

A Year of Solving Together

Global Annual Review 2024



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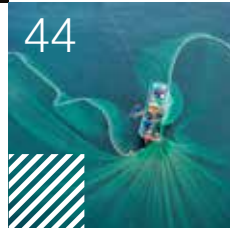
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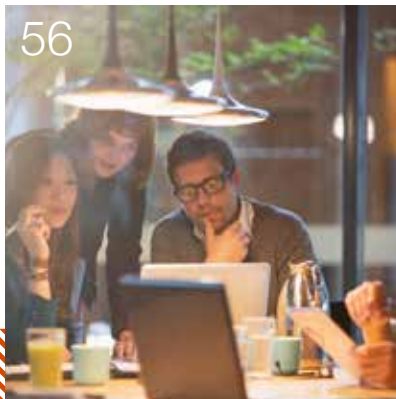
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56



Chairman's letter



Welcome to our 2024 Global Annual Review

As we look back on the past year, PwC's network leadership team is proud of what so many of our global community of solvers across the network have delivered. This review looks back on a year of successes and challenges - a year in which we've supported our clients and made meaningful contributions in the regions and communities where we live and work.

Some of the achievements this year that have defined our success, and will shape our path forward, include:

- Increased our revenue by 4.3% in US dollars and 3.7% in local currency to US\$55.4 billion in a challenging macro-economic environment. Revenue grew in all our lines of business. We believe this growth is a result of our ability to help our clients achieve sustained outcomes and earn the trust of their stakeholders.
- Earned top star ratings in all 27 categories in Forbes 2024 ranking of 'World's Best Management Consulting Firms' based on a global survey of clients and consultants on all continents.
- Continued a multi-year investment of US\$1 billion to leverage technology to transform our audit ecosystem and set a new benchmark for next generation assurance.
- Invested US\$3.6 billion across the network including 8 acquisitions and 7 strategic investments to expand our ability to deliver value for clients.
- Our 370,000+ people in 149 countries helped 86% of Fortune Global 500 companies to build trust and achieve sustained outcomes.
- Today 95% of our electricity comes from renewable sources, and we have reduced our scope 1 & 2 emissions by 71% when compared to FY19.
- More than 198,000 active PwC employees have completed sustainability upskilling.

While our Global Annual Review is a look back on the past year, we're excited for what is to come. We are committed to a bold vision for the future that prioritises excellence, innovation and reinvention.

The need for reinvention has never been more urgent. As technological disruption, climate change, and changing customer expectations reshape industries, our Business Model Reinvention framework helps companies to rethink how they create, deliver and capture value. Our leadership team is focused on driving this transformative spirit, creating continual innovation and strengthening how we work together across the global network.

Supporting this focus are our investments in AI which are unlocking new opportunities of value creation for our clients. Our investment of nearly US\$1.5 billion in AI globally is not only transforming the way we work, but is delivering new opportunities for efficiency, innovation and value, positioning the PwC network as a leader in the digital age.

Equally important is our commitment to sustainability. PwC's purpose is to build trust in society and solve important problems. Addressing climate change and building long-term sustainable prosperity are critically important problems to solve, so we are dedicated to helping our clients - and society as a whole - achieve sustainability. As the move to sustainability reshapes the economy and the competitive environment, we support our clients to transform their business models so they can navigate the risks and leverage the opportunities of the transition.

In today's volatile and complex world, trust is the new currency. Trust is more than just a value; it's the foundation upon which successful businesses and societies are built. Companies today must earn trust with stakeholders - customers, suppliers, employees, lenders, investors, regulators, and others - on a broad spectrum of issues. From financial statement audits to sustainability reporting to data security, we bring our multidisciplinary expertise to bear as our clients seek to build trust and deliver sustained outcomes for their stakeholders.

As we work through the challenges and opportunities ahead, our commitment to trust through transparency, integrity and responsible practices remains firm. By focusing on these principles, we can reinforce the trust our clients, stakeholders and society place in us. We know that in order to earn and maintain the trust of our stakeholders we need to take a hard look at ourselves and be transparent when we don't get it right, as we did in September this year after our audit firm in China was sanctioned for its work on Evergrande, a large Chinese property company. At PwC, our more than 370,000 people around the world are busy every day producing high quality work with purpose and integrity. The findings on the Evergrande audit are in stark contrast to that high quality work and are not representative of what we stand for. We hope that our actions relating to the matter, including leadership accountability, conveyed the seriousness of our commitment to quality and integrity in all that we do.

We look forward to continuing to work together to achieve our shared goals and aspirations, building a sustainable and prosperous future for all.



Mohamed Kande, Global Chairman

Solving together

PwC

at a glance

At PwC, we draw on the collective skills and experience of more than 370,000 people across our network of firms in 149 countries to help build trust in society and solve important problems. We help our clients transform to build enduring success as they navigate a rapidly changing world.

