the standards to which the PwC firms agree to adhere.
- Strategy Council, which is made up of the leaders of the largest PwC firms and regions of the network, agrees on the strategic direction of the network and facilitates alignment for the execution of strategy.
- Global Leadership Team is appointed by and reports to the Network Leadership Team and the Chairman of the PwC network. Its members are responsible for leading teams drawn from network firms to coordinate activities across all areas of our business.

The CEO of PwC CEE is Nick Kós, who is a member of the Strategy Council and maintains relationships with the Network Leadership Team.



Quality and risk management

Delivering service of the highest quality is core to our purpose and our strategy, the focus of which is to strengthen trust and transparency in our clients, in the capital markets and wider society.

To help PwC Hungary put this strategy into effect, the PwC network has established a framework for quality management which integrates quality management into business processes and the firm-wide risk management process.

The framework introduces an overall quality objective primarily for the Assurance practice focused on having the necessary capabilities in our organisation and deploying our people to consistently use our methodologies, processes and technology in the delivery of services in an effective and efficient manner to fulfil the valid expectations of our clients and other stakeholders.

Our quality management system for our Assurance practice is based on International Standard on Quality Control 1 – “Quality control for firms that perform audits and reviews of financial statements, and other assurance and related services engagements” (ISQC 1) issued by the International Auditing and Assurance Standards Board (IAASB) and the standards/guidelines issued by the Hungarian Chamber of Auditors. ISQC 1 applies to firms that perform audits of financial statements, report in connection with investment circulars and provide other assurance services where they relate to activities that are reported in the public domain and are therefore in the public interest.

The objective of ISQC 1 is for the firm to establish and maintain a system of quality control to provide it with reasonable assurance that:

- the firm and its personnel comply with professional standards and regulatory and legal requirements; and
- reports issued by the firm or engagement partners are appropriate in the circumstances.

Our detailed quality control procedures are set out in our PwC Audit Guide and in PwC’s Network Risk Management policies and guidance. The policies and procedures are embedded as part of the firm’s day-to-day activities.

Our QMS is based on the six elements of quality control set out in ISQC 1, which are:

-  Leadership responsibilities for quality within the firm
-  Ethical requirements
-  Acceptance and continuance of client relationships and specific engagements
-  Human resources
-  Engagement performance
-  Monitoring

We and the other PwC member firms are committed to delivering quality services around the world. To maximise consistency in the Network, we use a formal curriculum developed at the Network level.

This formal learning is delivered using a blend of delivery approaches, which include remote access, classroom learning and on-the-job support. The curriculum allows us to select when we will deliver different portions of the training based on local needs.

PwC prescribes mandatory e-learning courses aimed at educating staff members about risk management, quality and compliance issues.

These are as follows:

- Mandatory Risk & Quality 2022 training – online course to be completed at the start of each financial year
- CEE Compliance Curriculum – Risk Management Package, which includes Combatting Corruption and Money Laundering, and Living the Code: Insider trading and Economic sanctions training for new joiners – this course must be completed by all new joiners by the specified deadline.



Human rights

No human rights violations were reported during the period concerned. We believe it's our responsibility to respect and uphold the human rights of our people and any other individuals we are in contact with. We seek to integrate human rights into our existing business practices, in accordance with our human rights policy. PwC's Global Human Rights Statement is available on our [website](#).



Code of Conduct

We take pride in the fact that our services add value by helping to improve transparency, trust and consistency of business processes. In order to succeed, we must grow and develop, both as individuals and business. Our core values of Excellence, Teamwork and Leadership help us to achieve this growth. We conduct our business within the framework of applicable professional standards, laws, and regulations together with PwC policies and standards. This objective incorporates, inter alia, full compliance with the IESBA (International Ethics Standards Board for Accountants) Code of Ethics for Professional Accountants.



CEE has a fully integrated Ethics & Business Conduct network. Supervision over ethical matters in CEE is carried out by the regional Ethics and Business Conduct Leader. Each country has a local Ethics and Business Conduct Team responsible for promoting ethics locally. This includes, but is not limited to, communication and training to local country partners and staff. More than 295,000 PwC employees take part in ethics training globally every year. In addition, each PwC office has access to the detailed supplementary guidance of our Code of Conduct.

These policies include guidance on such matters as the receipt of gifts from clients, close personal relationships and how staff should proceed if they become aware of unethical behaviour by any partner or employee. Our Ethics Helpline provides a safe environment for our employees and third parties to ask questions and report any concerns they may have.

