

Building on a culture of belonging

2020 PwC Diversity & Inclusion Transparency Report





About the art work

We chose the origami crane as our metaphor for diversity and inclusion as each crane is unique, and each individual is better together as part of the flock. In Japanese mythology, taking the time to fold 1,000 paper cranes will grant a wish. At PwC, we wish for true equity for all, both inside and outside of our firm, and we’re investing the time and attention to get there.

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Letter to our stakeholders

The people of PwC inspire us to take on issues where we can make a difference. That includes doing our best to stand for inclusion and opportunities for all. We're proud of the progress we've made and we're committed to go further and faster and help others on their journey.

As a purpose-led and values-driven organization, we're using the talent and resources of PwC to be a voice for change—and we know that to be a leader, we must continue to do better ourselves. We also know that we must be bolder and even more intentional in taking action on these issues that matter to our people, affect our communities and permeate the business community.

If we are to live up to our **purpose to build trust in society and solve important problems**, we must work to support equity of opportunity at all levels. Not only is our Diversity & Inclusion (D&I) work an extension of our values, there is ample evidence that shows a diverse workforce and deliberate inclusion efforts drive better outcomes, which elevates business growth and the broader economic development of our society that benefits everyone.

As part of our commitment to transparency and accountability, we are releasing our first annual **Diversity & Inclusion Transparency Report**. We know our data tells an important piece of our diversity story, and is paired with our strategy and the work we are doing to make sure all of our people have a strong sense of belonging and trust. This presents an opportunity for influential and lasting change, far greater than ever before, and will drive visibility to the next steps on our journey.

By publishing this report, we are sharing our story and holding ourselves accountable for transformative progress by sharing what has worked well and acknowledging what hasn't.

We hope to inspire others to do so when it is right for them in their journey—so that together we can accelerate progress towards equity for all.



Tim Ryan
US Chairman and Senior Partner



Shannon Schuyler
Chief Purpose & Inclusion Officer



Michael Fenlon
Chief People Officer

Our journey

For more than two decades, our efforts have led to a firm that embraces D&I as an essential aspect of our purpose, culture and values: care, make a difference, act with integrity, work together and reimagine the possible. Building on a culture of belonging and trust has not been the result of a single program nor driven by one leadership team—it has been and continues to be the product of dedicated leaders, big and small decisions, incremental changes, learning from what didn't work, moments of bravery and most of all, unwavering long-term commitment to make meaningful progress for our people.

In the past, we focused on segmented programming —“Vanguard,” a leadership development initiative for Black new hires; “**Outsmarting Human Minds**,” an unconscious bias program funded by grants from PwC and Harvard University's Faculty of Arts and Sciences; and “**Breakthrough Leadership**” —a program to promote career progression for women, the importance of blindspots and inclusion. Throughout the years, our programs have been recognized externally.

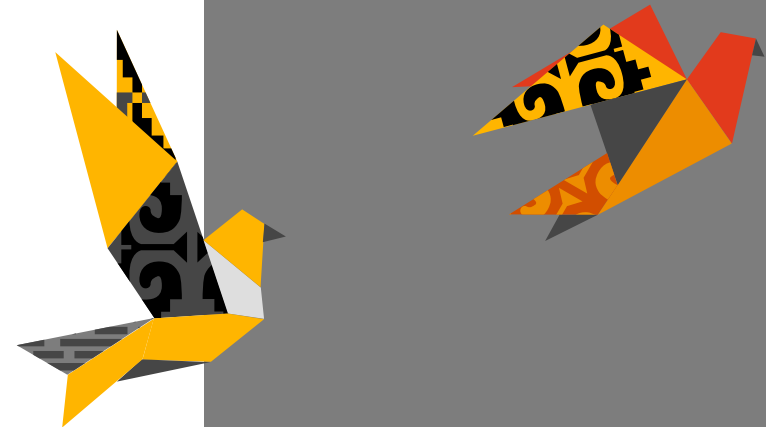
These programs served as the foundation for shifting our culture, enabling us to integrate D&I further into our business through actions like making blindspots training required during onboarding for all new joiners, as well as for promotions, and encouraging candid conversations at every level. In May 2020, we had a 99% completion rate with more than 7,000 promotion candidates completing the unconscious bias training.



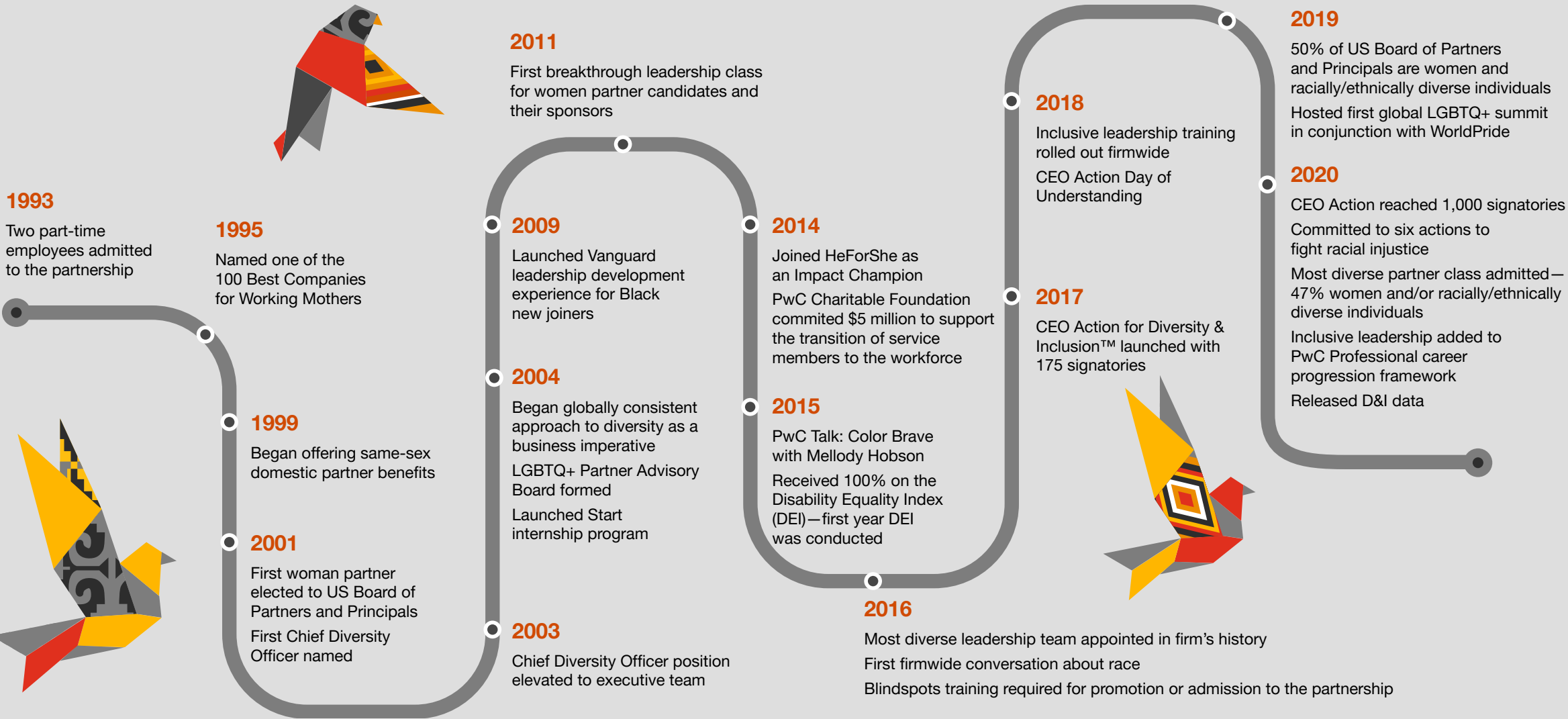
“My journey has been powered by two important factors. First being, my resilience, relationship building, and technical abilities; and secondly, the support of

others who believed in and advocated for me consistently. To my surprise, throughout the years, my career support and advocacy often came from mentors who were white males.”

Noel Abdur-Rahim
Assurance Partner



Defining milestones of our journey



As we've grown, each step we've taken has empowered us to be bolder in our approach and make diversity a collaborative issue, rather than a competitive one. This confident, values-based and purpose-led approach helped us with the signing of the [Marriage Equality Amicus Brief](#) and when we co-founded [CEO Action for Diversity & Inclusion™](#), the largest CEO-driven business commitment to advance D&I within the workplace with over 1,200 organizations today. Increasingly, we have used our voice to stand up for what's right and drive change.

Yet, the violence and acts of racial injustice against Black individuals earlier this year, along with longstanding disparities in economic opportunity, wealth, education, health, criminal justice and other aspects of our society, were a clear indication that we must do more, both inside and outside of our firm. In response, [we issued a statement outlining six additional actions](#) we would take in light of these disparities and inequities.

One of the six actions was to share our D&I strategy and results with our people, annually. The decision was something that we had long planned to do, but was accelerated because of current events. It reinforces our aspiration to be a D&I leader—internally through leading practices and transparency, and as a changemaker in the marketplace.

Upon reflection, we have laid important groundwork and made progress, but our most critical work lies ahead. We are listening and gleaning advice from our people and learning from other business leaders.



Our strategy

We are at a pivotal juncture in our own D&I journey that requires continued bold action and a steadfast commitment. While we have made progress, we are not yet where we aspire to be, and we will continue to support equity and parity of experience for all of our people.

We approach our diversity and inclusion strategy the same way we approach any business problem and opportunity—we analyze the data; identify root causes; define our approach and apply our values; test and measure the rate of change; and hold ourselves accountable. Our analysis is clear: we know where we want to go, and we are determined to achieve accelerated progress.

With a culture of belonging at the core, our strategy for sustainable change within the firm is rooted in supporting our peoples' career journey at the onset, from recruiting talent in new ways, evolving our people's experience in the first two years, helping them develop inclusive leadership skills and shifting the makeup of our partnership. We also focus on being a changemaker within the business community and in society.

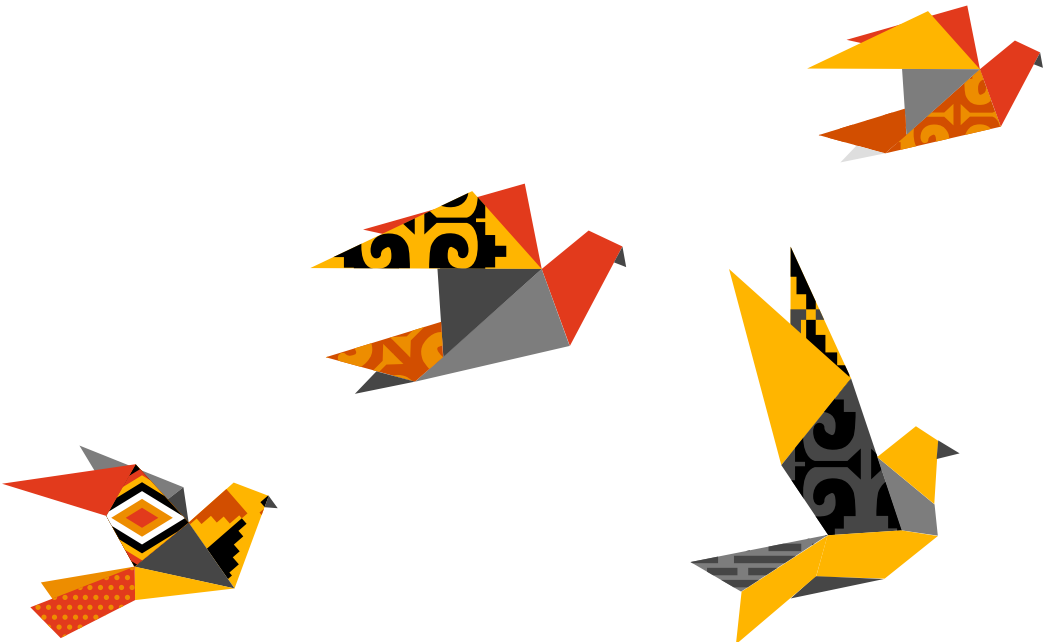


“Our D&I journey is one of the most difficult challenges for an organization to take on, but like most things that are important, it is simply the right thing to do.”