86%

of Fortune Global 500 are clients

370,000+

people in 656 cities and 149 countries

US\$55.4bn

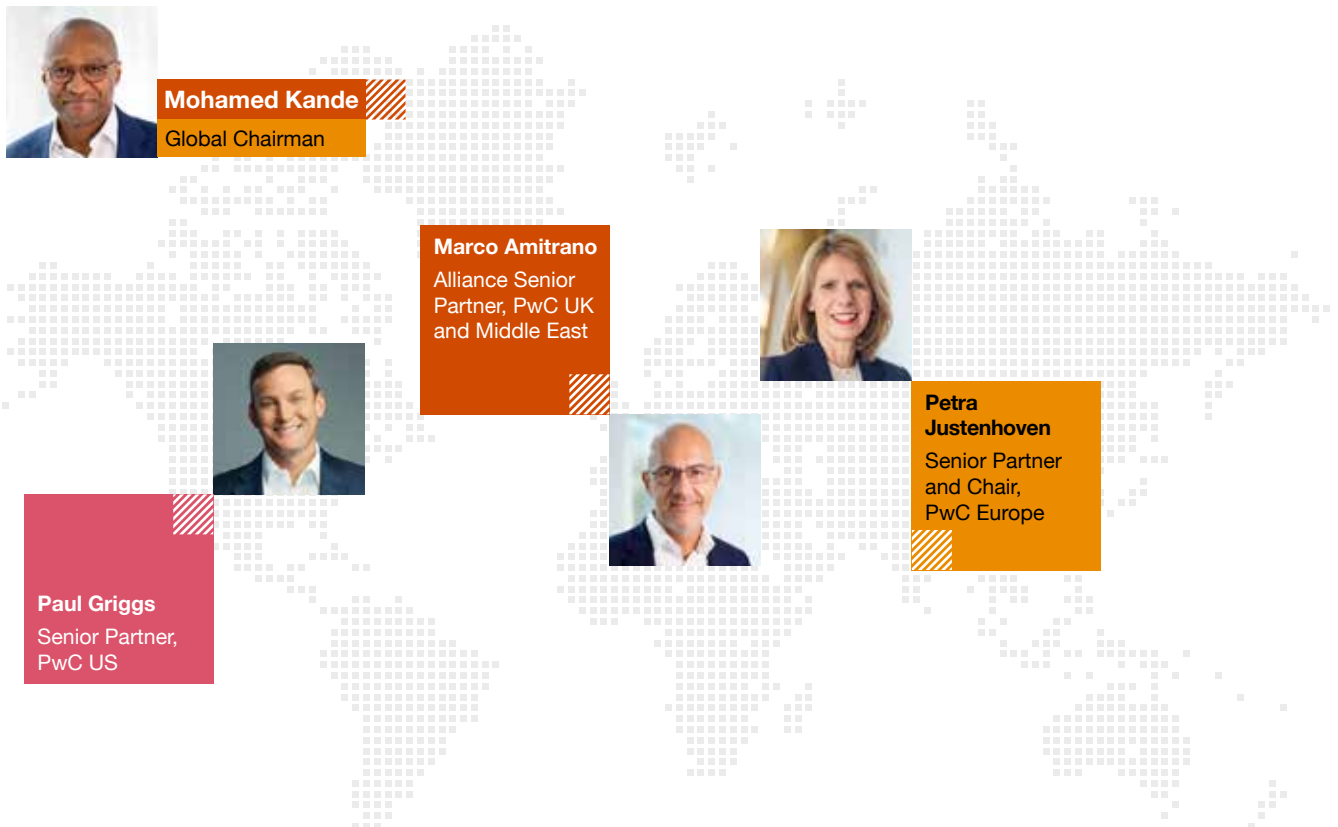
revenues for the fiscal year ended
30 June 2024

180,125

clients across our global network

Our Network

Our global leaders



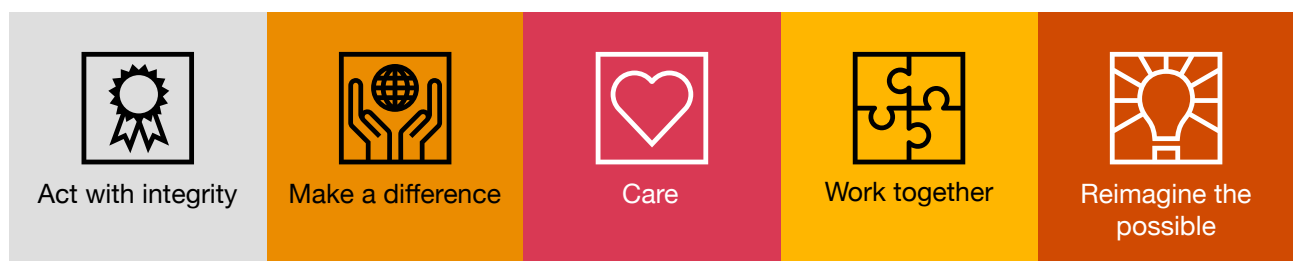
Our purpose

Our purpose is to build trust in society and solve important problems.