CEE has a region-wide tool accessible to all partners and staff to enable the sending of anonymous queries to a selected Ethics & Business Conduct team. Individuals from outside of PwC, including our clients' personnel, can submit a query, in an anonymous manner, by using a global PwC communications tool available from <http://www.pwc.com>. When potential non-compliance with our Code of conduct is reported or otherwise suspected, steps are taken to investigate, and where appropriate, remedy the situation. Partners and staff are encouraged to report and express their concerns and must do so fairly, honestly and respectfully. PwC is committed to protecting individuals against retaliation. Partners and staff at PwC are responsible for addressing issues that are brought to their attention.

Living our Purpose and Values

The PwC culture thrives supported by a framework of internal and external expectations and requirements. These help guide our behaviours and build trust:

- in our business model
- in each other
- in our communities
- in how we use information

However, we also acknowledge that these standards, laws, and policies do not govern all types of behaviour. As a result, we also have a Code of conduct which is applicable and issued to all PwC people and firms. This Code is based on our values and takes them to the next level – demonstrating our values in action. The Code defines how we should behave and conduct business in a wide range of settings and situations. It also contains a “framework for ethical decision making” to assist partners and staff in deciding on the right course of action in addressing ethical dilemmas they can come across. Partners and staff are expected to not only live by the Code values in their careers with PwC but to also help others at PwC do the same.

The CEE Complaints and Allegations policy sets the protocols for investigating the issues reported.

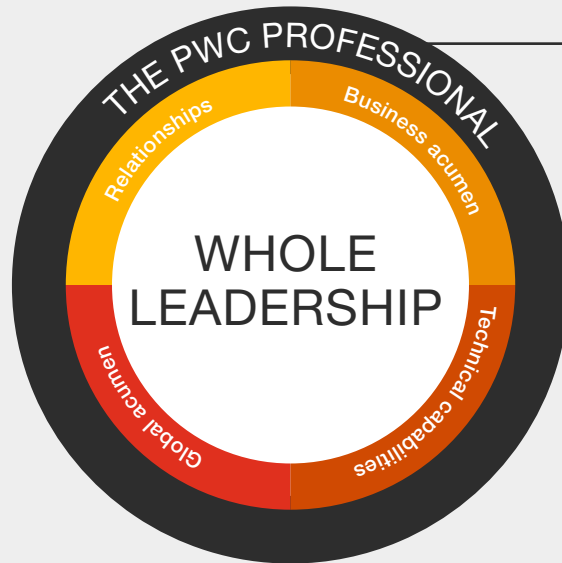
All amendments needed to the firm's systems or policies, identified during the course of an ethical investigation, are addressed. The IESBA Code of Ethics and PwC standards are supplemented with the Ethical Rules of the Hungarian Chamber of Auditors. To find out more about PwC Hungary's

global quality management system, ethical requirements, independence policy and the effectiveness of our internal quality control system, please refer to our [2021 Transparency Report](#).

[The PwC Code of Conduct is available here.](#)

PwC Hungary's Ethics Leader is Péter Biczó, Partner.

At each level and dimension of the PwC Professional, expectations on ethical behaviour are defined.



The most innovative solutions come from working together with colleagues and clients. Effective collaboration enables innovation.

Speak Up

At PwC, we believe in creating an inclusive workplace where people feel able to be themselves in a safe environment that helps foster an open culture where everyone feels comfortable bringing their ideas – and their challenges – to the table. These values are central to who we are and how we operate, and this helps us deliver a quality service to our clients.

Our confidential whistle-blowing helpline and – “Speak Up” – are available to any partner or member of staff who observes inappropriate business conduct or unethical behaviour that cannot be resolved locally, or where the normal consultation processes are not appropriate.

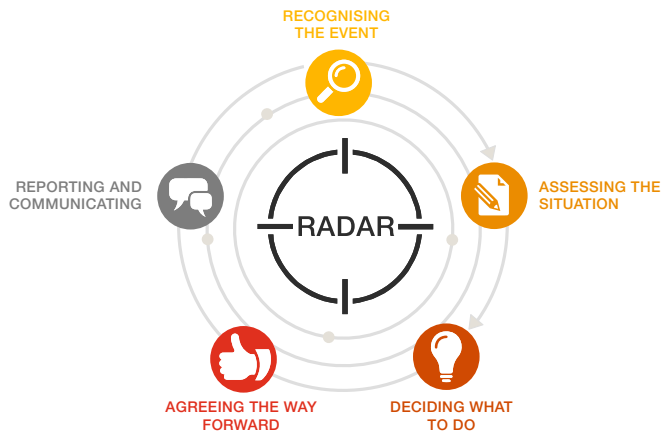
The helpline or website can also be used if you just have questions or want advice about speaking up and reporting concerns.

