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A letter to our stakeholders

Six years ago, we combined our PwC US and PwC Mexico firms to better serve our clients, deliver quality, provide new experiences for our people and prepare for the future. Since then we’ve worked together with greater speed and agility to provide more of what our clients are looking to us for: deep local knowledge in the areas where they do business, combined with the strength and resources of a global organization. We’re guided by our purpose, with quality as the foundation of our firm. This spirit of collaboration — combining strengths and diversity to offer inclusive and innovative solutions — permeates all that we do, including our Purpose and Inclusion efforts.

A firm with purpose depends on people with purpose. PwC Mexico is made up of more than 2,600 people of different genders, backgrounds, religions and beliefs. And across the US, Mexico and our US-owned Acceleration Centers, we’re one firm of 65,000 people united by our purpose and values.

As part of our global strategy, The New Equation, our people have come together as a passionate community of solvers — bringing the strength of our workforce, technology and capabilities to build trust and deliver sustained outcomes for our clients, our stakeholders and our communities.

We know that our ability to bring our strategy to life relies on our people. By attracting, retaining and advancing inclusive talent, we are putting our purpose into action and bringing our values to life. In this spotlight, we share how we are advancing against our DEI aspirations in Mexico. We recognize that our most critical work lies ahead of us as we continue to bring equity, trust and purpose into every aspect of our business.

Ana Paula Jiménez, Mexico Country Senior Partner
Tim Ryan, US Chair and Senior Partner, PwC US

“Fostering equity and cultural diversity is a top challenge that the entire society in Mexico is facing at the moment. PwC is playing a significant role in this regard by focusing on the diversity and inclusion policies and strategies in the workplace.”
—Ana Paula Jiménez, Mexico Country Senior Partner

For more in-depth data on our environmental, equity and sustainability strategy, including Mexico’s emissions and net reduction ambitions, please see PwC’s full FY22 Purpose and Inclusion Report: Earning Trust through Equity and Sustainability.
Building on a culture of belonging

Our diversity, equity and inclusion strategy

Through our business combination with the US, PwC Mexico is a passionate community of solvers unique in our market. Our diverse and expanded talent allows us to bring together deep experience and the right technologies across a broad range of regional and international capabilities to serve our clients, taking into consideration the local needs and nuances of the Mexican market.

Our culture of care and belonging also creates a great place to work for our people — with opportunities to learn, grow and collaborate. Together with our US colleagues, PwC Mexico is committed to advancing diversity, equity and inclusion (DEI) through an evidence-based strategy designed to achieve well-defined and meaningful goals.
Based on the current partnership and workforce composition in Mexico, our primary DEI focus is on increasing representation of women, people with disabilities and members of the LGBTQ+ community. We’re striving to have a broader representation of different backgrounds and more women in our partnership in Mexico — and we have much more we want to do. As much as we’ve learned from our progress, we know that in Mexico, as with our firm as a whole, we’re not yet where we want to be. So we will continue to be bold, intentional and unwavering in our commitment to transparency and accountability.

There is no finish line. We recognize our most critical work lies ahead of us as we continue to bring equity, trust and purpose into every aspect of our business.

Equitable opportunity to progress: Promotion rates for our people

Our commitment to equity includes all facets of our firm, including supporting equitable opportunities for promotion. In FY22, women earned 51% of the promotions in PwC Mexico. And while we can say we’ve achieved gender parity in promotions by the statistics, this is still not enough to achieve gender parity at every employee level.

Commitment to pay equity

Since FY20, we’ve reached pay equity in Mexico and we are committed to maintaining it. Even with the challenges of the previous years, we’re taking deliberate, consistent measures to confirm that we remain on track — and we’re proud of that because we know that it sets us apart from other employers.

Changes in ways of working accelerated by the pandemic have posed additional challenges, but our commitment is unwavering.
Increasing the diversity of our partnership and partner pipeline

We have 165 partners and principals in Mexico who are not only owners but also stakeholders who set the tone and shape the culture of our firm. Throughout FY22, we welcomed 10 direct and internal admit partners to the Mexico partnership, four of whom were women — increasing our female partner representation from 18% to 19%. Simply put, we’re not where we want to be in improving the diversity of our partner pipeline and are focused on actions we can take to increase our progress and pace of change.