In an increasingly complex world, we help intricate systems function, adapt and evolve so they can deliver sustained outcomes for communities and society – whether they are capital markets, tax systems or the economic systems on which business and society depend.

Our values

When working with our clients and our colleagues to build trust in society and solve important problems we:



Evolved PwC Professional

Empowered by our [Purpose and Values](#) we have redefined what it means to be a **PwC Professional** and the behaviours **everyone at PwC** is expected to demonstrate.



Trusted Leadership are the behaviours that help us prioritise building trust and delivering sustained outcomes.

As Trusted Leaders we:

- **Inspire** | *understand our impact and people want to work with us*
- **Empower** | *coach and work side by side with others*
- **Evolve** | *grow as a person and guide us into the future*

Distinctive outcomes are the behaviours grounded in our commitment to quality and integrity that enable us to bring our **collective expertise, collaboration and inclusiveness to deliver value**. Delivering Distinctive Outcomes we:

- **Champion** | *commit to quality, integrity and inclusive behaviour*
- **Build** | *apply a business mindset to our work to increase our collective success*
- **Deliver** | *collaborate across and beyond PwC to deliver quality and distinctive client experience*

Our global locations



Lines of service

Assurance



Advisory



Tax and Legal Services



Internal Firm Services



“Business leaders know they cannot stand still. In PwC’s 2024 Global CEO Survey, 45% of CEOs said their companies will not be viable in ten years if they do not change course. From the global move toward sustainability to the accelerating deployment of AI, transformative forces are shifting what it takes for companies to succeed. That’s why, this year, PwC people in 149 countries have helped over 180,000 clients to reinvent how they create value and navigate change to build enduring success.”

Carol Stubbings

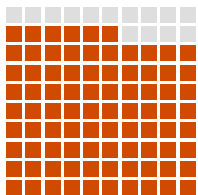
Global Chief Commercial Officer, PwC UK

Our Clients

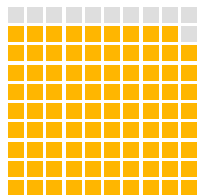
180,125

clients across our global network

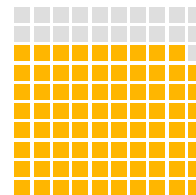
PwC clients across the world



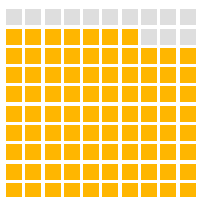
86%
of Fortune
Global 500



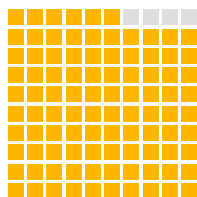
89%
of Fortune 500



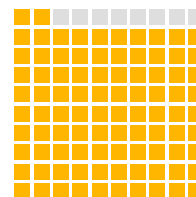
79%
of S&P Latin
America



87%
of FTSE 100



96%
of S&P Europe
350



92%
of S&P Asia

Clients by industry



- Financial services **27%**
- Industrial, manufacturing and automotive **15%**
- Consumer markets **11%**
- Technology, media and telecommunications **11%**
- Government and public services **6%**
- Energy, utility and resources **7%**
- Health Industries **8%**
- Private equity and sovereign investment funds **9%**
- Not classified **5%**

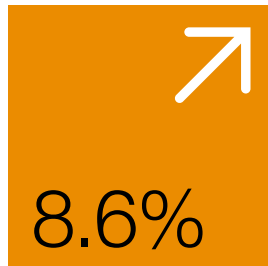
Based on revenue by Ultimate Holding Company

Our Year

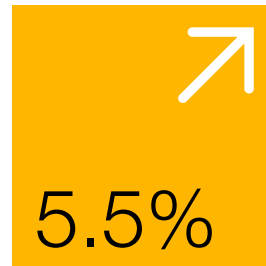
Financial performance highlights



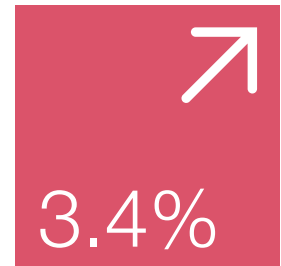
Overall gross revenues grew by 3.7% to US\$55.4 billion



Europe, Middle East and Africa (EMEA) revenues were up by 8.6%



Revenues in Central and Eastern Europe (CEE) grew by 5.5% while Asia Pacific revenues were down by 5.6%



Our revenues in the Americas grew by 3.4% while US revenues grew by 2.9%

Highlights of our Year



27

Earned top star ratings in all 27 categories in Forbes 2024 ranking of 'World's Best Management Consulting Firms' based on a global survey of clients and consultants on all continents.

700

PwC's Solvers Challenge, our annual competition to recognise innovative solutions that help to solve the world's complex problems, included over 700 human-led, tech-powered solutions to client challenges created by more than 35,000 PwC people from 135 territories in our global network.