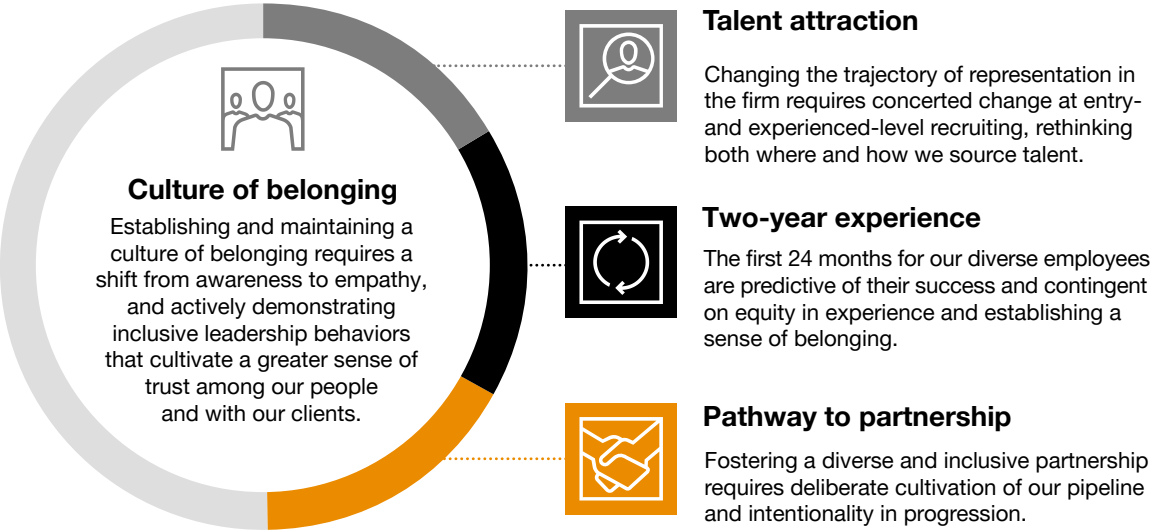
Tim Ryan
US Chair and Senior Partner

► [Building on a culture of belonging:
Releasing our first D&I Transparency Report](#)

We are evolving from a series of programs to intentional and targeted interventions along our peoples’ career journey to enhance the diversity of our firm. Our approach will require additional operational changes that shift our progress in a sustainable and scalable manner so we can continue to focus on every person growing to their full capacity.



Our strategy, driven by a continued commitment from leadership, is summarized here:



Our role to influence

We have a responsibility to help drive change outside our firm, including through who we do business with, how we use our voice externally and the ways we make an impact in society.

While our strategy is inclusive of all diverse groups, of all ages, our data in this report only represents gender and racially/ethnically diverse employees in the US. We have not had a robust self-identification campaign in the recent past, so the figures for veterans, LGBTQ+, and individuals with disabilities are likely not fully representative of our employee workforce.

In order to help everyone reach their full potential, leadership will continue to drive inclusion forward as part of our broader firm strategy, and we will more actively engage our people who represent the white majority—as they play a key role in helping develop a sense of belonging for all, raising self-awareness and inspiring action and allyship. We believe that our commitment to D&I makes us more relevant, more competitive and more successful. And that it enables more people at the table—we are anchored in the notion of abundance.

Our Diversity & Inclusion imperative is that our systems, programs and processes are designed to support **all** of our people so that every person has the same opportunities to grow to their full capacity.



“I chose to work at PwC four years ago because of the way the firm prioritizes diversity and inclusion. I’m no longer afraid to show others who I am. I am bringing my

whole self—all of my diverse experiences and background—with me on every project or assignment. Not only am I more personally comfortable, but I am a better professional with this mindset. My hope is always that others who have gone through a similar experience can be allowed to reflect their whole self in the same way.”

Chanitra Bell
Senior Associate, Advisory

► [How PwC Is Championing LGBTQ+ Employees Through Their Inclusive Culture And Benefits](#)

Our data and aspirations

Our ambition is to provide our people rewarding professional experiences that enhance their careers. We need all of our people—especially more racially/ethnically diverse individuals and women—to advance through the firm to achieve our imperative and help drive innovation and better outcomes for our people, clients and society.

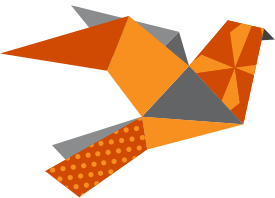
That’s why we believe it’s important to be transparent and disclose these 14 data points that are relevant to our business, rather than limiting our data to only show representation of our total workforce and leadership. At PwC, workforce implies employees and does not include our partners or principals. These data points will hold us accountable for accelerating progress against our D&I strategy, our aspirations and during key moments of our peoples’ career journeys.

This level of transparency is rare, especially for a private firm, but it is an important part of sharing our journey to date and vision for the future, while showing leadership among our profession and within the business community. Together, we will create strong, knowledgeable allies who will actively drive change at scale.

14

Data points we are sharing

	US Leadership Team	Suppliers
	Interns	LGBTQ+ ¹
US employee workforce ¹	Start interns (early employee identification program)	Veterans ¹
New joiners ¹	Promotions	People with disabilities ¹
Partners and Principals ¹	New partners	
US Board of Partners and Principals	Global Engagement Partners of Fortune 500 accounts	



Building a diverse workplace and nurturing an inclusive culture takes years. Our data helps inform where we should take action. To sustain progress, we must continuously examine how we are doing by employee level and at key moments in the career trajectory of all facets of our people’s experience—from talent attraction, evolving our people’s experience in the first two years and shifting the makeup of our partnership.

Our culture of belonging

Establishing and maintaining a culture of belonging requires a shift from awareness to empathy and actively demonstrating the behaviors of inclusive leadership that cultivates a greater sense of trust among our people and with our clients.

Media highlight

► [Asian Pacific American Heritage Month Brings Reflection & Celebration](#)

We strive to make sure all feel welcome. To further that, we are taking a fresh look at our Inclusion Networks that currently have ~14,000 people. We aim to define a national strategy that elevates the networks, drives consistency, focuses on allyship and celebrates the whole person. Our desire is for these Inclusion Networks to connect more groups of people so they can support one another and to involve the groups in advising our leadership team on the needs of diverse employees.

Our people are expected to model inclusive leadership, and we encourage a sense of belonging to personalize their leadership development experience.





In July 2020, we added a new dimension to our global professional development framework, **The PwC Professional**, focused on inclusive leadership and embracing diverse perspectives. This framework outlines actions at each level of the career journey. Progress against these five dimensions drives future development and career progression within the firm.

Media highlight

- [Social and economic inequalities are at the forefront \(again\) as the school year starts](#)

Our people are a priority and we're constantly evolving our benefits in order to better meet their unique needs—and most recently we've seen a disproportionate need from working parents and caregivers, especially women. We know there isn't an easy or "one size fits all" solution today, but our desire is to help support each person so that they can manage professional and personal commitments in the way

that works best for them and their families. This is an approach that we take to all of our benefits—from parental leave and student loan paydown to digital upskilling and our culture of year-round flexibility.

In an organization of our size, there will be instances where someone has a concern that we are not living up to our values. We are actively cultivating a culture where people are encouraged to speak up and report any such concerns. If this happens, we have a robust Ethics & Business Conduct team that will investigate all matters. We are pleased the data shows that our people trust the process, only 15% of our employees report anonymous concerns, which is above industry benchmarks. We look into all allegations of misconduct and if they are verified, we are committed to taking immediate action to address it.

My story, Your story

- We developed and are launching an internal platform through our Inclusion Networks called "My story, Your story" where PwC partners and employees can tell their bigger, collective story. Through this platform, we're encouraging our people to share the intersectional traits that make each person unique as well as their network and their sense of belonging and inclusion at the firm.

Our path forward

Culture of belonging

In order to continue to strengthen our culture, we are investing in:

1

Launching a dynamic self-identification campaign to underscore the importance of all aspects of a person's identity to create unique connections and experiences

2

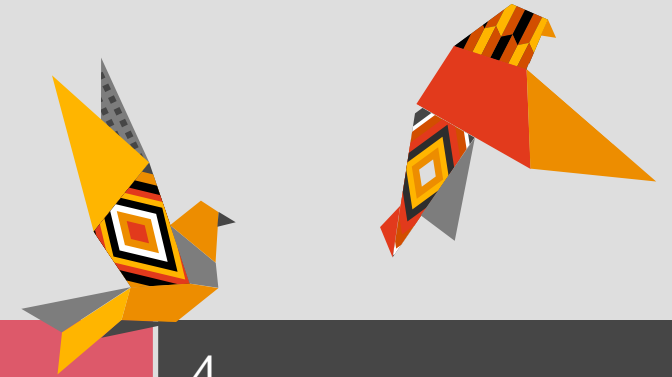
Customizing learning experiences to help the majority be thoughtful about how their decisions impact others and to drive more candid conversations

3

Launching an Inclusive Leadership digital badge credential around empathy, emotional intelligence and allyship

4

Rolling out inclusion virtual reality training, putting the learner in real-life scenarios to help identify and confront blindspots and biases

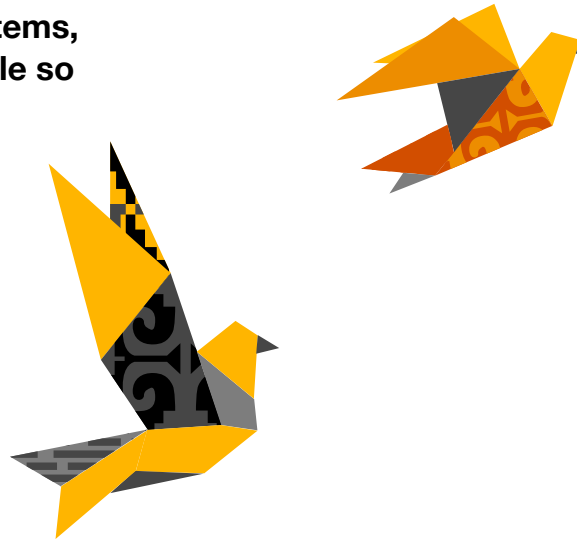


Our representation

Representation of gender, race, ethnicity or any number of dimensions of one's experience and identity is critical to support and celebrate. There are areas we are making progress, and others where progress is limited. But, the numbers only paint part of the picture. They are a lagging indicator of our efforts to drive equity and inclusion.

While we would expect more of ourselves related to our progress, we believe our many investments, including in our culture, annual commitments and disclosure of this information, will yield results.

So we hold ourselves accountable to: **design our systems, programs and processes to support all of our people so that every person has the same opportunities to grow to their full potential.**



“Throughout my 19-year career at the firm, I have always felt that creating an inclusive workplace has been in the DNA of our firm, and I am incredibly proud of

how intentional we are about having a strategy focused on creating opportunities for our diverse professionals.”

Elizabeth Diep
Assurance Partner



Diversity comes in many forms and we want to make sure we support people whatever their experience—our LGBTQ+ community, veterans and those with disabilities and religious differences.

	FY18	FY19	FY20
Total partners and employees	43,713	43,423	45,078
Veterans	1.2%	1.3%	1.5%
Disability/Accommodation	1.6%	2.6%	2.6%
LGBTQ+	2.0%	2.0%	2.2%
Straight or Heterosexual	48.1%	52.8%	56.0%
Prefer not to share	2.1%	2.3%	2.4%

2

The story is more complex than the numbers show. Much of the challenge with this data is that it requires our team members to self identify. We have not had a robust self-identification campaign in the recent past, so the figures for veterans, LGBTQ+, and individuals with disabilities are likely not fully representative of our employee workforce.



There are many factors that affect why people do, or do not, disclose their full identity and we want to respect their decisions to disclose only what they want to. We will continue to have candid dialogues with our people to build trust, focus on intersectionality and offer expanded gender and race/ethnicity categories that capture the full spectrum of how our people want to identify.

We will work hard to make sure that choice is not affected by the concern a fear of bias or lack of trust on how the data may be used.

Leadership

We have one of the most diverse **US Leadership Teams** in Corporate America. In FY20, 50% of our US Leadership Team was comprised of women and/or racially/ethnically diverse individuals. This is a relatively small group, 20 individuals, so the movement of one person results in a large percentage shift. That said, we are pleased with the diversity of our leadership team, and the leaders of our three main business areas.