Using data to guide our decisions and actions, we’re making a series of investments to drive targeted interventions and measures to support female and diverse talent at different stages of their careers, and to ultimately bring more diversity to our partner pipeline.

To expand our female representation in the Mexican partnership, we need to increase the number of female candidates in our Partner Candidate Leadership Development Experience (PCLDE) — a crucial aspect of the journey to partnership. With this in mind, in FY21, in collaboration with the US firm, we now participate in Enrich, a multi-dimensional leadership development experience that supports high-potential women. Enrich was designed to shift the makeup of our partnership through deliberate cultivation of our leadership pipeline by enhancing the skills of these executives to help them qualify for our PCLDE. The initiative concentrates on self-exploration and understanding common career setbacks. Group coaching provides candid feedback and honing of leadership skills and the program extends to a business development apprenticeship for directors.

We’re also increasing female participation in other programs to support equitable experiences and help high-potential women to progress in their careers. In FY23 we will be launching a two-year development experience for diverse talent who are new to the firm. This program has been intentionally designed to be a two-way learning — connecting people from different cultures and backgrounds and enabling them to learn with and from one another. Participants will practice and build upon their leadership skills through monthly meetings with their mentors, or Relationship Leaders, while strengthening meaningful relationships with Career Coaches and others to achieve their goals.

As we look ahead, we’ll continue to evaluate our partner pipeline strategy, the effectiveness of the changes we’ve already enacted and how we’re meeting the needs of the business and our clients. We’ll evaluate participant feedback alongside the data and make decisions around all of our programs in how well they drive not only a greater sense of belonging, but also greater outcomes toward our diversity, equity and inclusion aspirations.
Listening to our people

Listening to our people is core to the foundation of PwC’s culture of belonging. We encourage all of our people to share their experiences and insights because we learn from what they tell us and can take action to better support them. Our People Engagement Index (PEI) — an indicator derived from our Global People Survey (GPS) — offers a glimpse of how passionate our people are about their work and how committed they are to PwC. Our overall FY22 PEI score in Mexico is 89%, a one-point increase in comparison to FY21. In addition, the Diversity & Inclusion Index of the survey showed a 2% increase from the previous year related to how leaders actively build a diverse and inclusive work environment (from 81% to 83%).

We’re a passionate community of solvers — and solving important problems requires an innovative approach. We were honored to be recognized recently for fostering a culture of innovation grounded in diversity. The Great Culture to Innovate organization’s certification process evaluates companies based on employee surveys and independent analyses. Diversity, leadership, agility and digitization are all criteria in their data science methodology. This is the first year that we participated in this certification, and we’re the first of the Big Four professional services firms in Mexico to be recognized for incorporating diversity as a catalyst for innovation.
Reimagining our people experience through My+

In our latest Global People Survey, our people highlighted the need for better leadership development, connectivity and coaching at the engagement/project team level. Nearly three-quarters of our Mexico population said well-being was a priority for their teams, yet only 57% agreed that they're able to find a balance between work and personal life. These insights, along with more than 18 months of intense market and internal research, prompted us to institute My+, our bold new people experience rooted in personalization and choice.

At the core of My+ will be a new talent marketplace that acts as a coach, mentor and guide to all of our people as they shape the work experience that matters most to them. By focusing on personalization, the marketplace allows each individual to curate the way they work, while also allowing them to see how their selections will direct their future opportunities. Choices around where our people work, how much they work, the kind of work that they might want to take on next—the marketplace will help our people explore those next steps in conjunction with the teams that surround them.

The talent marketplace is centered around four key tenets:

1. Well-being is front and center and embedded in all that we do
2. Development is available to all and core to the experience. Learning paths will be made available to all, which create new opportunities and ultimately, allows for more choice in building a career
3. Total rewards are customized with a recognition that one size doesn’t fit all
4. PwC alumni will have opportunities to continue to access our learning and community as they move forward.

To begin bringing My+ to life in FY22, we launched the Inclusive Mindset badge, expanded our benefits, and renewed our commitment to give our people options to work virtually, hybrid or in-person.