US\$1.5bn

Continued to invest nearly US\$1.5 billion to expand and scale our AI capabilities across our network, and rolled out AI platform 'ChatPwC' to over 200,000 people in firms across the PwC network, enabling our people to use ChatGPT technology in a secure environment and always with human oversight.



AI

Won Microsoft's 'Building with AI' Partner of the Year in recognition of PwC's global leadership on AI, and won 2023 Digital Innovation of the Year at the International Accounting Forum & Awards for our suite of global AI services.

198,190

Invested in our people's capabilities to address the challenges of the 21st century: 198,190 active PwC employees have completed sustainability upskilling, while 50,450 active PwC employees have undertaken Inclusive Mindset training.



US\$3.6bn

Invested US\$3.6 billion including 8 acquisitions and 7 strategic investments to expand professional capability in key areas from product design to supply chain to data governance.

Insights

Contributed insights on key issues from sustainability to responsible AI at global events such as the World Economic Forum Annual Meeting in Davos, APEC CEO Summit, Climate Week, Bloomberg New Economy Forum, FT Moral Money Summits, World Energy Congress, and the AI For Good Summit.



Sustainability

Recognised by Verdantix as a Global Leader in ESG and Sustainability in its Green Quadrant: ESG and Sustainability Consulting 2024 report, highlighting our ability to provide robust sustainability services to clients across industries.

Net zero

Continued progress toward our net zero commitments. Today, 95% of our electricity comes from renewable sources, and we have reduced our scope 1 & 2 emissions by 71% when compared to FY19.

Trust

Our Trust Academy convened senior executives and thought leaders from across industries to identify opportunities to earn trust and drive better outcomes in business and society. Speakers at the Trust Academy have included prominent world leaders and trust experts from the World Economic Forum and Harvard Business School.



No.1

PwC UK was voted the UK's number one graduate employer in The Times Top 100 Graduate Employers survey 2023. In addition, PwC UK was named the top UK employer in the Social Mobility Employer Index 2023 which ranks Britain's employers on action to improve social mobility in the workplace and help people of all backgrounds succeed.



1,000

Celebrated the one year anniversary of our Centre for Nature Positive Business which unites more than 1,000 nature specialists (and growing) from across our network to help our clients to accelerate the global transition to a nature positive and net zero future.

#22

PwC US was named as one of LinkedIn's top 5 large US companies that are great for career building, and climbed 8 spots to #22 on Fortune's 100 Best Companies to Work For 2024, achieving its highest position in seven years.



25%

All PwC firms implemented the most recent international standard for quality management (ISQM1) for their assurance business. In addition, PwC achieved a reduction in the proportion of regulator-inspected engagements with findings by more than the 25% International Forum of Independent Audit Regulators (IFIAR) target over the four-year period of the IFIAR Survey from 2019 to 2023.

Our People

Top findings of PwC Global People Survey 2024

I am proud to work at PwC

84% agree

I enjoy working at PwC

78% agree

I would recommend PwC as a great place to work

77% agree

My personal values align with the values demonstrated at PwC

82% agree

I feel like I belong at PwC

76% agree

PwC people

102,549

Number of new joiners to PwC

370,393

Total headcount at end of FY24
Headcount Growth: 1.7%

6,161

New Jobs Created

Number of people employed by region:

Americas: 86,080
Asia Pacific: 137,835
EMEA: 146,478

Number of people employed by LoS:

Assurance: 134,036
Advisory: 121,655
Tax & Legal: 58,119
IFS: 56,583

Number of people employed by seniority level:

Associates & below: 244,352
Managers: 89,271
Directors: 23,343
Equity Partners and Principals: 13,427

Inclusion & Diversity highlights

- ✓ **Diversity at the top.** This year, Mohamed Kande became our new Global Chairman, our first from a multicultural background. Alongside Mohamed, PwC has many women in leadership positions. Women account for 46% of our Global Leadership Team, 44% of our Global Board, and 20% of our Network Leadership Team.
- ✓ **Ongoing execution of our [Global Inclusion First Strategy](#)** with all PwC firms implementing a local Inclusion & Diversity strategy aligned with our network-wide strategy.
- ✓ **Continued focus on Inclusive Mindset learning across the PwC network.** So far 50,450 active PwC employees have undertaken Inclusive Mindset learning.
- ✓ **Amplification of Disability Inclusion.** We launched our first [Global Disability Inclusion strategy](#) in 2022. This year, we saw the number of people with a disability voluntarily self-disclosing in our Global People Survey double since last year, with 77% of our people with a disability saying that they feel that they belong at PwC (an increase of 4%). The number of Disability Inclusion Networks established across PwC firms has grown from 13 to 18.
- ✓ **Growth of Shine LGBTQ+ networks.** Our [Shine](#) Inclusion networks have grown to 36 from just 9 in 2016, with new networks established in Portugal, Uruguay, and Greece this year. For the first time, we hosted multiple global webcasts highlighting our LGBTQ+ leaders and role models across the network.
- ✓ **Launched our [#InclusionMatters thought leadership](#)** to mark International Women's Day. Our external research from over 54,000 workers across 46 countries underlines the value of inclusivity. We found that women experiencing higher levels of workplace inclusion are 15x times more likely to ask for a promotion and 1.7x more likely to seek out opportunities to learn and develop new skills than those with lower inclusion scores.
- ✓ **New Human Rights Policy** which will be implemented in FY25 expands on our [Human Rights Statement](#) and underscores our commitment to upholding human rights throughout our global network.