Mohamed Kande
Vice Chair
Advisory Leader

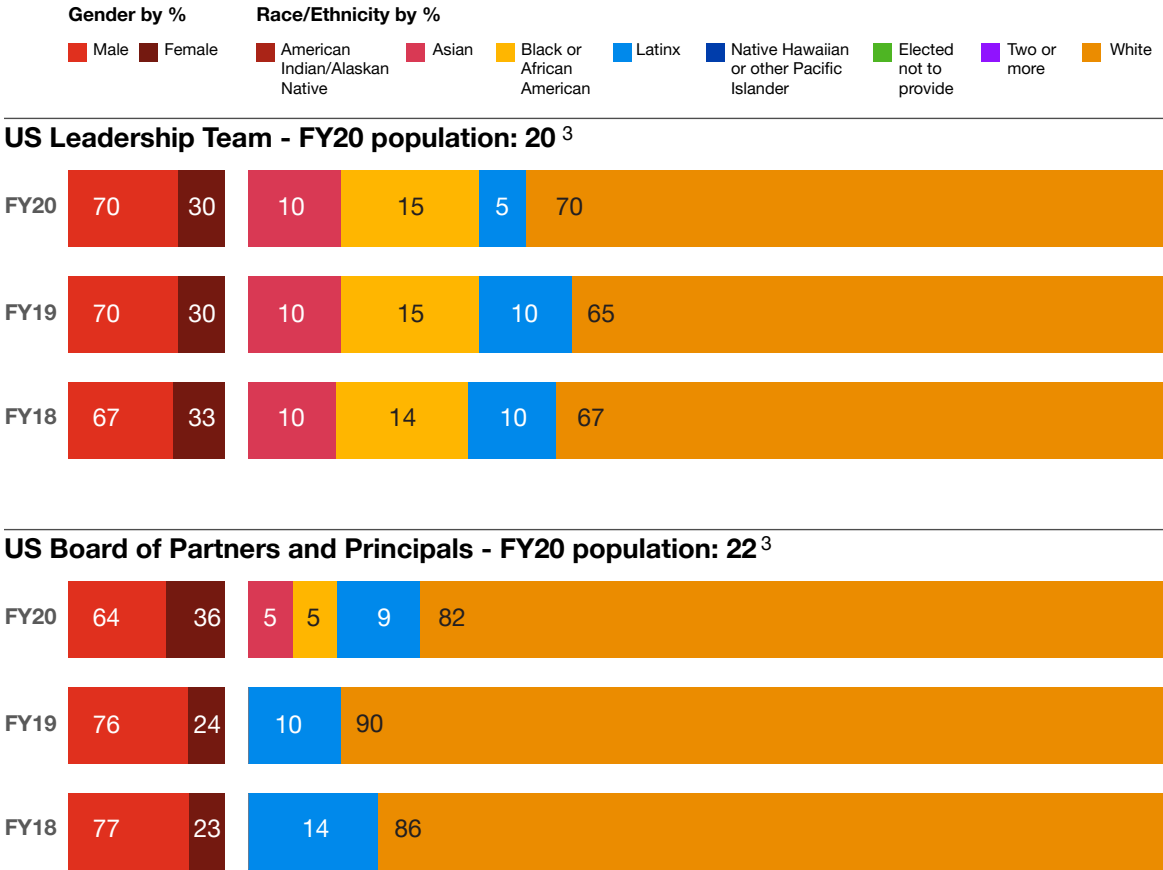


Wes Bricker
Vice Chair
Assurance Leader



Kathryn Kaminsky
Vice Chair
Tax Leader

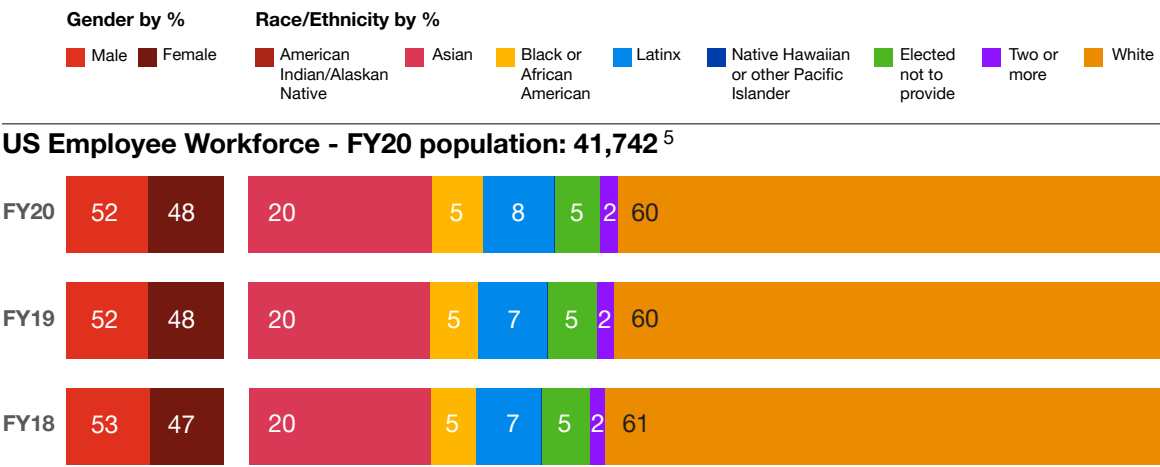
Meanwhile, our Markets & Sectors Leadership team is made up of 44% women and/or racially/ethnically diverse partners. And our US Board of Partners, a critically important group for the firm has become more diverse in the last three years, with female representation increasing by 13 percentage points, from 23% FY18 to 36% FY20.



US employee workforce

As we look at our **US employee workforce**, which excludes partners, principals and non-US employees, we have work to do. Female representation remains just below 50%, while representation within our racially/ethnically diverse groups has held steady year over year. It is worth noting that we receive a higher number of applicants from Asian⁴ candidates than any other racially/ethnically diverse group, thus as such have higher Asian representation numbers.

The effort we’ve made for talent attraction has helped us slightly improve our diversity, but we need to continue this work and increase efforts to retain employees through promotions in order to achieve greater diversity across all levels of our firm.



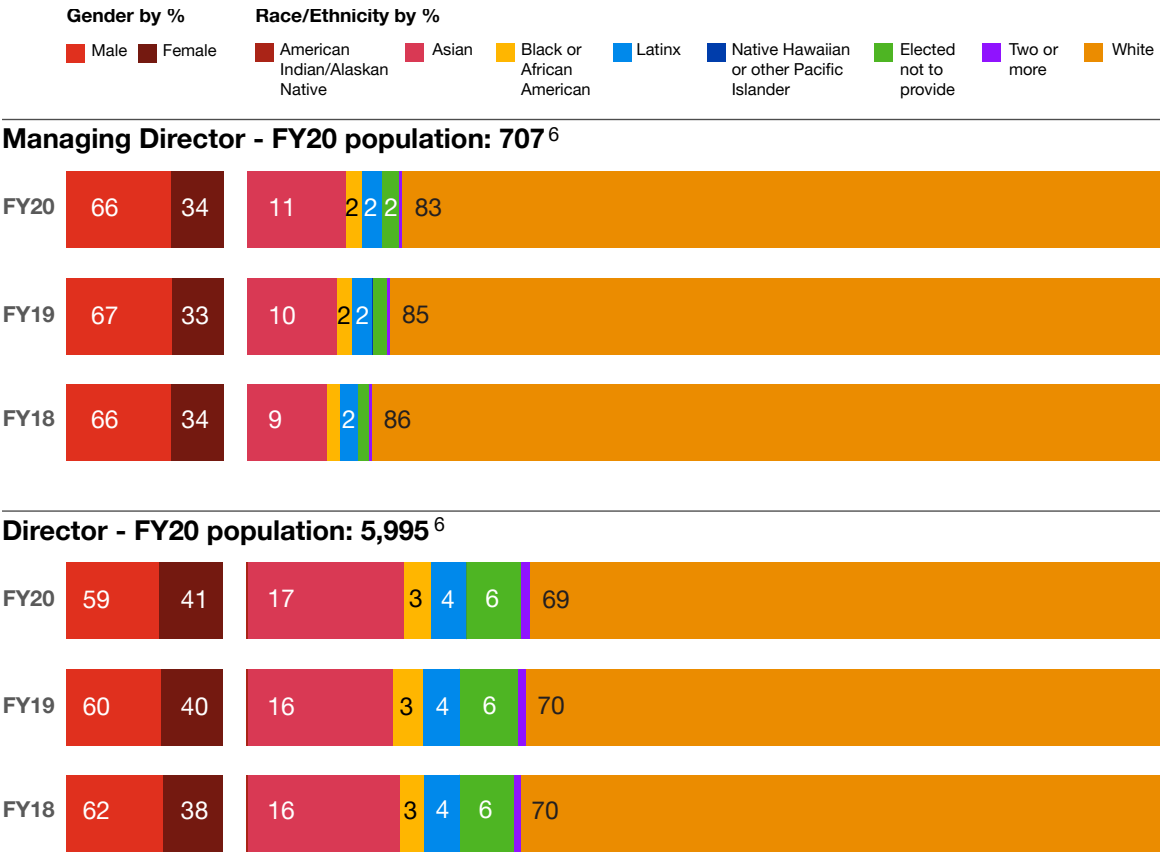
“I never had a doubt how my PwC colleagues would respond to me living authentically as a gay man. Because for eight years I watched the firm live out its

message of inclusion across all forms of diversity—both at the leadership level and in the culture on the ground. I didn’t have to endure, like many still do, eight years of silence from leadership on issues that mattered to me, or homophobic conversations in the hallway. Instead I saw differences embraced and celebrated.”

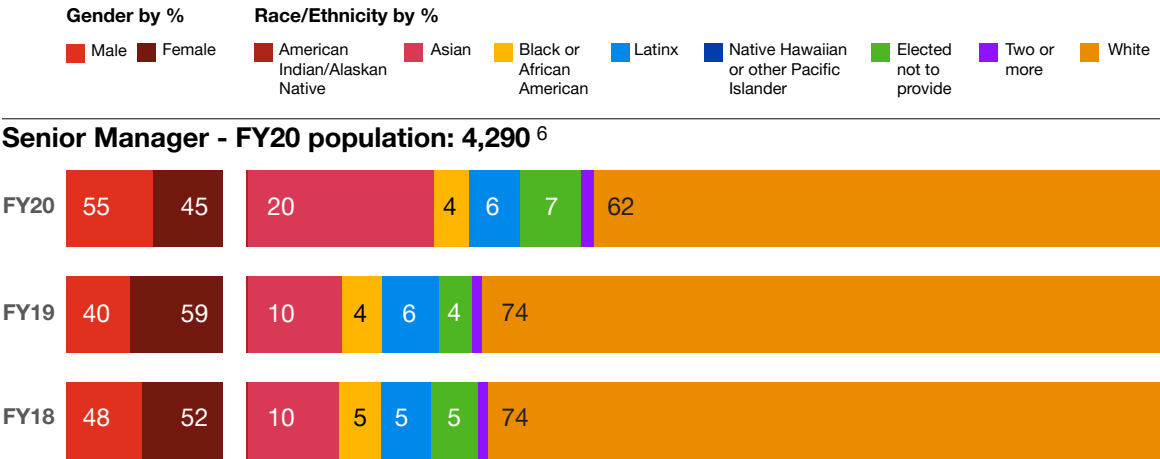
Tristan Summers
Assurance Director

► Want an inclusive workplace?
Be human.

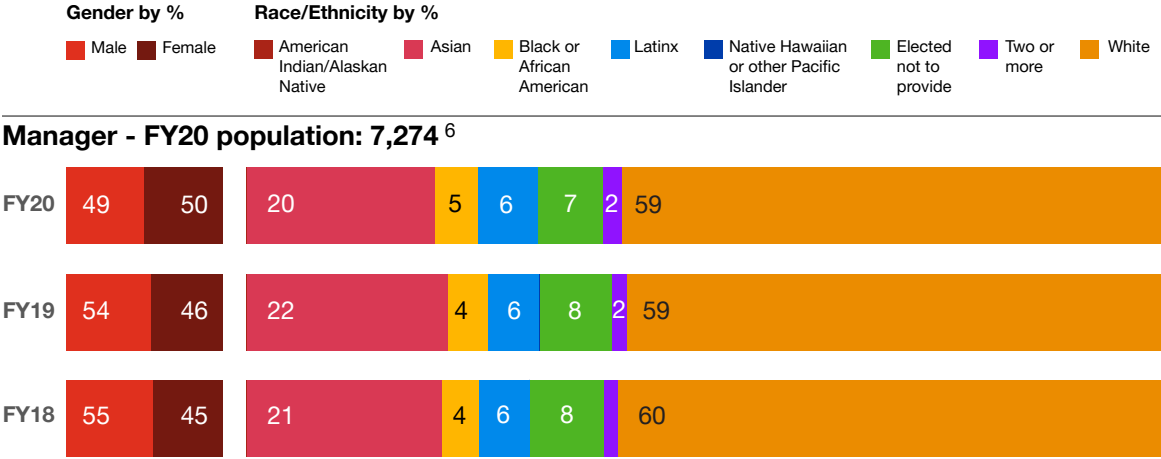
At the **managing director and director** level, there is work to do to enhance the representation of women and racially/ethnically diverse professionals. As individuals at this level tend to be influential leaders, it’s critically important to improve the diversity of representation.