In FY23 and beyond, we’ll be adding new programs and rolling out new tools and technologies through My+ to deliver on our commitments. Those include:

- Our Leaders in Action series is designed to help us collectively learn what leadership skills are most needed today. It features distinguished, inspiring, purpose-led and values-driven leaders talking about the human dimensions of leadership and coaching—courage, empathy, inclusion and resilience.
- My Learning, a simplified, personalized, tech-enabled learning tool helps our people understand what skills are in demand, how to start learning new topics and recommends learning content based on individual profiles.
- Team Health Index, Team Polling and My Feedback, which help our partners and our people gain more real-time feedback from their teams across key areas, such as inclusivity, teamwork and well-being.
- Promoting well-being, including introducing a tech-enabled tool that helps our people to book and protect their time off through PwC’s internal digital assistant.
Upskilling to build a more inclusive mindset across our firm

In FY22, we launched the Inclusive Mindset Badge to help all PwC professionals build and practice inclusive leadership skills to help better understand each others' lived experiences and consider the impact of inclusivity in decision making within our teams. This new training program is a holistic, self-paced, interactive learning experience that provides participants with insights to expand their mindset and adopt techniques that empower them to become more inclusive leaders. The content includes avatar-based interactive scenarios, personal reflection and team/group dialogue.

Evolving and enhancing our benefits and rewards strategy

We strive to offer our people industry-leading benefits so they can make personal decisions for themselves and their families at various stages of life. This is essential to making PwC a great place to work and attracting and retaining the talent we need to enhance how we serve our clients. This commitment includes providing benefits and programs throughout the year to reward our people’s contributions.

We began this year with a 5% base pay increase to our people in Mexico, specialists through directors. In June, we announced that our bonus pool would be fully funded.

Our holiday schedule reflects how we continue to evolve our strategy and respond to what matters to our people: flexibility, choice and well-being. In addition to the 14 days per year that we provide, we offered two additional days off in Mexico compared to last year, with shutdowns in September (aligned with Independence Day) and December. For all of our people, this means fully disconnecting from work to recharge and renew.

Another important part of our benefits strategy is our commitment to engaging, supporting and advancing our LGBTQ+ professionals and promoting an inclusive and accepting work environment. One way we’ve done this is to extend our benefits coverage to same-sex partners, including full domestic partner benefits coverage and programs that support a broad range of family needs, including adoption.

In FY23, we will continue to drive toward building a benefits and rewards platform that is focused on personalization and choice, aligning closely with our My+ journey.

Representation matters

Diversity across our workforce is critical to delivering on our short-term and long-term aspirations. Representation supports equity and encourages us to learn about those who we may not understand or who are different from us.

We’ve made progress working flexibly and offering improved benefits for our people. These efforts and many other programs have allowed us to attract and retain women and diverse talent within our workforce. However, we’re not where we want to be. In FY22 we had 1.18% fewer females in our total workforce than the previous fiscal year.
In addition to the leadership development and inclusivity programs mentioned above, we’re helping drive representation through our Inclusion Networks. Inclusion Networks differ from traditional employee resource groups in several ways, including an emphasis on intersectionality. We encourage our people to join more than one network, and the different networks frequently collaborate on events and communications. For example, Abilities and Allies is our fastest growing Inclusion Network in Mexico, growing from 69 to 138 members in FY22. The network provides a forum for discussion and produces educational webcasts and podcasts that focus on sustaining a culture of belonging for individuals with disabilities, for caregivers and for those experiencing life events.

We can be higher performing and more effective when we feel comfortable expressing our authentic selves at work. One of the ways we’re fostering that trust is through our people’s voluntary and confidential submission of self-identification data. By collecting this data, we gain a more dynamic understanding of our workforce composition across many forms of diversity and lived experiences. This data also guides our overall strategy around potential benefits, programs and investments.

In FY22, we launched My Story, Your Story in Mexico, our new self-identification mechanism empowered by our technology. Through this digital platform — which has been enhanced to better fit our Mexican culture — our people can explore and express aspects of their identity, what makes them unique and how the layers of who they are intersect at work. This has helped us to provide a psychologically safe space for our people to share much more than name and title — inspiring us to make deeper connections, grow relationships and communities and be better allies.

“My purpose is to help and lead by example; to ensure that my team and my clients can improve and continue to grow.

