Letter from the President

Systemic change doesn’t happen in a vacuum. It comes from thinking about social problems differently, generating ideas with those who don’t think like you, and disrupting processes to create breakthrough interventions. The ethos of the PwC Charitable Foundation is engrained in these key tenets.

Much has changed in the world since the PwC Charitable Foundation was established in 2001, but its roots remain grounded in a simple belief: a commitment to support the people of PwC – to address the societal issues that impact them as individuals, their families, and their communities. While we could not have anticipated then what problems our communities and nation would come to face, this simple belief enables us to adapt quickly and with transparency, to respond to new challenges and the growing demand for solutions, and to energize the people of PwC to their fullest potential to achieve societal change together. We know that we can achieve our mission by investing in innovative, social enterprises and entrepreneurs who are taking risks and creating breakthrough solutions.

That’s why in FY16, our Board of Trustees continued to increase the effectiveness and scale of the Foundation’s work by imagining a new level of consciousness for the problems we aim to address. We looked for proven and new approaches to addressing societal problems while building, more comprehensive multi-year relationships to leverage technological advances and drive systemic change.

This approach enabled the Foundation to hit a major milestone in grantmaking. We not only reached our $50 million goal, but exceeded it with $56.3 million in cumulative grantmaking. We also reached and exceeded our $5 million goal to support veterans in their transition to civilian workforce. The most significant part of reaching this milestone was the level of systemic change the Foundation was able to achieve with our grantees and with the people of PwC for underserved communities.

The Foundation has experienced tremendous growth, channeling over $40 million towards our cause areas in the past six years. Such growth is achieved through comprehensive multi-year relationships with innovative, cutting edge social enterprises -- relationships such as the one we forged with MIND Research Institute to provide educators and students with access to a custom-built, state-of-the-art digital curriculum that addresses both the financial literacy core competencies and the mathematics required to achieve them. We are also working with other nonprofit organizations and innovators such as DonorsChoose.org and BUILD, who are breaking down barriers to learning by creating better access to education and resources for students and teachers from underserved communities.

Throughout this report, you will learn more about our work this past year, including:

• what we learned working with veteran service organizations who are working to support the 1 million veterans exiting from the military over the next four years and transitioning to civilian employment as they reintegrate back into their communities; to how we continue to evolve our own programs to support and empower the people of PwC;

• how we refined our work to help education nonprofits scale up with transformational models by building state-of-the-art learning technologies and digital platforms; and

• the volunteer efforts of the people of PwC, through which the Foundation contributed over $1.3 million to a diverse group of nonprofits, supporting their efforts and addressing social causes important to them. The people of PwC continue to donate record amounts of their own funds to support the Foundation’s work, with $1.5 million donated in 2016 alone.

As we look ahead, we will pursue even bigger and more impactful grantmaking and investments – opportunities that will enable sustained Foundation growth and impact for grantees across our cause areas. As well, those that will continue to reinforce the efforts of PwC partners and staff to build trust and transparency.

Powered by the people of PwC, who inspire us to reach high and set ambitious goals for the Foundation, we are committed to scaling our impact and aiming to concentrate our efforts in critical areas, taking more risks, identifying and creating more breakthrough solutions in education and humanitarianism, and ultimately – achieving sustainable change.

I am grateful and honored to serve the PwC Charitable Foundation along with our talented and committed Board of Trustees.

Shannon Schuyler
President
Our grantmaking philosophy

The grantmaking philosophy of the PwC Charitable Foundation has not changed. We believe that we can achieve our mission by investing in innovative, social enterprises and entrepreneurs who are solving problems at a different level of consciousness than they were created.

The organizations and people we invest in are taking risks, disrupting processes, and creating breakthrough interventions that can and will drive the kind of change we need to solve today’s most complex social problems. Before we enter into grant relationships, we hold ourselves accountable to this philosophy by imagining what a new level of consciousness looks like for each and every problem we endeavor to address through grants.

Problems cannot be solved by the same level of consciousness that created them.