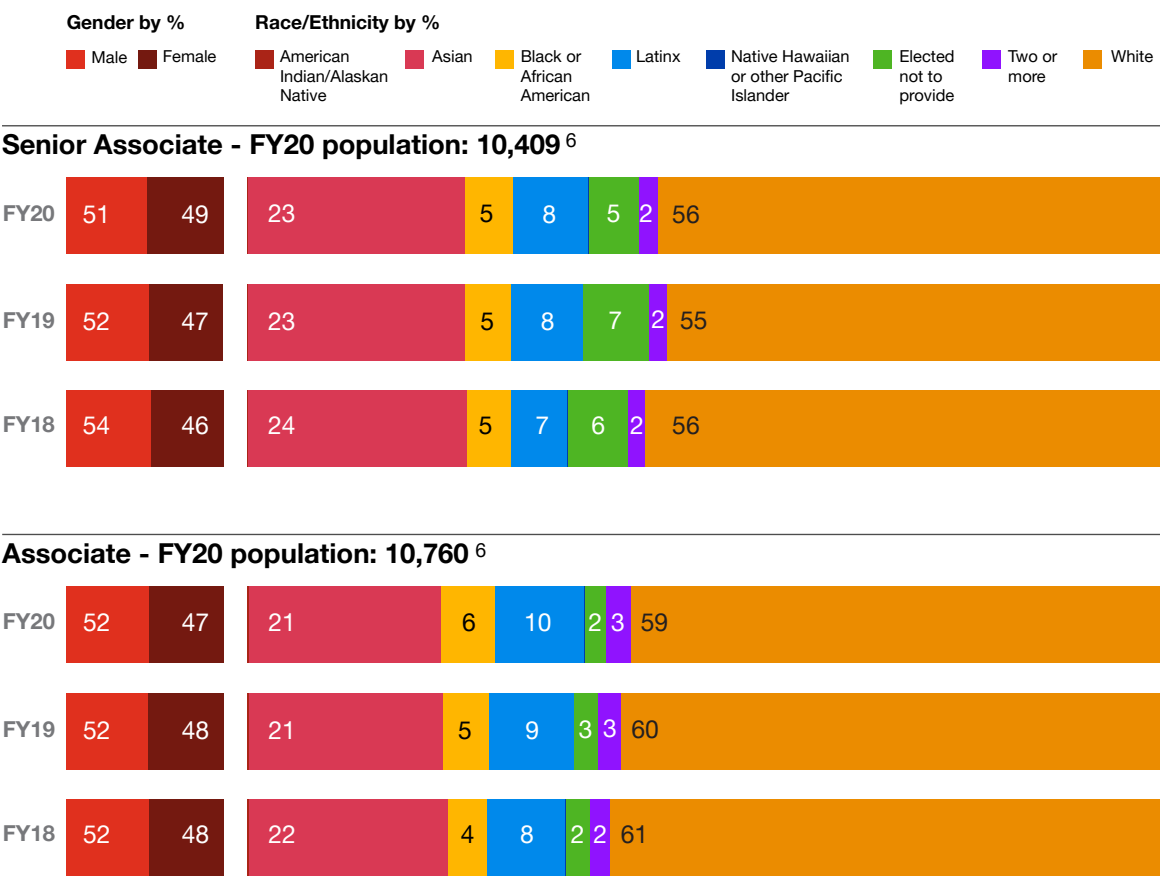
At the **senior manager** level, we’ve seen an increase in representation by Asian individuals, while female representation has decreased between FY19 and FY20. As a part of an effort to drive greater consistency and alignment across our business, we simplified our talent levels. The result was effective July 1, 2019, experienced senior managers releveled to director and eligible managers promoted to senior manager. These changes caused some fluctuations in the data, making year-to-year comparisons less precise.



Among **managers**, we’re moving in the right direction on gender representation, as 50% of managers were female in FY20. However our racially/ethnically diverse representation held fairly steady.



Among **senior associates** and **associates**, we’re at just under 50% female representation, and we have made progress with regard to racially/ethnically diverse groups. Increasing diversity at these levels continues to be an area of focus.

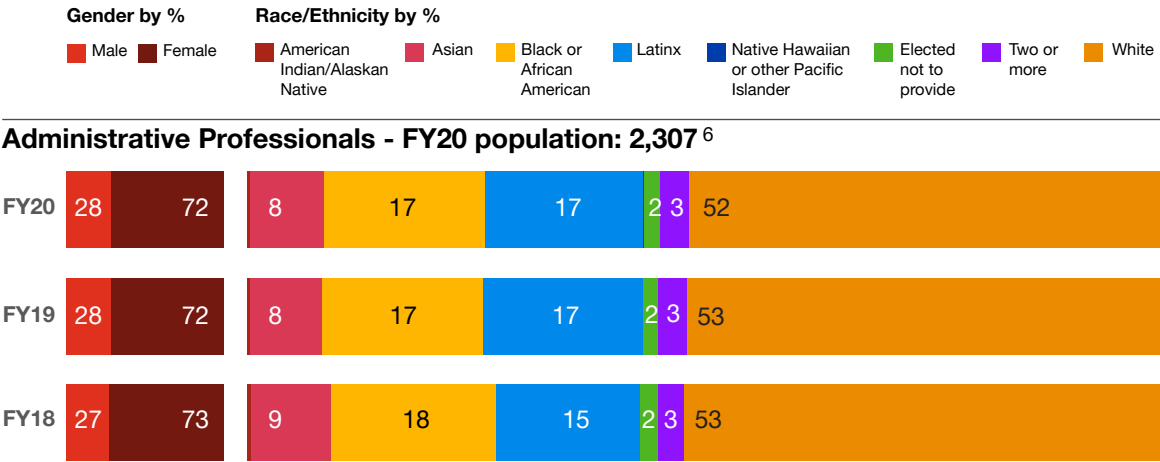


“From the moment I got my offer, I felt like PwC was the place I wanted to be—it was the first time I felt like being a Black woman didn’t hold me back at all. My differences

were welcomed, acknowledged and appreciated. On top of that, PwC's Access Your Potential™ program was another main reason why I chose the firm. It allows me to work in schools with students so I get to fulfill that important personal purpose of mine to give back.”

Kirsten Kelly
Senior Associate, Assurance

Among **administrative professionals**, we see the opposite of what we see at other levels. This group is predominantly composed of women, Black and Latinx individuals. Our intention is to have representation across all levels.



While there is work we need to do at each level, the greatest movement we need to see is at the managing director level for both women and racially/ethnically diverse employees. As well as at the director and senior manager levels for racially/ethnically diverse teammates.

As we look through the data broken down by level, it shows that we are hiring women and racially/ethnically diverse candidates, but we are not retaining them at certain levels. That is why we are committed to intervening at key moments in our peoples' career journey.

Each of the levels shared represent the progression through our peoples' career journey at the firm.



Our path forward

Representation

Projected enrollment
in US Higher
Education in 2027⁷

56.5%
Women

20.9%
Latinx

14.7%
Black

Our aspiration at PwC is to build a workforce in the US that better reflects the diverse makeup of US higher education enrollment.

As the diversity of our society and educational systems evolve, we are committed to continuing to increase the diversity of our workforce. We aim to expand the number of Black and Latinx professionals that join the firm to be aligned with our aspirations to better reflect the diversity in higher education enrollment. We also need to have more consistent female representation and support our people throughout their tenure to make sure they, like all PwC employees and partners, continue to have equal opportunity to reach their full potential.

While the United States population and higher education enrollment is becoming more diverse, we don't believe any group wins at the expense of another. Quite the opposite, we believe that our commitment to diversity and inclusion benefits us all.

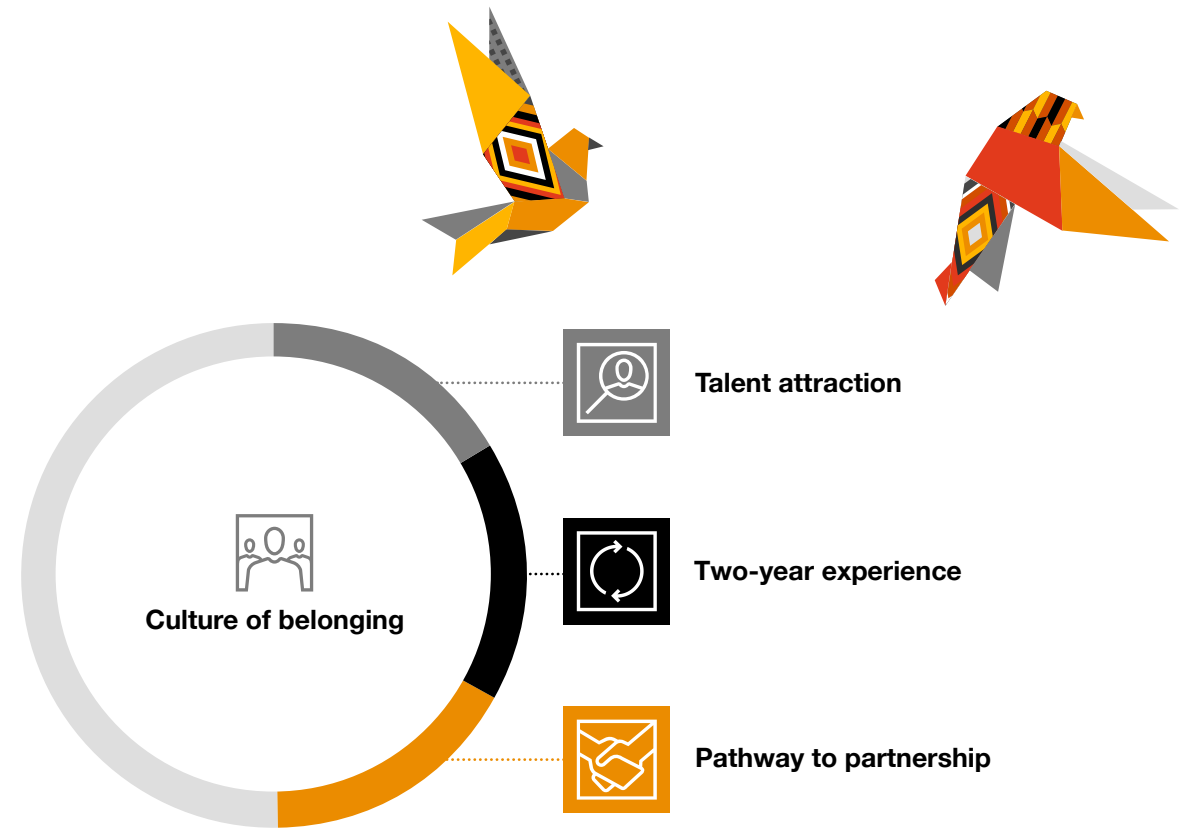
Another **future workforce trend** indicates that there will be more jobs that are focused on skills (and badges/credentials that showcase those skills) and less on a traditional four-year degree.

We, like other leading companies, are no longer requiring a four-year degree for certain parts of our business.

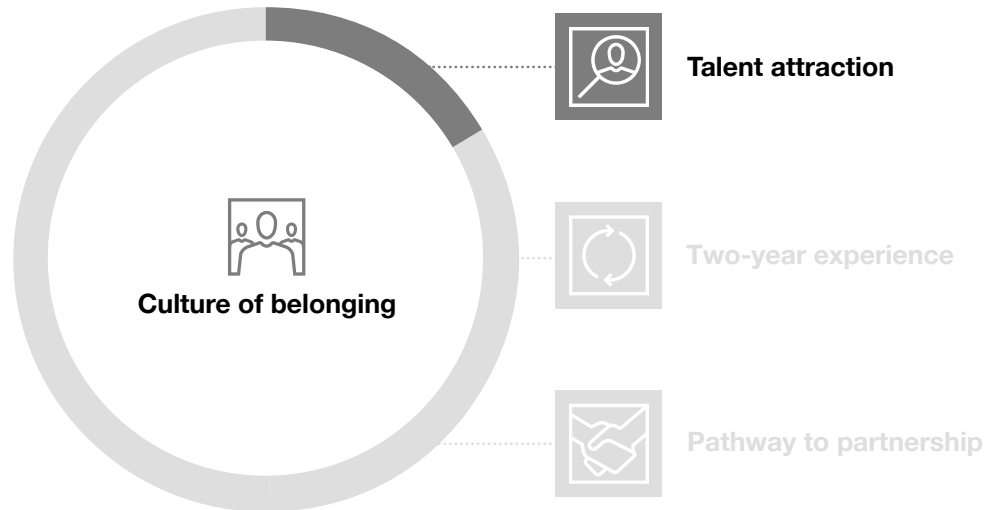
This helps to more readily source talent and can lessen financial and other obstacles that a four-year degree presents to those from underserved communities.

Operationalizing our strategy

In order to operationalize our strategy, we are using data to help identify key moments in the career journey, including the talent attraction process, a person's first two-years with the firm and progression through our pipeline to partnership. We believe that these are key moments to introduce strategic interventions at scale for women and underrepresented minorities⁸, which we define as Black and Latinx individuals, to achieve a more diverse workforce and partnership.