The helpline number is 020 7212 5233, and the website can be accessed

RADAR

We are purpose led and values driven, and our purpose and values are our guiding principles in deciding the right thing to do. Addressing and resolving ethical dilemmas is complex, and the Code cannot address all questions or situations. The Code is one of many tools we have as professionals to guide our behaviour. It is not meant to be a rule book. The Code is underpinned by the PwC Purpose and values. It is supported and supplemented by network standards, network and local policies and guidance, all of which are available on relevant sites throughout the network.

The RADAR decision making framework is here to help our people think and to build their skills in analysing ethical dilemmas, and, in doing so, make good decisions.



PwC's Third Party Code of Conduct

PwC's Third Party Code of Conduct explains the minimum standards of integrity and business conduct PwC expects of the third parties with which it does business. PwC expects third parties to require the same levels of integrity and business conduct from their personnel and anyone outside their organisation engaged to provide services for or with PwC.



GRI Content Index

GRI (Global Reporting Initiative) is an international initiative the purpose of which is to provide a standard framework of guidelines and indicators for preparing sustainability reports, thus ensuring comparability and promoting transparency among companies. The following table shows the information included in the report attached to specific GRI indicators. You can read more about the guidelines and the indicators on the following website:

<https://www.globalreporting.org/standards/>

| Number | Disclosure | Reference in the report | Page number | Comments |
|-------------------------------|--|-------------------------|-------------|---|
| General disclosures | | | | |
| Organizational profile | | | | |
| 102-1 | Name of the organisation | About the report | 6 | |
| 102-2 | Activities, brands, products, and services | PwC in Hungary | 58–59 | |
| 102-3 | Location of headquarters | Responsible operation | 48 | |
| 102-4 | Location of operations | PwC in Hungary | 58 | |
| 102-5 | Ownership and legal form | PwC in Hungary | 60 | |
| 102-6 | Markets served | PwC in Hungary | 59 | |
| 102-7 | Scale of the organisation | About PwC | 8–9 | |
| 102-8 | Information on employees and other workers | Our people | 27 | |
| 102-9 | Supply chain | Our stakeholders | 46 | |
| 102-10 | Significant changes to the organisation and its supply chain | Our stakeholders | | There has been no significant change amongst PwC's suppliers. |
| 102-11 | Precautionary principle or approach | | | PwC Transparency Report 2022 |
| 102-12 | External initiatives | | | |
| 102-13 | Membership of associations | Our stakeholders | 46 | |
| Strategy | | | | |
| 102-14 | Statement from senior decision-maker | Message from the CEO | 3–4 | |
| 102-15 | Key impacts, risks, and opportunities | | 6 | |
| Ethics and integrity | | | | |
| 102-16 | Values, principles, standards, and norms of behaviour | Our values | 24 | |
| 102-17 | Mechanisms for advice and concerns about ethics | Human rights | 66 | PwC Transparency Report 2022 |
| Governance | | | | |
| 102-18 | Governance structure | PwC in Hungary | 62 | |
| 102-19 | Delegating authority | PwC in Hungary | 60 | |

| Number | Disclosure | Reference in the report | Page number | Comments |
|--------|--|---|-------------|--|
| 102-20 | Executive-level responsibility for economic, environmental and social topics | PwC in Hungary | 62 | |
| 102-21 | Consulting stakeholders on economic, environmental and social topics | Our stakeholders | 39 | |
| 102-22 | Composition of the highest governance body and its committees | PwC in Hungary | 62 | |
| 102-23 | Chair of the highest governance body | PwC in Hungary | 62 | |
| 102-24 | Nominating and selecting the highest governance body | PwC in Hungary | 62 | |
| 102-25 | Conflicts of interest | | | PwC Transparency Report 2022 |
| 102-26 | Role of highest governance body in setting purpose, values, and strategy | PwC in Hungary | 62 | |
| 102-27 | Collective knowledge of highest governance body | PwC in Hungary | 62 | |
| 102-28 | Evaluating the highest governance body's performance | | | PwC Transparency Report 2022 |
| 102-29 | Identifying and managing economic, environmental and social impacts | Our values and stakeholders – Key findings and analyses | 24 | CEO, Future of Finance, and EVP surveys |
| 102-30 | Effectiveness of risk management processes | Quality and risk management | 64 | |
| 102-31 | Review of economic, environmental and social topics | Our strategy | 10 | |
| 102-32 | Highest governance body's role in sustainability reporting | Our strategy | 10 | |
| 102-33 | Communicating critical concerns | | | PwC Transparency Report 2022 |
| 102-34 | Nature and total number of critical concerns | | | PwC Transparency Report 2022 |
| 102-35 | Remuneration policies | | | This information is confidential according to PwC's HR policy. |