Having the opportunity to talk about my diversity dimensions has been a very valuable exercise in my process of self-knowledge, mainly to realize what is important to me regarding my purpose. I also believe that giving myself the opportunity to be transparent and show myself as I am can inspire others to do the same. In this way, we all contribute to the creation of an environment of trust and security in the firm.”

Claudia Zarco
Consulting Solutions Workforce Transformation Director
Claudia is part of our D&I Employee Council and participates actively in several Inclusion Networks.
Investing in societal equity

At PwC, we believe we have an obligation to lead, invest and make opportunities available that drive progress in the communities where we live and work. This is guided by our purpose to build trust in society and solve important problems. We are actively and urgently helping to address societal inequities through our efforts to support a more equitable future for a diverse workforce, to build stronger communities and to create a broader economic base that benefits everyone.

Engaging and enabling our community of solvers to make an impact and find solutions to societal inequities

Together, we are a community of solvers — not just for our clients, but for our firm and society. And working together as problem solvers, we can accomplish meaningful change.

Access to educational opportunities, careers and economic advancement shouldn’t be a privilege, restricted to a few. It should be a right for everyone in our society. In FY22, our volunteers helped prepare students to enter the
workforce by providing 853 hours of mentoring to high school and university students. These sessions focused on developing technical, financial and professional skills for inclusive leaders. Combined with a series of short videos focused on emerging technologies, throughout the year we reached 8,324 people.

Through our skills-based volunteering program **Skills for Society**, our people use their professional skills to tackle societal inequities through virtual problem-solving workshops and pro bono projects. In FY22, our people offered more than 2,290 hours of their time delivering more than $324,000 USD worth of pro bono services. And even though we feel proud of the impact we are creating in our communities, this represents a 20% decrease in service hours from the previous fiscal year. Taking advantage of past experiences, relationships and knowledge, in FY23, we plan to increase the number of opportunities and projects in which our people can get involved. By providing more choices, we hope to help a variety of causes while addressing the societal problems most important to our workforce.

Supporting global humanitarian relief

Since the Russian invasion of Ukraine in February 2022, we’ve taken many measures — together with the US firm and PwC global network — to demonstrate our support for Ukraine and to try to mitigate suffering. We aligned with the response team from the US to help our colleagues, their families and friends, and our clients affected by the war. We also made direct financial contributions to Ukraine relief efforts and established a firm match for our people’s contributions. Our Mexico firm also contributed to humanitarian organizations focused on aiding children and families with shelter, food, medical supplies and more.

Advancing trust in the marketplace

In June 2021, we launched **Tomorrow Takes Trust**, a landmark commitment to embed trust-based principles into the core of today’s and tomorrow’s businesses. This includes the **PwC Trust Leadership Institute (TLI)**, an immersive learning experience convening a diverse community of executives who explore our evolving world, navigate complexities and embrace new opportunities. More than a dozen Mexico C-suite executives participated in our first session of TLI in March 2022.
Environmental equity and sustainability

Our commitments to sustainability and our clients’ environmental, social and governance (ESG) initiatives correlate to PwC’s purpose to build trust in society and solve important problems. No group is immune to the effects of climate change, and these efforts offer the opportunity to build trust across businesses, organizations, governments and communities. Because climate change disproportionately impacts underrepresented groups, we view our climate actions through the lens of equitable opportunity, further solidifying the need for progress to act on purpose. We aim to achieve our goals by implementing a six-pronged framework that’s collaborative with our client and community stakeholders, and rooted in science and tangible targets.

Our environmental strategy extends across our business operations and stakeholders. We’re enabling our people to leverage their time and talent to effect change through daily habits or by supporting nonprofits. We’re rethinking the way we use our offices, empowering our people to choose when and how
they commute and use our office spaces. Simultaneously, we are reducing our offices’ environmental footprint by making our existing spaces more sustainable. We’re also using our position in the business community to advocate for more transparent ESG disclosures while we support our clients in producing them. And in FY22 we trained 90% of our Mexico workforce in ESG topics, covering close to 10,000 training hours — helping us prepare our people to deliver climate-related services to clients.

Our plan to achieve net zero

To cut our greenhouse gas (GHG) emissions to net zero by 2030, we’ve set goals that are confirmed by the Science Based Targets initiative (SBTi). Emissions’ are categorized three ways.