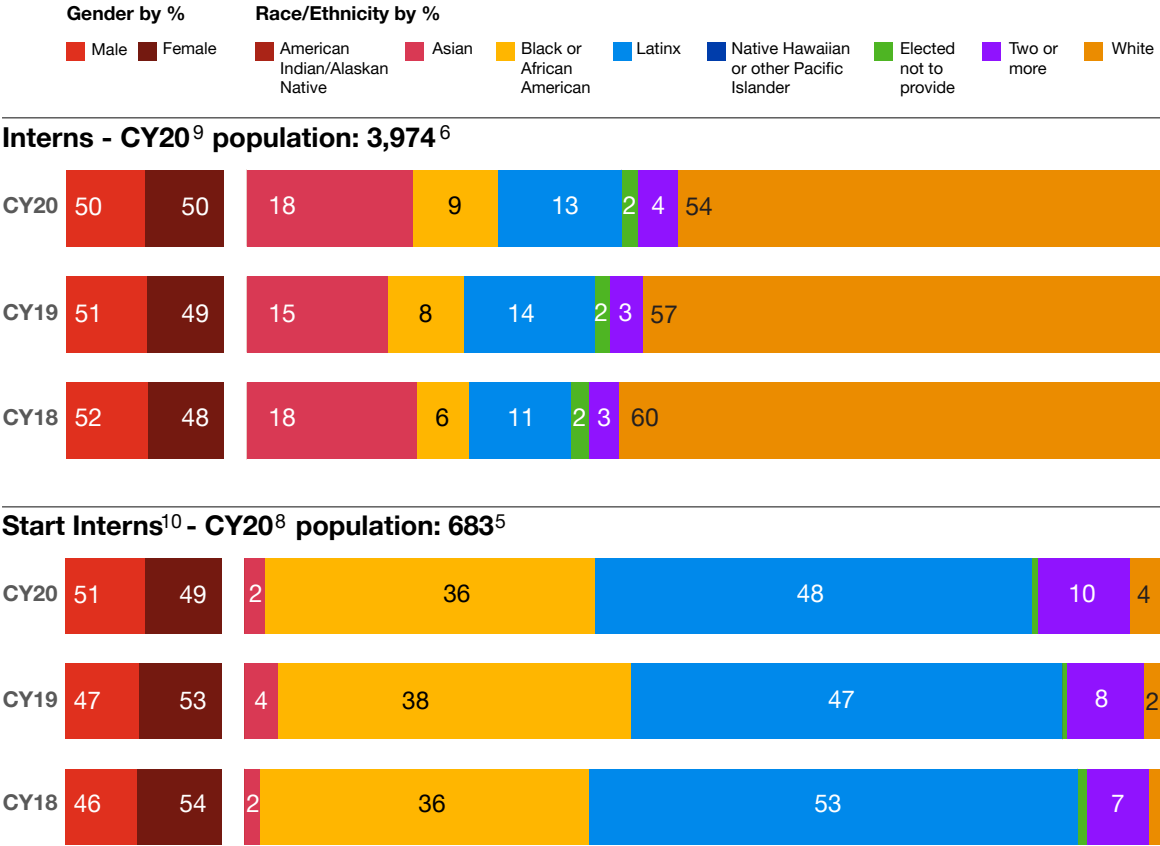
Inflection point



Enhancing representation in the firm requires a focus on entry- and experienced-level recruiting. Identifying well-qualified, diverse candidates is critical. This is an area where we have made continuous progress over the past three years, and need to continue to add new sources to find talent.



With approximately 90% receiving full-time job offers, it's important our **interns** experience our firm's culture and values from the very beginning of their internship program. We are holding steady among females—at 50% in 2020—and have made progress among racially/ethnically diverse interns over the last three years.



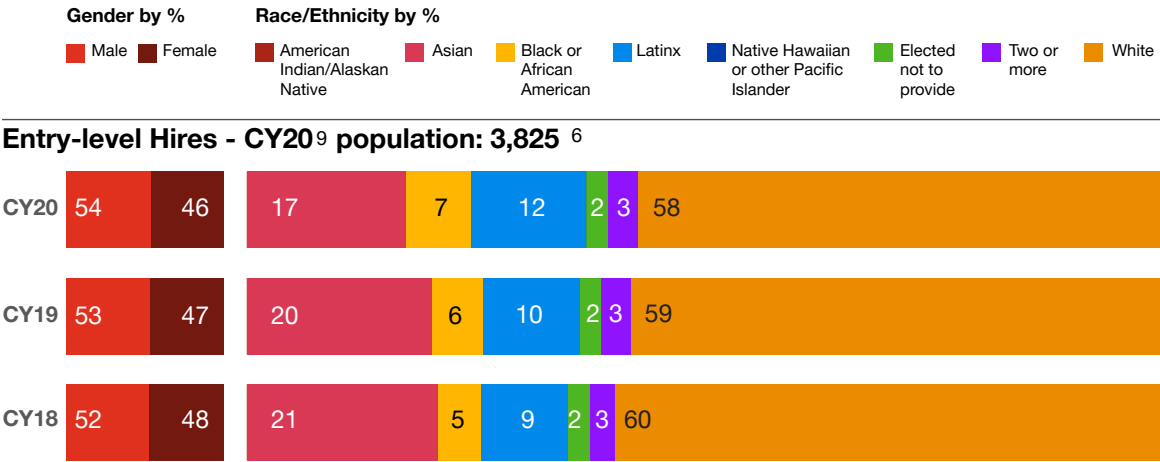
“I was pleasantly surprised with how much the firm truly cares about me and wants me to succeed. I felt comfortable speaking up and being my true self.”

Miguel Dela Cruz
2020 Start Intern

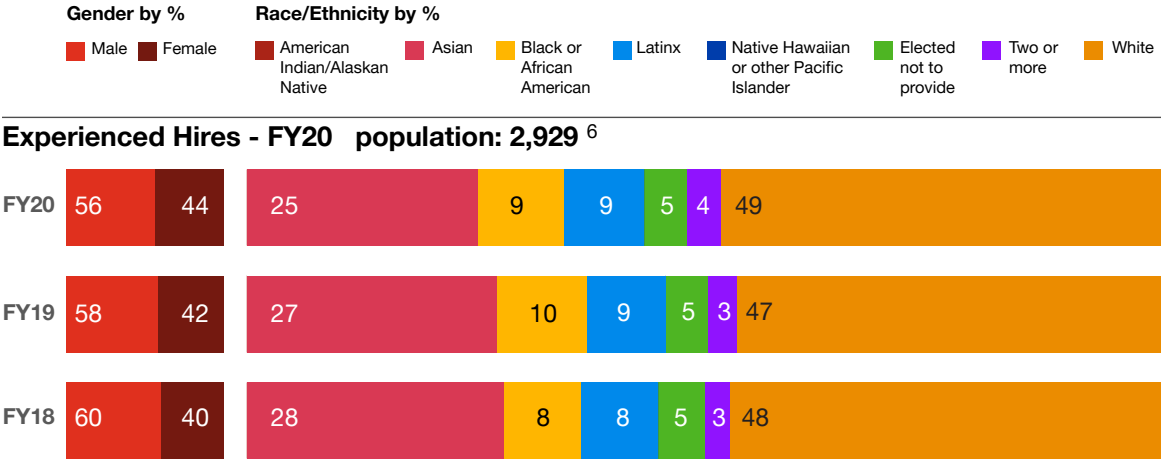
Media highlight

- ▶ [PwC's recruitment head reveals what the firm's virtual internship will look like this summer, and how future interns can stand out and land a 6-figure job with the company](#)

We have made progress in our **entry-level hiring** of Black and Latinx employees. Among our entry-level hires, racially/ethnically diverse and female hiring reached 65% in 2020.



It's important that our **experienced hires** enter our firm through multiple sources in order to continue to enhance the diversity of the firm. For experienced hires, racially/ethnically diverse and female experienced hiring reached 69% in FY20. While we see relatively strong numbers for racially/ethnically diverse candidates joining the firm, 44% were women in FY20.



Our path forward

Talent attraction

Based on the National Center for Education Statistics, the post-secondary enrollment demographic will continue to shift. Therefore, we aspire to see

35%

Black and Latinx representation among our experienced hires, entry-level hires, and interns.⁸

This is significantly higher than our current composition which is 19% for entry-level, 18% experienced hires, and 22% for interns.

Our aspiration is to align our recruiting efforts to the expected college enrollment for Black and Latinx individuals.

Finding talent

Strengthening relationships with and increasing our presence at institutions for racially/ethnically diverse students. We currently recruit from 35 Historically Black Colleges and Universities (HBCUs) and 41 Hispanic Serving Institutions (HSIs)

Growing our Start Internship¹⁰ to provide a summer experience for those who self-identify as underrepresented minority, protected veterans, and/or individuals with disabilities—since 2015, the number of Start interns has increased by 50% from 455 in 2015 to 683 in 2020

Refreshing Access Your Potential to support HBCUs, HSIs and community college students through skill building and investments in technology curriculum, mentoring and skills-based volunteering

Deepening strategic relationships with talent organizations

Attracting talent

Delivering inclusive leadership training through PwC programs and on-campus events

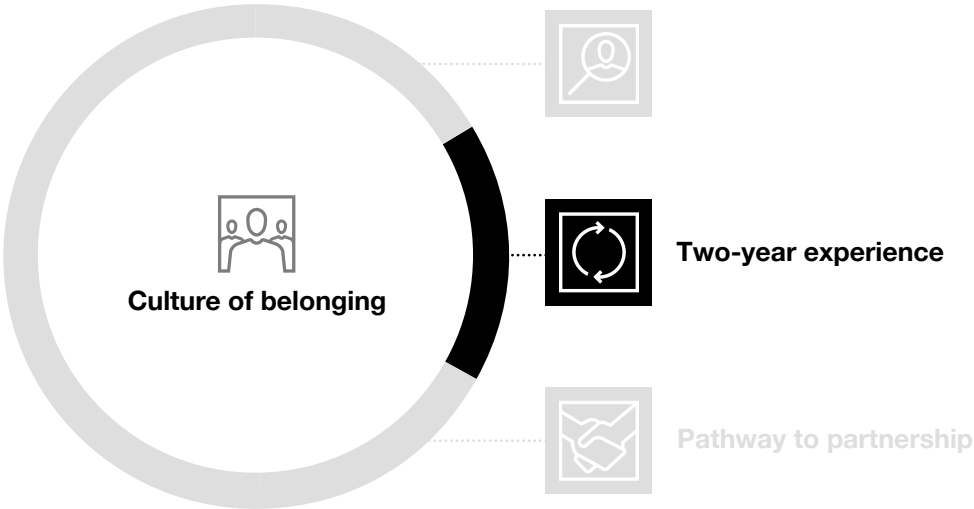
Providing inclusive recruiter training to all experienced and entry-level recruiters to help enhance their cultural dexterity

Engaging Diversity Champions in the hiring selection process to help challenge assumptions and potential unconscious biases and deepen relationships with students and diverse organizations on campus

Establishing diverse slates prior to extending offers as well as in implementing diverse interview teams

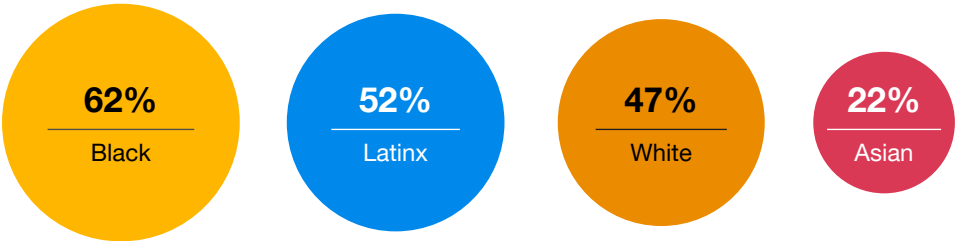
- ▶ [PwC trains HBCU professors as part of \\$3 billion digital upskilling initiative, New world. New skills](#)
- ▶ [How a traveling bus uses tech to tear down unconscious bias](#)

Inflection point



Our data has shown that the first 24 months at the firm for our women, Black and Latinx colleagues is a leading indicator of their success, which is contingent on having an equitable experience and a sense of belonging. For many of our new joiners from college campuses, the burden of their financial debt from college adds stress to their personal and professional actions. To address this concern, we offer our Student Loan Paydown (SLP) benefit, which is one of our most popular benefits amongst our early career employees. As a participating associate or senior associate, SLP will pay up to \$1,200 a year towards student loans. We have had more than 16K employees sign up for the benefit since the program’s inception in 2015, and we have paid off more than \$39.2 million of student debt as of August 2020.