Find out more about our Global Inclusion First strategy at www.pwc.com/inclusion

Our Impact

World Economic Forum Metric Disclosure Highlights: Reporting our impact on society

We believe strongly in the value of robust disclosures of companies' impacts on society. We supported the World Economic Forum to develop its [Stakeholder Capitalism Metrics](#), a rigorous way for companies to measure their impact on people and the planet. We were an early adopter of the metrics, and our latest report is [here](#). We believe the metrics heighten transparency and accountability, helping to build stronger communities and a healthier environment.

We are fully or partially complying with 36 of 39 Stakeholder Capitalism Metrics that are relevant to our business, providing a detailed understanding of the PwC network's impact on the planet, our people, the economy and society. Reporting against as many of these metrics as possible is a key element of our commitment to transparency and we are proud of the progress we have made with our reporting in this area over the last few years.

Our net zero commitments

We have continued to make progress toward achieving net zero greenhouse gas emissions with 2030 goals. For example, we have already reduced our scope 1 & 2 greenhouse gas emissions by 71% compared to FY19 (our goal is a 50% reduction by FY30). In addition, we already use 95% renewable electricity in our territories. Please see our [2024 Network Environment Report](#) for more on our progress on our commitments.



Volunteering and pro-bono work

54,524
volunteers

860,126
volunteer hours

1,551,608
beneficiaries

US\$221,632,084
community investment



Our humanitarian work

Since 2018, PwC's Global Office for Humanitarian Affairs (PwC GOHA) has been leveraging the power of our network and aid partners to support forcibly displaced people and vulnerable host community members in the midst of humanitarian crises, across areas including healthcare, sustainable shelter, nutrition, livelihoods, water, sanitation and hygiene, and disaster response.



Bangladesh

For the past six years, PwC GOHA and Health and Education for All (HAEFA) have been providing free healthcare services to Rohingya communities in the largest refugee camp in the world located in Cox's Bazar district, Bangladesh. Nearly 276,500 patient footfalls have been recorded in the two PwC supported HAEFA health posts which include the first non-communicable diseases focused pathology laboratory in the district. Recently, new facilities including an ultrasonography machine have been introduced, and we will soon introduce mobile medical services to reach more people in need.



Türkiye

In February 2023 a devastating earthquake occurred, significantly increasing the protection risks faced by vulnerable children and youth in Türkiye. In response, PwC GOHA and PwC Türkiye extended their support to the Turkish Red Crescent with a mobile child-friendly Space in Adana and a mobile Psychosocial Support Unit in Malatya. These resources have enabled the provision of child protection services, psychosocial support, social cohesion programmes, and youth empowerment activities to both Turkish and migrant children, as well as their caregivers, in rural, earthquake-affected regions. PwC Türkiye, with the support of the PwC network, also constructed two schools in Hatay, one of the regions hardest hit by the earthquake. With 16 classrooms and a capacity of 500 students, these schools will help those children most affected to reach their potential.



Syria

PwC GOHA is providing critical support to nearly 80 internally displaced families in Idlib, Northwest Syria who have been affected by the devastating February 2023 earthquake. Alongside the international aid organisation WATAN (known locally as Vatan Dernegi), a camp has been established with shelters and water, sanitation and hygiene facilities. The families are also being provided fresh bread and water trucking services. Additional shelters have also been set up with local aid organisation Nur Dernegi in existing camps where the families have been provided with food baskets and essential non food items including solar lamps, mattresses and blankets.



Colombia

Colombia is the primary destination for refugees and migrants from Venezuela which is facing the largest displacement crisis in Latin America. PwC GOHA, PwC Colombia and the United Nations High Commissioner for Refugees (UNHCR) Colombia are working towards the socioeconomic integration of hundreds of Venezuelan refugees and migrants, Colombian returnees and internally displaced people in Cali and the surrounding metropolitan areas. The programme is facilitating the training and inclusion of these communities into the labour market by the end of 2024, providing psychosocial support, integrating them into the host community, and strengthening the autonomy of ethnic organisations.



Morocco

In September 2023 Morocco was struck by a catastrophic earthquake that left thousands homeless and exposed to harsh weather, health risks, and social distress. PwC GOHA and PwC Morocco, together with Association Le Grand Atlas Marrakech and WATAN, have supported families in the impacted region of Al Hauz with sustainable shelter, food kits and non-food items. Additionally, two sanitation units were constructed, enhancing the living conditions of the families.