– Albert Einstein

PwC Charitable Foundation reaches a major milestone in grantmaking

$50 million drives a lot of social change. And in FY16, the PwC Charitable Foundation not only reached this goal, but exceeded it with $56 million in cumulative grant making since 2001. Funding over $40 million in the past six years illustrates the tremendous growth achieved through comprehensive multi-year relationships with innovative, cutting edge social enterprises. The most significant part of reaching this milestone was the level of systemic change the Foundation was able to achieve with our grantees and with the people of PwC for underserved communities.

$9,040,078 granted in FY16

$56,302,300 granted since 2001

People of PwC

$8,527,980 granted since 2001

Education

$38,163,056 granted since 2001

Humanitarianism

$9,611,264 granted since 2001

explore our grantmaking efforts in more detail at pwccharitablefoundation.org
People of PwC

We were founded as an organization fueled by the people of PwC. Their motivation to help each other and their communities inspires us to do even more. We support them in times of unexpected financial hardship and celebrate them in times of remembrance and achievement.

$1,839,188
granted in FY16

$8,527,980
granted since 2001

Would you volunteer more if you could earn money for the organization you support?

We provided over
2,500 grants
in FY16

During FY16, we provided over 2,500 grants to support the people of PwC and the causes they care about. These grants were made for every 25 hours (up to 100 hours) of staff volunteering, for referrals, and for matching funds when staff participate in a formal race for a cause.

What if when you thought there was nowhere else to turn, there was one last option for relief?

We provided over
60 grants
in FY16

Since 2001, we’ve provided nearly 700 grants to the people of PwC and their immediate family during times of unexpected financial hardship. This includes unexpected costs related to unexpected medical and family emergencies, funeral expenses, and aid due to natural disasters like hurricanes, floods, and fires.

Our People of PwC grantmaking efforts provide support for:

local communities and PwCF recipients

explore our grantmaking efforts in more detail at pwccharitablefoundation.org
Education

By investing in emerging social enterprises and entrepreneurs who, together with teachers, administrators and students, are pushing boundaries, disrupting old practices and inventing new interventions, we will help create a new market of learning – increasing equity of opportunity for the most underserved, disadvantaged students.

What if students in every community had the tools and experiences needed to power their dreams and have a great education?

More than 20,000 students took part in lessons about financial literacy

Through the Classroom Rewards program, over 20,000 students in low-income communities across 46 states and 609 schools took part in lessons about financial literacy. They learned about topics including saving, investing, and paying for college. This resulted in 993 teachers earning $622,454 to fund 1,467 classroom projects.

Our education grantmaking efforts provide support for:

local communities, students & teachers, low-income groups, veterans & their families, and social entrepreneurs
Humanitarianism

We’re helping to prepare communities for natural disasters and other tragic events, enabling progressive relief organizations to build capacity to respond more rapidly, and investing in cutting-edge humanitarian ventures that advance socially inclusive models of support.

We responded to over 7 disasters in 5 months

- West Virginia flooding
  - June 23rd
- Orlando nightclub shooting
  - June 12th
- Wildfires in Canada
  - May 1st
- Equador earthquake
  - April 16th
- Japan earthquake
  - April 16th
- Dallas police shooting
  - July 7th
- Louisiana & Gulf Coast flooding
  - August 24th

What if US veterans reclaimed a sense of purpose by serving communities affected by disaster?

Since October 2015, Team Rubicon has expanded operations and was able to respond to 43 disasters, including humanitarian efforts related to the Syrian refugee crisis and the Ebola epidemic -- a 25% increase over prior year. They also increased their volunteer base by 20%, deploying over 1,000 volunteers who provided over 90,000 hours of service.

Our humanitarianism grantmaking efforts provide support for:

- disaster-affected communities
- local communities
- veterans & their families

explore our grantmaking efforts in more detail at pwccharitablefoundation.org
**FY16 summary**

In FY16, we continued to build more, comprehensive multi-year relationships to leverage technological advances and drive systemic change. We exceeded our FY16 $50 million cumulative grantmaking goal, and our $5 million goal to support veterans- and continue to grow.

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**Multi-year commitments**

Our multi-year commitments represent the majority of our cumulative grantmaking, which cultivates a collaborative funder-grantee relationship built on trust, transparency, and shared learning. This approach is a key element in helping achieve mutual strategic priorities and success, and allows us to collaborate with grantees with time to reflect, improve on services provided, and revise goals when necessary.