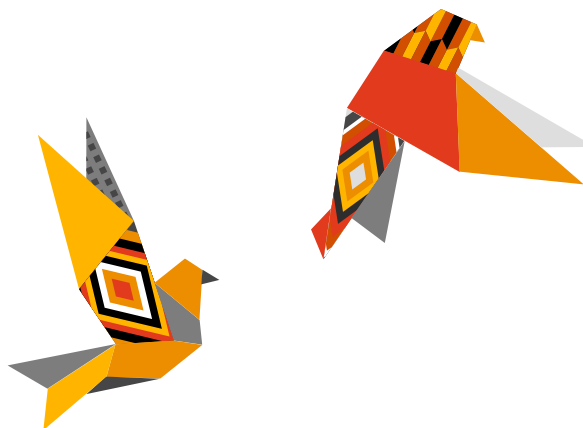
Student Loan Paydown Program - Use by PwC Team Members



After starting at the firm, it is then important to develop a sense of belonging, while also providing all of our people with equitable opportunities to perform at their highest levels and potential. This can come to life by offering our employees a variety of challenging client experiences and providing them with feedback and coaching. Employees are also motivated to stay with the firm when they can acquire new skills through new opportunities, and receive direct coaching to drive success. Our focused data review clearly shows that when our people feel a sense of belonging coupled with meaningful and challenging career opportunities that they are more interested in staying with the firm.

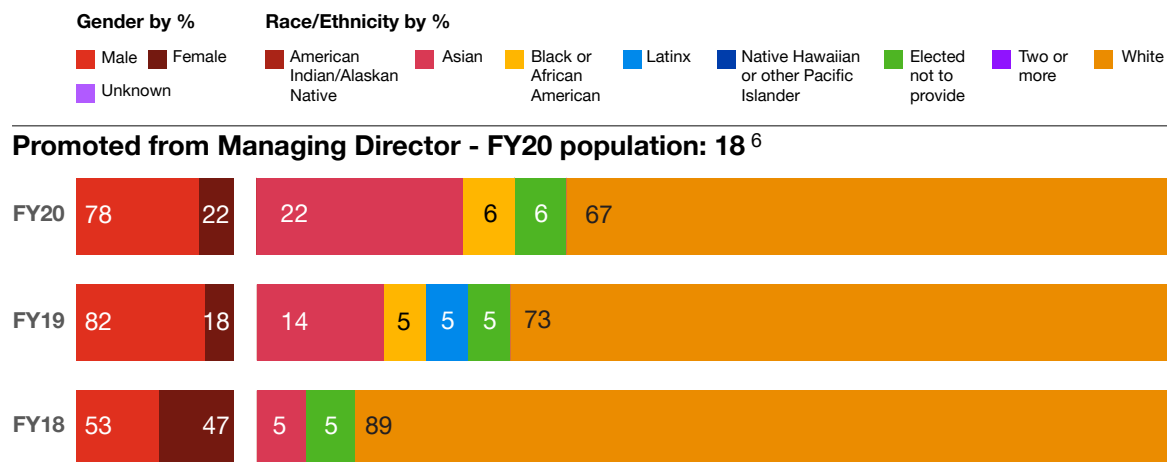
Media highlight

- ▶ [How PwC keeps its digital upskilling relevant](#)

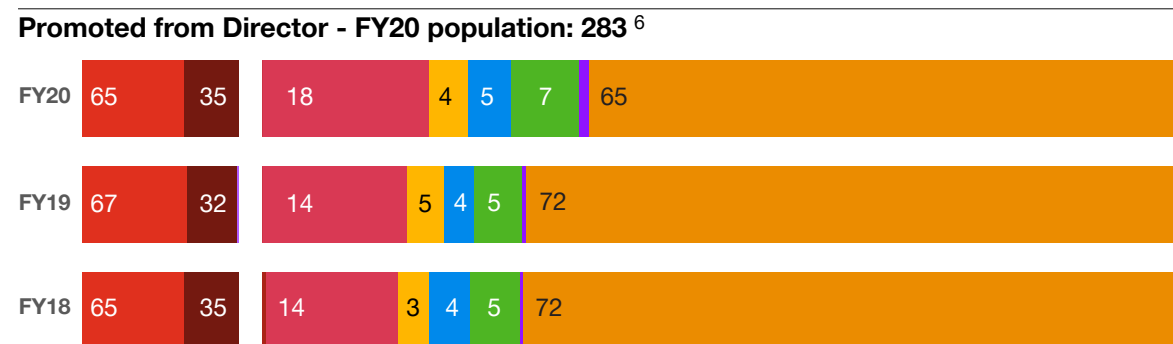


“I was fascinated with infusing technology into accounting. Our upskilling programs, paired with my market D&I leaders' support, provided me the opportunity and tools to now lead digital and diversity recruiting initiatives in my market area.”

Jeffret Madondo
Senior Associate, Assurance



Our promotion data reflects that as we further support our new joiners as they enter the firm and instill the networks and connections to create a sense of belonging as well as equitably present growth opportunities, we are able to retain and thus prepare those professionals for promotion.



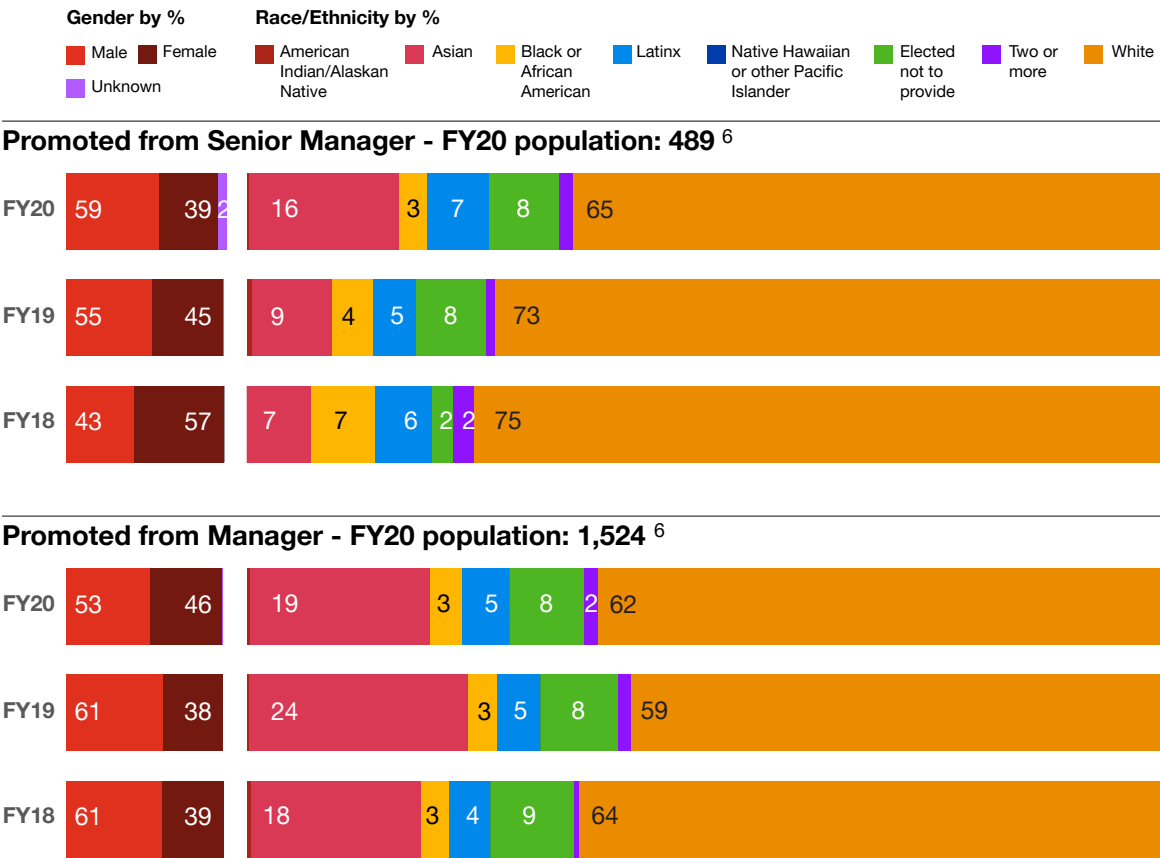
“PwC’s focus on flexibility, virtual teaming, and leadership has made me feel comfortable staying balanced. I am flexible with my teams to make

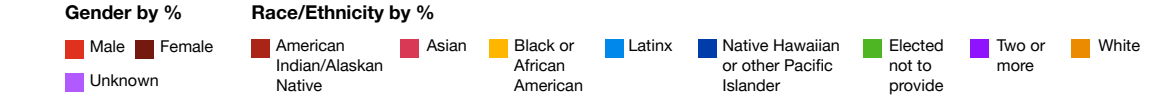
sure they are supported mentally and spiritually and feel recharged through modeling healthy work habits and collectively channeling our attention to what we want to achieve for the day.”

TraLiza King
Tax Director

► [PwC Senior Tax Manager Works on Goal to Run A Marathon on Every Continent](#)

There also needs to be a continued focus on the promotion of manager and senior manager roles, both for women and racially/ethnically diverse employees, to support and make lasting progress in our director and managing director ranks.





Promoted from Associate - FY20 population: 3,207 ⁶



Promoted from Administrative Professional - FY20 population: 408 ⁶



Our path forward

Two-year experience

To set our people up for success from day one—no matter the level—we have and will continue to implement a number of interventions specifically focused on networking, performance development, deployment, and training.

1

Launching “Thrive,” a new two-year experience for Black and Latinx campus new joiners to help get them off to a strong start through culture workshops, networking, connectivity and leadership engagement

2

Continuing to focus on the way we handle deployment so that everyone—including women and racially/ethnically diverse employees—are getting the experiences they need

3

Training all managers to understand how client engagement deployment can impact growth and development

4

Upskilling Talent and Deployment Consultants on topics such as enhanced coaching skills, blindspots and microaggressions

5

Enabling our people to initiate feedback, specifically assessing their relationships with their coaches and relationship leaders

6

Hosting regular discussions to monitor progress on a holistic set of diversity data

Inflection point

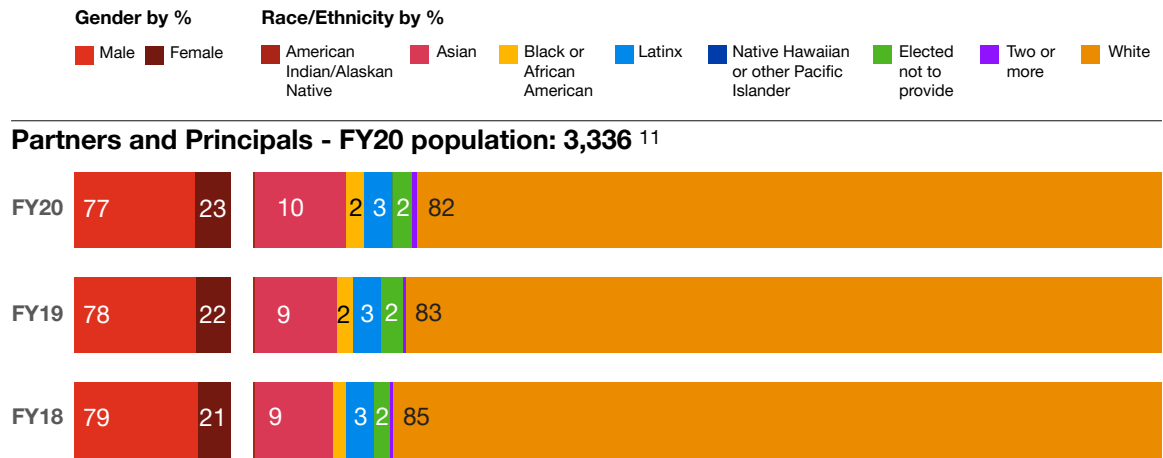


Our firm is a partnership, which means our partners share joint ownership and management of the firm, as compared to a corporation that is owned by shareholders. They elect a Board of partners and principals to oversee the strategic direction of the firm. Partnership culture at PwC is about partners caring, teaming together and having a voice in the future of our firm.

To become a partner at PwC is undoubtedly a highlight in one’s career. To be a partner means you are an owner as well as a leader who will help shape the future of the firm. Fostering a partnership that is diverse and inclusive

requires deliberate cultivation of our partnership pipeline and intentionality in progression. In order to increase diversity at the partnership level, we need to do more in the representation of Black, Latinx and women partners.