Maui

The PwC Charitable Foundation, Inc. contributed US\$250,000 to American Red Cross, Americares, Hawaii Community Foundation and World Central Kitchen in support of immediate response efforts and long-term recovery in the aftermath of widespread wildfires on Maui, Hawaii. PwC US partners and staff came together to provide aid through various crowdfunding campaigns and individual donations.

Our work in building resilient communities

This year, we helped to build healthy, resilient communities in countries across the world. For example:



PwC Ireland, in [collaboration with ChangeX](#), launched a fund to support community projects that provide opportunities for young people and community members to develop needed skills. Among the projects implemented are 'STEAM in a box,' inspiring primary students to love STEM subjects as well as artistic skills (the A in STEAM) like creative thinking and design.



PwC India Foundation and The Corbett Foundation in Madhya Pradesh [launched a project](#) to help local villagers around the Kanha Tiger Reserve rehabilitate the reserve's ecology and assist community members in starting eco-friendly businesses.

PwC Brazil's [Access Your Potential programme](#) has expanded employment opportunities and empowered over 700 young Brazilians to develop digital skills through mentorship, online courses, and hackathons.



PwC Ghana collaborated with United Way Ghana in celebration of [Green Ghana Day](#) by planting trees and educating over 800 students at the Association Community Basic School and La Yahoushua Basic School in Labone on the importance of environmental sustainability.



PwC China is collaborating with the Adream Foundation to enhance digital literacy and design thinking skills through [Tech Carnivals](#) in Shanghai's neighbourhoods.



Supporting global upskilling



We are collaborating with [UNICEF in support of Generation Unlimited](#) (GenU) to support their mission to help skill and connect 1.8 billion young people to opportunities. At COP28 in 2023, we participated in the launch of Green Rising, an initiative aiming to equip 10 million young people with the knowledge and skills they need to take climate action by 2026. Green Rising exceeded its ambition after less than a year and has to date worked with over 11 million young people.

As a founding partner of GenU, we continue to collaborate to address skilling challenges faced locally through on-the-ground programmes such as [Youth Hub](#) (India) and [Mamelodi Business Hub](#) (South Africa).



We are a founding member of the World Economic Forum's [Reskilling Revolution](#) programme which aims to catalyse coalitions to provide 1 billion people with better education, skills and jobs by 2030. [Our joint publication](#) featured real-world examples, including PwC's skills programme, to demonstrate the potential of skills-first approaches to improve labour markets.

Our alliances and partnerships

Key partnerships on societal issues

- World Economic Forum
- World Business Council for Sustainable Development
- Sustainable Markets Initiative
- UNICEF in support of Generation Unlimited
- The Global Solutions Initiative
- Member of the LEAF Coalition
- Business for Nature
- Race to Zero
- Climate Champions
- Taskforce on Nature-related Financial Disclosures
- Task Force on Climate-related Financial Disclosures
- International Sustainability Standards Board
- Glasgow Financial Alliance for Net Zero
- Science Based Target Initiative (SBTI)
- Science Based Target Network (SBTN)
- European Financial Reporting Advisory Group (EFRAG)
- Global Reporting Initiative
- Greenhouse Gas Protocol
- Climate Pledge
- UN Global Compact
- RE100
- We Mean Business
- Natural Capital Coalition

Key global events we joined in FY24

- World Economic Forum Annual Meeting, Davos
- World Economic Forum Annual Meeting of the New Champions
- 2023 United Nations Climate Change Conference (COP28)
- Climate Week NYC
- World Energy Congress
- Mobile World Congress
- Bloomberg New Economy Forum
- Milken Institute Global Conference
- Asia-Pacific Economic Cooperation CEO Summit
- Global Solutions Summit
- VivaTech 2024

Our key commercial alliances

- Adobe
- AWS
- Google
- Guidewire
- Microsoft
- Oracle
- Salesforce
- SAP
- Workday
- OpenAI

Our Thought Leadership



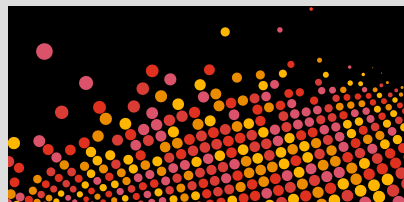
27th Annual Global CEO Survey

Economic optimism doubles, yet almost half of CEOs do not believe their businesses will be viable in a decade as tech and climate pressures accelerate.



Global Hopes and Fears Survey

60% of employees experienced more change at work in the past year than in the previous 12 months.



AI Jobs Barometer

Our data suggests AI is already making workers more productive with sectors that are especially exposed to AI experiencing nearly 5 times higher growth in labour productivity.



Climate Risks to Nine Key Commodities

More than 70% of critical minerals key for the net zero energy transition are at risk from climate disruption.



Global Investor Survey

94% of investors believe corporate reporting on sustainability performance contains unsupported claims.