- Scope 1: emissions we control (furnaces, boilers and generators)
- Scope 2: indirect emissions (heat or electricity purchases)
- Scope 3: emissions resulting from our value chain (activities from assets not owned or controlled by PwC, including business travel)

We’re working to reduce emissions from our offices (scope 1 and 2) and business travel (scope 3) by 50% by 2030, relative to our FY19 numbers. This will help us reduce our emissions even as we grow our business.

To guide us, we use the framework mentioned earlier coupled with measurable, actionable objectives:

1. **Measure and disclose impact.** In FY22, we extended our reporting to include new business travel emissions (such as hotels, rental cars, reimbursed mileage, trains, and taxis).

2. **Cut direct (office) emissions in half.** To lower our offices’ carbon footprint, we are matching electricity consumption by purchasing renewable energy certificates (RECs). By permanently embracing hybrid and virtual work, we’re able to consolidate our offices and use our space more effectively as collaborative hubs for employees to connect with their clients and teams.

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3. **Continue to use 100% renewable energy.** Our operations in Mexico have sourced 100% renewable electricity since FY18. Hybrid and virtual work arrangements do not absolve us from the responsibility to capture quantifiable data. We’re developing a methodology to estimate our employees’ work-from-home energy consumption and will identify tangible ways to mitigate the future community impact.

4. **Cut travel emissions in half.** The effects of the pandemic limited our ability to be in person and reduced our business travel to near zero — but by June 2022, we had exceeded 30% of monthly pre-pandemic levels. As our business keeps growing and travel restrictions return to normal, we plan to take extra steps to confirm we still cut our business travel emissions in half by FY30 compared to FY19.

5. **Work with suppliers to cut their emissions.** It’s important that our supplier network is as sustainable as it is diverse. This year we’re implementing a process to engage our most significant suppliers to set science-based GHG targets. We aim to have at least 50% of the PwC global network’s suppliers (by share of emissions) set science-based GHG targets by 2025.

6. **Shift from carbon offsetting to carbon removal.** Since FY18, we’ve been purchasing carbon credits, offsetting our emissions by funding projects that reduce and remove GHGs. While carbon credit offsetting is a reasonable and important step, we believe we must remove GHG emissions to have an impact. To achieve that, we plan to shift our carbon credit purchases to 100% carbon removal projects by FY30.

*All data related to carbon emissions in PwC US and Mexico and our Acceleration Centers is available in our [US Purpose and Inclusion Report](#).*
Governance that builds trust

In Mexico, we are aligned to the US governance structure outlined in our main Purpose and Inclusion Report. That structure has guided our firm’s main activities in Mexico since PwC’s US-Mexico business combination in 2016.

Ana Paula Jiménez, our Country Senior Partner, is a member of the firm’s US Leadership Team, working collaboratively with our US partners to drive our business strategy and enable our firm’s success. This team represents a variety of skills, perspectives and experiences for the benefit of our firm, our people, our clients and our stakeholders.

Our Mexico Market Council is responsible for overseeing the overall strategic direction of PwC in Mexico. This group of leaders oversees long-range strategies and business plans and approves major transactions or other matters that could significantly affect our business.
Doing business the right way, conducting business with integrity, maintaining independence, safeguarding the information entrusted to us, preserving necessary records and competing and winning fairly in the marketplace are key components of our ethics policies, training and awareness activities.

We are aligned to the PwC global network requirements, which state that each PwC global network member firm is responsible for monitoring its own system of quality management. This includes an ongoing assessment aimed at evaluating whether the policies and procedures that constitute the member firm’s system of quality management are designed appropriately and operate effectively to provide reasonable assurance that its engagements are performed in compliance with applicable laws, regulations, and professional standards.

PwC is committed to advancing diversity, equity and inclusion through an evidence-based strategy designed to achieve well-defined and meaningful goals. Guided by our purpose to build trust in society and solve important problems, our community of solvers know we have an obligation to lead, invest and create opportunities to drive progress — within our firm, in the communities where we live and work, and in society.

We’re making progress, but we’re not where we’d like to be. So we’ll keep working with urgency, honesty and humility. Working together, we can live our purpose and accomplish meaningful change.