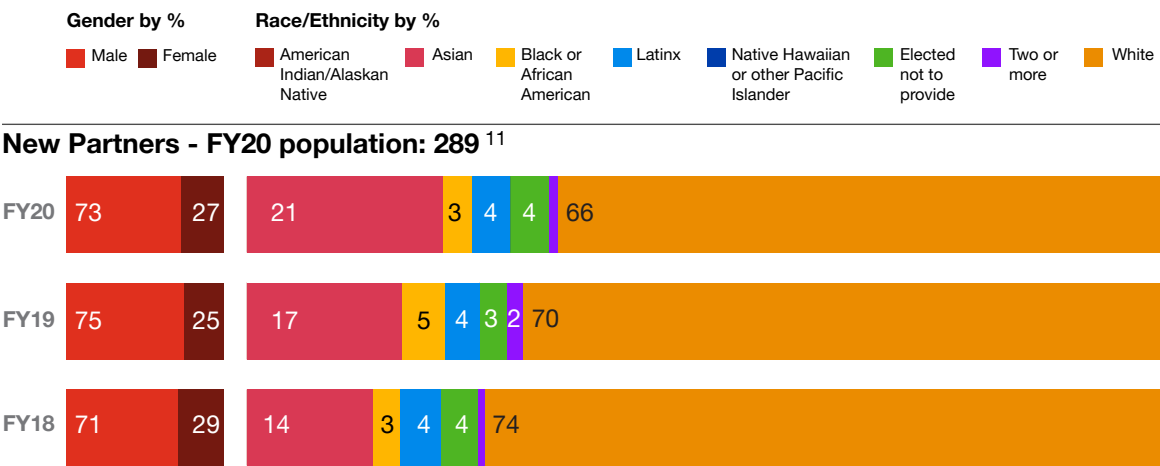
The diversity of individuals on the path to partnership is a key indicator of what the partnership will look like in the future, which is why we believe the two-year experience and career journey from onboarding to promotions will help to move the needle along with other targeted interventions.



In 2017, we launched the Partner Candidate Leadership Development Experience (PCLDE), a multi-year program for high-potential directors to accelerate their development as potential partner candidates. This group is engaged in experiences that support them in leading our strategy,

thinking like an entrepreneur and business owner, digitally upskilling, strengthening their personal brand, expanding relationships, demonstrating Inclusive Leadership and serving as a role model for our people. Each person in the program is sponsored by a partner and receives coaching from our Leadership Coaching Center of Excellence. For those in the first year of the program, we offer a learning experience, “Propel,” to build community and accelerate the readiness for female and racially/ethnically diverse PCLDE participants and their sponsors. These programs give our leaders visibility to the diverse pipeline of potential candidates.

We are pleased that this year’s **partner class** was the most diverse partner class in the firm’s history with 47% being females and/or racially/ethnically diverse. In the last three years, we increased our racially/ethnically diverse new partners by 8%.



“As a white partner in this firm, I have a responsibility to be an ally and foster a culture of belonging. Being a leader within our financial services practice,

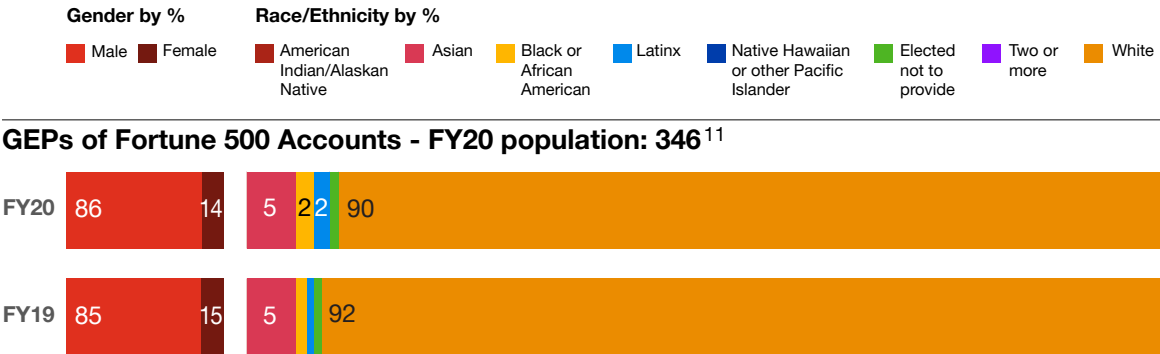
I have actively worked with my team to increase understanding of different perspectives and voices, especially for women, Black and Latinx individuals.”

Julien Courbe
US Financial Services Advisory Leader

Holding leadership roles on our Fortune 500 accounts is an important indicator on advancement within the firm. The Global Engagement Partners (GEPs) leading those accounts are in high-profile positions and address business issues for our most visible, complex and global accounts. The quality and seamlessness with which we serve our clients plays a key role in delivering on our brand promise.

In FY20, we served 468 of the Fortune 500 companies: 19% (88) of those accounts were led by females or racially/ethnically diverse partners, and 25% of our 20 largest audit accounts, by account revenue, were led by women or racially/ethnically diverse partners.

We recognize this is an area that needs great improvement and are making a concerted effort to evolve the representation of this group. We will also further develop our succession planning efforts to engage our diverse partners earlier.



Our path forward

Pathway to partnership

We want to reach an aspiration for our overall partnership of

50%

women and racially/ethnically diverse (currently 34%)

We recognize a lot of women, Black and Latinx professionals choose to leave our firm at the manager and senior manager levels. It is important that we help our people feel a better sense of belonging and provide each person with the support and opportunities to advance in their career. These opportunities can help us better engage, motivate and retain diverse talent, and also help meet our client expectations, while driving innovation and leadership in our field.

To reach this aspiration, we will continue to:

1

Increase the focus on the partnership pipeline by adding "Enrich," a three-year program prior to PCLDE that intersects with careers earlier, and provides support and mentoring for our women and racially diverse employees

2

Enhance the training and visibility of the role of the sponsor for our female and racially diverse partner candidates

3

Develop a program to support the incoming and new partners in their transition to their leadership roles



"I'm proud to say I was admitted to PwC's partnership one year after attending Breakthrough Leadership... Reflecting on the experience now, I realize how

much of the process was a team effort. I will always be grateful to Marvin for his sponsorship, and I look forward to serving that role myself someday. The future of our partnership depends on all of us working together."

Mindi Lowy
Tax Partner

► Men must take an active role in closing the gender gap in corporate leadership



Marvin Nagler
Senior Tax Partner

Our pay equity

We are at pay equity across our US firm. As a PwC professional progresses in their career, it is our responsibility to set a standard of equitable pay across the board.

When looking at compensation, base and bonus, we regularly review a number of factors including gender, race, geographic location, level, performance, time in grade, specialty skill and degree. Over the past several years, we have put systems in place to maintain pay equity.

For example, we conduct reviews twice a year to assess any pay variances, including any that may have been caused by a new joiner or a transfer. If/when needed, we make pay adjustments in order to maintain equity in compensation. To facilitate our continuing efforts, we will incorporate new pay equity technology tools to help assess and analyze data in real time.



Our role to influence

Beyond accelerating progress within our firm, we also have a responsibility to help drive change in society and within the business community. As a professional services firm, our most valuable resource is our people. Through our pro bono and skills-based volunteer program, **Skills for Society**, we give our employees one week of paid time each year to volunteer with nonprofits focused on social and racial injustice. Together, this can amount to 2.2 million hours of annual support from our people using their experience to help to solve critical societal issues.

Access Your Potential is our continuing commitment to build experiences that ignite a passion for technology among diverse students in underserved communities. We are adding a focus on students of institutions that serve racially/ethnically diverse students, like Historically Black Colleges and Universities, Hispanic Serving Institutions and community colleges, helping these graduates be fully prepared for the workforce.

Through PwC's relationship with the **UN Women's HeForShe initiative**, we are working towards achieving global gender equality in the workplace and beyond. HeForShe's mission is to engage men as advocates of change for global gender equality.



Students with CODE-E, PwC's Access Your Potential robot

► **Skills for Society**

As part of Black History month, we launched a large-scale pro bono project with iMentor, a nonprofit that matches high school students from low-income communities with mentors. 86 PwC partners and employees worked together to put their digital skills to work to help iMentor better leverage data-based insights to strengthen its programming and reach more students. Actively working to address racial injustice (in this case the education opportunity gap) also fosters camaraderie among the team and a culture of belonging at the firm. Our PwC participants come away with a renewed commitment to justice, with many signing up to become mentors with the program and others looking for their next pro bono project.

CEO ACTION FOR DIVERSITY & INCLUSION

We co-founded and launched **CEO Action for Diversity & Inclusion™**—the largest CEO-driven business commitment to advance diversity and inclusion within the workplace—with 175 signatories in 2017. Today, more than 1,100 CEOs of the world’s leading companies representing more than 85 industries along with 90+ university presidents and approximately 13M employees and students, have signed the pledge and are actively creating change.

Sitting at the helm of CEO Action has given us the opportunity to learn more about other organizations’ D&I journeys—what’s working and what’s not, while working to achieve change at scale within the business community. We, as well as all of the signatories, have taken a pledge to advance four essential actions, including:

- 1

Continue to make our workplaces trusting places to have complex, and sometimes difficult conversations about diversity & inclusion
- 2

Implement and expand unconscious bias education
- 3

Share best—and unsuccessful—practices
- 4

Create and share strategic inclusion and diversity plans with boards of directors

Lastly, we created the **Check Your Blind Spots unconscious bias tour** as well as the **I Act On pledge** to help engage everyday citizens and employees to take action to drive inclusive behavior in their everyday life. Through that effort, we have reached more than 370K people—and more—our influence is having a positive impact. More than 90 percent of the CEO Action signatories have reported a positive impact via their engagement with the Coalition.



Our lead role within CEO Action has also given us a chance to use our influence to help drive change within companies and industries. This includes hosting companies at leading industry forums like Ad Week, National Retail Federation's Big Show, The Consumer Electronic Show (CES) and others to discuss how they are evolving their operations and culture to drive diversity and inclusion. We also announced the Day of Understanding in 2018 that brought 350 companies and 1 million employees together to have a conversation about bias and understanding in the workplace and beyond.

To drive further impact at scale, we launched a two-year fellowship program in July 2020, CEO Action for Racial Equity. We will commit 30 of our people to use their skills and passion to advance policy discussions that help combat the racial injustice and discrimination that continue to plague our Black communities. We also invited our [CEO Action signatory organizations](#) to send one or more of their employees so we can scale the effort and our impact.



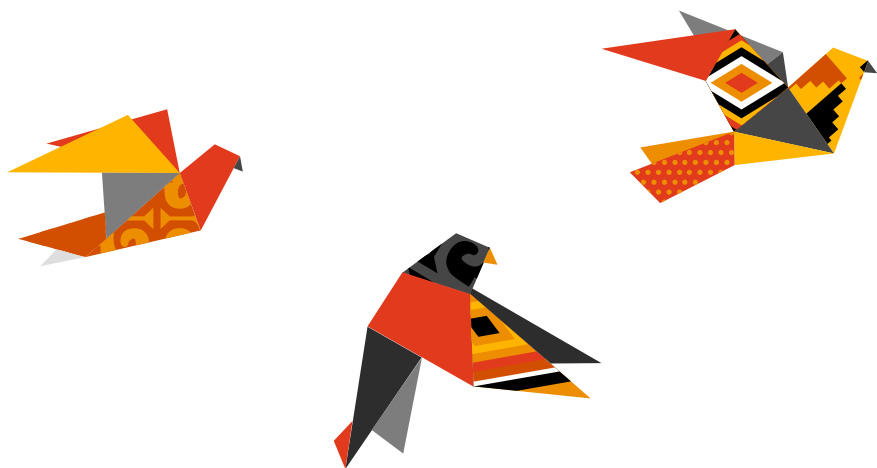
Through the **PwC Charitable Foundation, Inc.**, in June 2020, we donated \$250K each to **The NAACP Legal Defense and Educational Fund, Inc.**, **Dream Corps.**, **The American Civil Liberties Union Foundation** and **The Center for Policing Equity**.

PwC matched up to \$1,000 of our peoples' individual donations to these four organizations. Additionally, we supported our people as they started crowdfunding campaigns for social justice organizations. Together, we have collectively donated \$3.7M. Additionally, during this same period we gave \$280K in total to 28 HBCUs to help support their tech enablement efforts.

We are also focused on who we do business with.

22% of our 2019 supplier diversity spend⁹ is benchmarked above the aggregate DiversityInc Top 10 + Hall of Fame supplier diversity spend of 19%. This is a notable increase from 14% in 2014. Our supplier spend is primarily focused on professional services, as opposed to operations support.

To make movement with our suppliers, we started to include performance metrics for our Procurement team that are inclusive of active support of supplier diversity initiatives. Moving forward we will focus on integrating diversity aspirations across firmwide supplier needs and set up targets. For example, we will consider diversity impact before we award any business.