Women in Work 2024

While women's participation in labour markets is increasing, women continue to face pay disparities compared to men. The gender pay gap widened between 2021 and 2022 in 20 of the 33 OECD countries, including the UK.



Putting skills first

More than 100 million people would benefit from a skills-first approach which gives people opportunities based on their skills rather than traditional measures like formal qualifications, our joint report with the World Economic Forum found.



Global Risk Survey

Cyber and digital technology risks are a key concern for businesses and risk leaders in 2023, even as 60% see GenAI as an opportunity for their businesses.



State of Climate Tech

Climate tech investments from venture-capital and private equity fell 40% in 2023 as economic uncertainty and geopolitical conflict dent investor confidence.

Solving together

Business Model Reinvention

“Ready or not, today’s organizations are entering a new era characterized by a whirlwind of technological disruption, climate change, social instability, and other long-term megatrends. Some CEOs will look back at the next few years as a formative time when they learned to adapt—and thrive—by radically transforming how they create, deliver, and capture value.”

PwC 2024 publication, ‘From stagnation to innovation: Make business model reinvention real’



Five **megatrends** are changing the rules of the game for business success, creating new opportunities while eroding old ones. For example, decarbonising our economy will require **vast transformation** of how we live, eat, move, and make things, while technological innovation keeps expanding the frontiers of the possible.

Business leaders know that they are facing disruptive forces and must reinvent to survive and thrive. **PwC's 2024 Global CEO Survey** shows that 45% of global CEOs think their organisation will no longer be economically viable in ten years if it continues on its current course.

Megatrends

 Climate change Atmospheric greenhouse-gas levels are worsening, global temperatures are rising, and extreme weather events are becoming more frequent and severe.	 Technological disruption Transformative technology is changing how we function and how we understand humanity. It enables huge value creation yet can have harmful consequences we must mitigate.	 Demographic shifts Aging populations are straining the social safety nets of some countries, even as younger countries face threats from unemployment and emigration.	 Fracturing world Nation-states are competing for influence in an increasingly multinodal world. Countries look inward, prioritising national resilience and localisation.	 Social instability Social and economic polarisation, disruption, demographic change, and eroding trust lead to greater social unrest.
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“How CEOs and their leadership teams tackle the reinvention imperative will determine their companies’ future. Business model reinvention is about fundamentally redefining a company’s value proposition. It’s far more than refining a technology or streamlining a process; it’s about rethinking how an organisation creates, delivers, and captures value in a rapidly changing world.”

Matthew Duffey

Global Business Model Reinvention Leader, PwC US



Reinventing Business Models to Help Clients Thrive

True business model reinvention goes beyond making incremental improvements to existing operations - reshaping a tech stack, for example.

True business model reinvention means fundamentally redefining how a company creates, delivers, and captures value—in other words, reimagining how it makes money, serves customers, and provides new products or services.

To reinvent their companies, business leaders need to be comfortable with challenging long-held assumptions about their organisations' business models, perhaps especially when these assumptions are what won success in the first place.

This requires looking not just inside the organisation but outside, studying how a fast-changing business environment opens doors to new opportunities.

This year, the PwC network has helped clients across the world reimagine the value they create, from strategic vision all the way through implementation. For example, we've helped clients redefine as a service rather than product business, launch disruptive offerings that deliver new forms of value to customers, expand into upstream or downstream parts of the value chain, become an ecosystem orchestrator, and more. Our vast range of capabilities - across tax, deals, digital, and more - means we can support clients with all facets of deep and effective reinvention.



"In today's relentlessly evolving environment, successful business model reinvention requires agile thinking and a willingness to explore new pathways for value creation. Companies must look beyond what made them successful in the past, and look toward what will make them successful in the future."

Venky Jayaraman

US Business Model Reinvention Leader, PwC US

Highlights of our year

PwC's Global Centre for Transformative Leadership

The Centre welcomed 440 client participants across 99 organisations in 61 countries to Leaders Solving for Tomorrow, a programme on [transformative leadership](#).

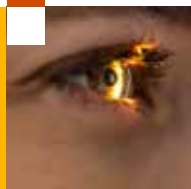


Business Model Reinvention (BMR) Framework

PwC launched a 4-stage framework that supports clients at all stages of their business model reinvention journey, helping them to rethink their value creation, delivery, and financial performance. This includes redefining their value proposition, leveraging new technologies, exploring new business models, and building new ecosystems.

Business Model Reinvention Fundamentals training

We delivered regionally hosted training sessions to over 5,000 PwC firm partners and principals on the foundations of business model reinvention.



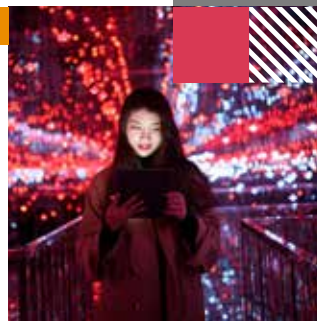
New global site launch

This year, PwC launched a new [global site](#) that offers practical advice for companies on the road to reinvention including our 4 stage framework.