All of our multi-year, nonprofit collaborators have scaled their organization by 20% or more, serving more beneficiaries than in the prior year. In fact, grants in FY16 drove double-digit growth in the number of beneficiaries served.

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**Supporting veterans and their children**

The Foundation also exceeded its goal of $5 million in support for veterans, and has joined the Philanthropy-Joining Forces Impact Pledge: a #PledgeForVets of $276M+ from a community of foundations and institutions to support service members, veterans, and their families.

Since we began grantmaking within our veterans-focused portfolio, 100% of the organizations we’ve invested in have built the capacity to scale (and continue to scale) their models and as a result, are serving more veterans. Over 32,000 more US veterans are receiving the support they need to send their children to college and successfully transition into the workforce.

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**Increase access and deliver new learning platforms for underserved youth**

Our education-related grantees saw a 30% increase in student and educator reach, representing 3 million students and over 115,000 educators who were able to benefit inside and outside the classroom.

This includes access to technology-enabled, digital tools designed to increase financial literacy, scholarships to colleges and universities students otherwise may not have been able to afford, and after-school meals and snacks that provide the sustenance necessary to focus on schoolwork.

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**Supporting social entrepreneurs to tackle some of society’s most challenging problems**

Our investments in social enterprises saw a 56% increase in beneficiaries served. We’ve helped prepare 171 of the smartest college graduates for work in some of the most innovative social enterprises in our country’s most depressed cities.

We’ve assisted 13 of the most promising social start-ups focused on digital and financial inclusion to learn how to achieve measurable outcomes while balancing new models and breakthrough thinking.
PwC Charitable Foundation, Inc.
Condensed financial statements for the years ended September 30, 2016 and 2015

**Statement of financial position**

<table>
<thead>
<tr>
<th>SEPTEMBER 30</th>
<th>FY 2016 ($)</th>
<th>FY 2015 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
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<tr>
<td>Cash and cash equivalents</td>
<td>12,407,487</td>
<td>13,165,030</td>
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<tr>
<td>Pledges receivable</td>
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<tr>
<td>Prepaid expenditures</td>
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<td>Investment – 1996 Business Trust</td>
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<tr>
<td>Other assets</td>
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<td>656,411</td>
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<tr>
<td><strong>Total assets</strong></td>
<td>29,849,209</td>
<td>24,181,116</td>
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<tr>
<td><strong>Liabilities and net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
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<tr>
<td>Accrued liabilities</td>
<td>334,659</td>
<td>1,591,150</td>
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<td>Grants payable</td>
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<td>5,408,000</td>
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<tr>
<td>Total liabilities</td>
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<td><strong>Net assets</strong></td>
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<tr>
<td>Unrestricted</td>
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<td>Temporarily restricted</td>
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<td><strong>Total net assets</strong></td>
<td>25,339,550</td>
<td>17,181,966</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>29,849,209</td>
<td>24,181,116</td>
</tr>
</tbody>
</table>

**Statement of activities and changes in net assets**

<table>
<thead>
<tr>
<th>SEPTEMBER 30</th>
<th>FY 2016 ($)</th>
<th>FY 2015 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues and other support</strong></td>
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<td></td>
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<tr>
<td>Contributions</td>
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<td>In-kind service revenue</td>
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<td>Interest income</td>
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<td>9,385</td>
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<td><strong>Total revenues and other support</strong></td>
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<td>12,563,711</td>
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<td><strong>Expenditures</strong></td>
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<td>Grants and program-related</td>
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<td>16,192,329</td>
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<td>General and administrative</td>
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<td>400,134</td>
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<td>Amortization expense</td>
<td>207,651</td>
<td>-</td>
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<tr>
<td><strong>Total expenditures</strong></td>
<td>9,978,929</td>
<td>16,592,463</td>
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<td><strong>Change in net assets</strong></td>
<td>8,157,584</td>
<td>(4,028,752)</td>
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<td><strong>Net assets, beginning of year</strong></td>
<td>17,181,966</td>
<td>21,210,718</td>
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<tr>
<td><strong>Net assets, end of year</strong></td>
<td>25,339,550</td>
<td>17,181,966</td>
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</tbody>
</table>

Foundation Board of Trustees
Shannon Schuyler, President
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Mike Dillon
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Contact us
us_foundation@pwc.com

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