Our recognition and leadership



Working Mother list of Best Places to Work for Multicultural Women (2020)



16 consecutive years on Fortune's list of the 100 Best Companies to Work For (2020)



HRC's Corporate Equality Index (2020)



Four consecutive years top-scoring on the Disability: IN's Disability Equality Index (2020)



Working Mother Working Mother 100 Best Companies (2019)



Fortune's 2019 list of Best Workplaces for Parents (2019)



Fortune's 2019 list of Best Workplaces for Diversity (2019)



LinkedIn's 2019 Top Companies Where the US Wants to Work Now (2019)

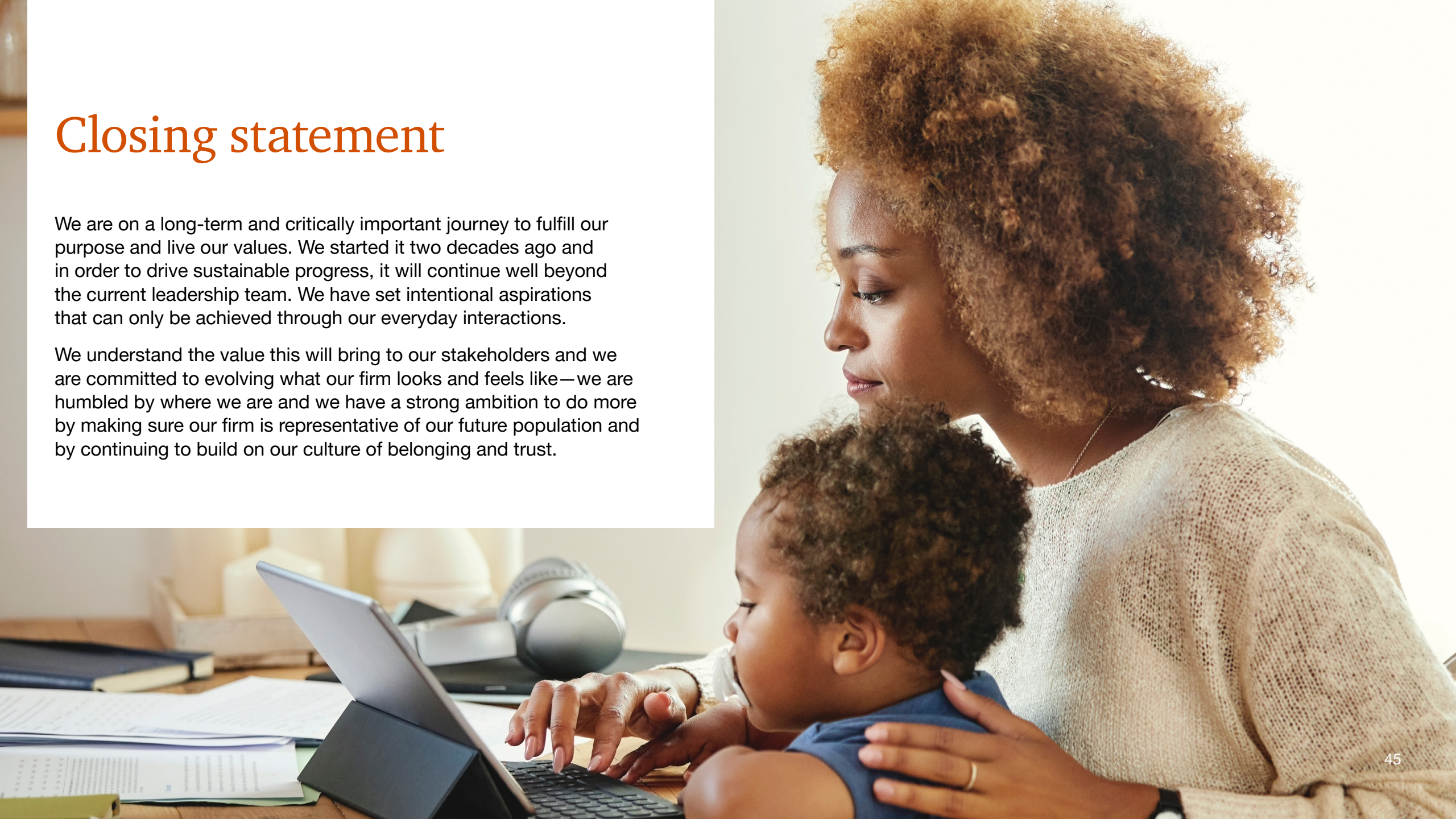


PEOPLE's Companies That Care (2019)

Closing statement

We are on a long-term and critically important journey to fulfill our purpose and live our values. We started it two decades ago and in order to drive sustainable progress, it will continue well beyond the current leadership team. We have set intentional aspirations that can only be achieved through our everyday interactions.

We understand the value this will bring to our stakeholders and we are committed to evolving what our firm looks and feels like—we are humbled by where we are and we have a strong ambition to do more by making sure our firm is representative of our future population and by continuing to build on our culture of belonging and trust.



Appendix

This report covers PwC US's operations in the US. The workforce data is based on our PwC US headcount data. The headcount methodology excludes employees in our Mexico region and Acceleration Centers located outside the US.

The headcount methodology excludes employees on long-term disability and individuals who are contractors. As a result of these exclusions, the data may differ from that used in other PwC reports and communications prepared for purposes where data includes some or all or of those excluded employees or is prepared on a basis of the number of full-time equivalent positions.

The diversity and inclusion data points selected from an analysis of measures included in relevant reporting frameworks and standards published by the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and World Economic Forum's International Business Council.

Metrics	Description	Management criteria / Description of calculation methodology	Alignment with external standards (GRI, SASB, IBC—WEF)
US employee workforce	Gender and ethnicity make up of all workforce levels	The makeup of the workforce on 6/30 of the fiscal year. The population of each gender and/or race/ethnicity from 6/30 is divided by that total population to calculate percentages. Data sourced from our Human Capital systems of record.	GRI 405-1 SASB SV-PS-330a.1
US Board of Partners and Principals	Gender and ethnicity makeup of the US board	The makeup of the Board of Partner and Principals on 7/1 of the fiscal year. The population of each gender and/or race/ethnicity from 7/1 is divided by that total population to calculate percentages. List of members can be found here . Note: While the data in this report does not include staff from Mexico, we do include Partners from PwC Mexico who are part of the board in this data given they play a pivotal role in bringing a critical worldview to the groups work.	GRI 405-1 SASB SV-PS-330a.1
US Leadership Team	Gender and ethnicity make up of the USLT	The makeup of the PwC US Leadership Team on 7/1 of the fiscal year. The population of each gender and/or race/ethnicity from 7/1 is divided by that total population to calculate percentages. List of members can be found here . Note: While the data in this report does not include staff from Mexico, we have included the PwC Mexico Senior Partner in the US Leadership Team numbers as the person in that role plays a pivotal role in bringing a critical worldview to the group's work.	GRI 405-1 SASB SV-PS-330a.1
New Joiners (Entry-level hires)	Gender and ethnicity makeup of entry-level hires	The number of entry-level hires who accepted offers through 6/30 of the year being reported. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data sourced from our Talent Acquisition systems of record. Note: Entry Level results reflect calendar year hires	GRI 401-1, GRI 405-1 IBC WEF Pillar 4 - Prosperity: Employment and Wealth Generation

Metrics	Description	Management criteria / Description of calculation methodology	Alignment with external standards (GRI, SASB, IBC—WEF)
New Joiners (Experienced hires)	Gender and ethnicity makeup of experienced hires	The number of experienced level hires who accepted offers through 6/30 of the year being reported. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data sourced from our Talent Acquisition systems of record. Note: Experienced Level results reflect fiscal year hires	Alignment with...: GRI 401-1, GRI 405-1 IBC WEF Pillar 4 - Prosperity: Employment and Wealth Generation
Interns	Gender and ethnicity make up of Interns	The number of interns who accepted offers through 6/30 of the year being reported. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data sourced from our Talent Acquisition systems of record. Note: Intern results reflect calendar year hires Advance Interns includes returning Start interns (formerly referred to as "Start Masters")	GRI 401-1, GRI 405-1
Start interns (early identification program)	Gender and ethnicity makeup of Start interns	The number of Start interns who accepted offers through 6/30. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data sourced from our Talent Acquisition systems of record.	
Promotions	Gender and ethnicity makeup of all people promoted	All promotees (being promoted from current grade) during a fiscal year. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data sourced from our Human Capital systems of record.	Diversity Inc Working Mothers Media

Metrics	Description	Management criteria / Description of calculation methodology	Alignment with external standards (GRI, SASB, IBC—WEF)
Partners and Principals	Gender and ethnicity make up of partners and principals	The makeup of partner and principal population on 6/30 of the fiscal year. The population of each gender and/or race/ethnicity from 6/30 is divided by that total population to calculate percentages. Data sourced from our Human Capital systems of record.	GRI 405-1 SASB SV-PS-330a.1 Diversity Inc Working Mothers Media
New partners	Gender and ethnicity make up of new partners	Direct Admit and Internal Admission partners during the fiscal year. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data sourced from our Human Capital systems of record.	
GEPs of Fortune 500 accounts	Gender and ethnicity make up of the GEPS for Fortune 500 accounts	GEPs of F500 accounts during the fiscal year. The population of each gender and/or race/ethnicity is divided by that total population to calculate percentages. Data is sourced from our CRM system of record and compared to the F500 list from the year in question. Note: Some partners serve as GEP for more than one account. In this instance, they are listed once.	
Suppliers	Our spend with business whose owner(s) are from one or more of the following groups: racially/ethnically diverse, female, LGBTQ+, veterans and those with disabilities	PwC US spend for calendar year 2019 with certified diverse suppliers divided by total reportable spend to calculate percentages. Data collected from our Accounts Payable system and Tier 2 diverse spend reported by our non-diverse suppliers. Includes spend with diverse businesses that bring resources to support PwC. Reportable spend represents goods and services that PwC purchases directly. We exclude spend categories that meet three criteria: 1. Spend that does not involve/require procurement 2. Spend that consist of fees, tolls, certifications, dues and non negotiable items 3. Spend that is mandated by law e.g. taxes. Note: Supplier Diversity reflects the calendar year	GRI 204 Diversity Inc

Metrics	Description	Management criteria / Description of calculation methodology	Alignment with external standards (GRI, SASB, IBC—WEF)
LGBTQ+	The makeup of the workforce who voluntarily identified as Gay/Lesbian/Bi-sexual or other sexual orientation aside from heterosexual or straight	The makeup of the workforce on 6/30 of the fiscal year that identified as Gay/Lesbian/Bi-sexual or other sexual orientation aside from heterosexual or straight. This population from 6/30 is divided by the total population to calculate percentages. Data sourced from our Human Capital systems of record.	GRI 405-1 IBC WEF Pillar 3 - People: Dignity and Equality Great Place to Work Trust Index Survey
Veterans	The makeup of the workforce who voluntarily identified a veteran status	The makeup of the workforce on 6/30 of the fiscal year that identified a veteran status. This population from 6/30 is divided by the total population to calculate percentages. Data sourced from our Human Capital systems of record.	GRI 405-1 Diversity Inc
People with disabilities	The makeup of the workforce that voluntarily identified as having a disability, or a history/record of a disability	The makeup of the workforce on 6/30 of the fiscal year that identified a disability status or was granted a disability-related accommodation. This population from 6/30 is divided by the total population to calculate percentages. Data sourced from our Human Capital systems of record.	GRI 405-1 IBC WEF Pillar 3 - People: Dignity and Equality Disability Equality Index Great Place to Work Trust Index Survey

In order to make sure we are aligned with widespread definitions of race and ethnicity categories we use the definitions used within their EEO-1 reporting guidelines.

Hispanic or Latino

A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin regardless of race.

Note: we use the gender-neutral term Latinx in this report

White (Not Hispanic or Latino)

A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

Black or African American (Not Hispanic or Latino)

A person having origins in any of the Black racial groups of Africa.

Native Hawaiian or Pacific Islander (Not Hispanic or Latino)

A person having origins in any of the peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

Asian (Not Hispanic or Latino)

A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

Native American or Alaska Native (Not Hispanic or Latino)

A person having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.

Two or More Races (Not Hispanic or Latino)

All persons who identify with more than one of the above five races.

From <https://www.eeoc.gov/employers/eeo-1-survey/eeo-1-instruction-booklet>

Endnotes

- 1 Previously disclosed data points.
- 2 39.4% of our partners and employees choose not to self-identify their sexual orientation.
- 3 Includes representation from Mexico. Some totals may not add up to 100%, as they are rounded to the nearest whole percent.
- 4 Asian—A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian Subcontinent, including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam—US Equal Opportunity Employment Commission.
- 5 US employee workforce excludes partners, principals and non-US employees. Some totals may not add up to 100%, as they are rounded to the nearest whole percent. Data points without a label are <2%.
- 6 Excludes non-US employees. Some totals may not add up to 100%, as they are rounded to the nearest whole percent. Data points without a label are <2%.
- 7 Source: National Center for Education Statistics, Projections of Education Statistics to 2027, Table 15 (page 60), Table 19 (page 66).
- 8 Underrepresented minorities (URMs) include Black and Latinx individuals.
- 9 Data is measured in calendar year (not fiscal year).
- 10 Start is a summer intern experience for those who identify as underrepresented minority, protected veterans and/or individuals with disabilities. Excludes non-US employees. Some totals may not add up to 100%, as they are rounded to the nearest whole percent. Data points without a label are <2%.
- 11 Excludes non-US partners and principals. Some totals may not add up to 100%, as they are rounded to the nearest whole percent. Data points without a label are <2%.

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