| Number | Disclosure | Reference in the report | Page number | Comments |
|---|--|-------------------------|-------------|---|
| 102-36 | Process for determining remuneration | | | This information is confidential according to PwC's HR policy. |
| 102-37 | Stakeholders' involvement in remuneration | | | This information is confidential according to PwC's HR policy. |
| 102-38 | Annual total compensation ratio | | | This information is confidential according to PwC's HR policy. |
| 102-39 | Percentage increase in annual total compensation ratio | | | This information is confidential according to PwC's HR policy. |
| Key area: Our stakeholders – Clients | | | | |
| Stakeholder engagement | | | | |
| 102-40 | List of stakeholder groups | Our stakeholders | 39 | |
| 102-41 | Collective bargaining agreements | | | According to a decision by PwC's CEO, information on collective agreements is confidential. |
| 102-42 | Identifying and selecting stakeholders | Our stakeholders | 39 | |
| 102-43 | Approach to stakeholder engagement | Our stakeholders | 39 | |
| 102-44 | Key topics and concerns raised | About the report | 6 | |
| Reporting practice | | | | |
| 102-45 | Entities included in the consolidated financial statements | About the report | 6 | |
| 102-46 | Defining report content and topic boundaries | About the report | 6 | |
| 102-47 | List of material topics | About the report | 7 | |
| 102-48 | Restatements of information | | | |
| 102-49 | Changes in reporting | | | There was no change in PwC's Hungary's reporting. |
| 102-50 | Reporting period | About the report | 6 | |
| 102-51 | Date of most recent report | About the report | 6 | |
| 102-52 | Reporting cycle | About the report | 6 | |
| 102-53 | Contact point for questions regarding the report | About the report | 7 | |
| 102-54 | Claims of reporting in accordance with the GRI Standards | About the report | 6 | |
| 102-55 | GRI content index | GRI content index | 69 | |
| 102-56 | External assurance | About the report | 6 | |

| Number | Disclosure | Reference in the report | Page number | Comments |
|---|---|--|-------------|--|
| Management principles | | | | |
| 103-1-2-3 | Evaluation of the management approach | Our strategy | 10–21 | |
| Key area: Economic performance and impacts | | | | |
| Economic performance | | | | |
| 201-1 | Direct economic value generated and distributed | About PwC | 8 | |
| 201-2 | Financial implications and other risks and opportunities due to climate change | | | N/A |
| 201-3 | Defined benefit plan obligations and other retirement plans | Our people | 29 | |
| 201-4 | Financial assistance received from government | | | N/A |
| Markets served | | | | |
| 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | | | This information is confidential according to PwC's HR policy. |
| 202-2 | Proportion of senior management hired from the local community | Our people; PwC in Hungary/ Governance | 62 | |
| Significant indirect economic impacts | | | | |
| 203-1 | Infrastructure investments and services supported | | | N/A |
| 203-2 | Significant indirect economic impacts | | | |
| Key area: Responsible business operation | | | | |
| Procurement practices | | | | |
| 204-1 | Proportion of spending on local suppliers | Our stakeholders | | |
| Combating corruption | | | | |
| 205-1 | Operations assessed for risks related to corruption | | | There was no such local survey during the reporting period. |
| 205-2 | Communication and training about anti-corruption policies and procedures | Quality and risk management | 64 | |
| 205-3 | Confirmed incidents of corruption and actions taken | | | There was no such incident during the period under review. |
| Anti-competitive behaviour | | | | |
| 206-1 | Legal actions for anti-competitive behaviour, anti-trust and monopoly practices | | | There was no such incident during the period under review. |

| Number | Disclosure | Reference in the report | Page number | Comments |
|---|--|-------------------------|-------------|--|
| Key area: Environment and climate | | | | |
| Materials used | | | | |
| 301-1 | Materials used by weight or volume | Responsible operation | 52 | |
| 301-2 | Recycled input materials used | Responsible operation | 52 | |
| 408-1 | Operations and suppliers at significant risk for incidents of child labour | | | PwC Transparency Report 2022 |
| Energy consumption | | | | |
| 302-1 | Energy consumption within the organisation | Responsible operation | 52 | |
| 302-3 | Energy intensity | Responsible operation | 55 | |
| 302-4 | Reduction of energy consumption | Responsible operation | 55 | |
| GHG emissions | | | | |
| 305-1-2-3 | Emissions | Responsible operation | 49 | |
| Key area: Employees | | | | |
| Employment | | | | |
| 401-1 | New employee hires and employee turnover | Our people | 28 | |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | | | Full-time and part-time employees are entitled to the same benefits. |
| 401-3 | Parental leave | | | Staff returning from parental leave: 11 Staff on parental leave: 53 |
| Industrial Relations | | | | |
| 402-1 | Minimum notice periods regarding operational changes | | | The notice period is 30 working days. |
| Health and safety in the workplace | | | | |
| 403-1 | Occupational health and safety management system | | | Confidential information. |
| 403-2 | Hazard identification, risk assessment, and incident investigation | | | During the reporting period, three accidents at work were recorded. |
| 403-3 | Occupational health services | Our people | 29 | |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | Our people | 29 | PwC Care4Life programme |

| Number | Disclosure | Reference in the report | Page number | Comments |
|--|---|-------------------------|-------------|---|
| Training and upskilling | | | | |
| 404-1 | Average hours of training per year per employee | Our people | 32 | |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | | | PwC Hungary does not regularly provide (re)training counselling to retiring employees or those changing jobs. |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | | | PwC assesses the performance of its employees each year. Performance was assessed through PwC Workday in FY 2022. |
| Key area: Inclusion and diversity | | | | |
| Diversity and equity | | | | |
| 405-1 | Diversity of governance bodies and employees | Diversity | 34 | |
| 405-2 | Ratio of basic salary and remuneration of women to men | | | We review the principle of equal pay annually and make adjustments if necessary. |
| Non-discrimination | | | | |
| 406-1 | Incidents of discrimination and corrective actions taken | | | There were no reported incidents of discrimination at PwC Hungary during the reporting period. |
| Child labour | | | | |
| 408-1 | Operations and suppliers at significant risk for incidents of child labour | | | PwC Transparency Report 2022 |
| Forced labour | | | | |
| 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labour | | | PwC Transparency Report 2022 |
| Security practices | | | | |
| 410-1 | Security personnel trained in human rights policies or procedures | | | PwC Transparency Report 2022 |
| Rights of indigenous peoples | | | | |
| 411-1 | Incidents of violations involving rights of indigenous peoples | | | No human rights violations were reported during the period concerned. |

| Number | Disclosure | Reference in the report | Page number | Comments |
|--|---|-------------------------|-------------|--|
| Human rights assessment | | | | |
| 412-1 | Operations that have been subject to human rights reviews or impact assessments | | | PwC fully complies with this commitment. |
| Key area: Corporate responsibility | | | | |
| Local communities | | | | |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | Our strategy | 12, 16 | |
| 413-2 | Operations with significant actual and potential negative impacts on local communities | | | PwC is not aware of any negative effects. |
| Screening suppliers using social criteria | | | | |
| 414-1 | New suppliers that were screened using social criteria | Our stakeholders | | |
| 414-2 | Negative social impacts in the supply chain and actions taken | | | There were no such incidents at our company during the period under review. |
| Public policy | | | | |
| 415-1 | Political contributions | | N/A | |
| Client health and safety | | | | |
| 416-1 | Assessment of the health and safety impacts of product and service categories | | N/A | |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | | | There were no such incidents. |
| Responsible marketing | | | | |
| 417-1 | Requirements for product and service information and labelling | | | PwC Transparency Report 2022 |
| 417-2 | Incidents of non-compliance concerning product and service information and labelling | | | Number of incidents of non-compliance concerning product and service information and labelling: 0. |
| 417-3 | Incidents of non-compliance concerning marketing communications | | | There were no such incidents. |

| Number | Disclosure | Reference in the report | Page number | Comments |
|----------------------------------|--|-------------------------|-------------|--|
| Protection of client data | | | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | | | There was no such incident during the period under review. |
| Socio-economic compliance | | | | |
| 419-1 | Non-compliance with laws and regulations in the social and economic area | | | PwC Hungary did not identify any incidents of non-compliance that would be contrary to PwC's statutes or its social media policy during this period. |

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