Keynote address at Mobile World Congress

PwC's Global Chairman, Mohamed Kande, gave a [mainstage address](#) at Mobile World Congress in Barcelona about the importance of technology in helping businesses to navigate change and create value through business model reinvention.



“The challenges facing your company in the next decade will range from substantial to existential. Embracing business model reinvention now, and taking decisive action, will significantly increase your odds of success and long-term viability.”

Veronique Roos-Emonds

EMEA Business Model Reinvention Leader, PwC Netherlands

45%

of global CEOs think their organisation will no longer be economically viable in ten years if it continues on its current course.

Source: PwC's 27th Annual Global CEO Survey

PwC Perspectives on Business Model Reinvention

This year, PwC shared a range of insights on this critical topic:

The Reinvention Imperative: Technological disruption, climate change, and other accelerating global megatrends are compelling CEOs to adapt at an unprecedented rate. According to [PwC's 27th Annual Global CEO Survey](#), 45% of global CEOs think their organisation will no longer be economically viable in ten years if it continues on its current course. CEOs are striving to reinvent. In the last five years, 76% of CEOs took at least one action that had a large or very large impact on their company's business model. [Hear more from our leaders](#) as they share four key messages for CEOs navigating reinvention and shed light on the unprecedented confluence of pressures facing executives today.



“Reinvention is not a choice; it’s a necessity. Companies that embrace this imperative - and use the right deals to unlock it - will not only survive but thrive in the new era of business. By reimagining their business models, companies can unlock new opportunities for growth and resilience, paving the way for a sustainable future.”

Rob Silverwood

BMR Deals Leader and Asia Pacific Business Model Reinvention Lead, PwC Australia

From stagnation to innovation: Make business model reinvention real: In the next decade, companies will face challenges ranging from the substantial to the existential. In our [practical guide](#), we provide senior leaders with actionable insights on how to radically reinvent their business models by fundamentally rethinking how they create, deliver, and capture value. Successful business model reinvention is achieved by being intentional - in shaping strategy based on profit pool shifts and trends, in harnessing existing and new capabilities, in fighting the inertia that saps progress, and in nurturing the pilot projects that may flourish and prove to be the company's future.

Building a future-fit workforce in an age of disruption: PwC's latest [Global Workforce Hopes and Fears Survey](#) reveals that business leaders have a job to do to bring some of their workers along on the journey to reinvention. Our survey found that more than half of workers feel there's too much change at work happening at once, and 44% don't understand why things need to change at all. This year's survey outlines six critical actions that C-suite leaders can take to build a change-ready workforce to facilitate successful reinvention.

Reinvention in the transportation sector: CN Rail CEO Tracy Robinson talks to strategy+business about the [reinvention of the railways](#) and the growth of intermodal ecosystems which bring traditional competitors together.

Reinventing the telco: Embracing a 'puretone' approach: For many telecom companies the reinvention journey starts with adopting a ['puretone mindset'](#) which means taking a hard look at the individual performance and value of each of the multiple businesses currently nested within the integrated model.

From steam to sensors and solar: HSB's tale of reinvention: John B. Riggs, CTO and SVP of Applied Technology Solutions at HSB (Hartford Steam Boiler), talks to PwC's strategy+business about how the company is using technology to build new ventures and [create new business models](#) in the historically risk-averse insurance sector.



“Any business reinvention process would involve changes to one or more of the factors of production. Any change or standing up of new requirements across these factors would invariably lead to tax, legal and regulatory implications. These implications can affect the feasibility, profitability, and sustainability of the reinvention outcomes, as well as the overall risk profile of the organisation, making it an imperative to be addressed at every stage of the process.”

Kunj Vaidya

Business Model Reinvention and Transformation Leader - Global Tax and Legal Services, PwC India



“Partnering with PwC, a leader in professional services, will be crucial in helping to deliver Engine, our cutting-edge digital banking platform, to customers around the world. PwC combines an incredible breadth of strategic knowledge with hands-on experience driving business model reinvention using the Engine platform.”

Sam Everington

Chief Executive Officer, Engine by Starling

Case study

Helping Starling Bank expand its offering to become a global technology powerhouse

PwC UK first started working with Starling Bank when it was founded back in 2014 as a forward-thinking digital bank with a mission to change the UK banking arena, helping it to launch first in the consumer banking market and then in the business banking market. It has been a huge success. In a remarkably short space of time, Starling has thoroughly disrupted the market, taking an almost 10% share of the business banking market, winning a raft of awards and consistently ranking at the top of customer satisfaction tables.

But that was just the start of the innovation. PwC UK and Starling quickly realised that the technology which was built to power Starling Bank in the UK could also be used to power other banks around the world in the form of a software-as-a-service (SaaS) solution, Engine by Starling.

Engine is a unique proposition that can deliver modern banking technology to banks everywhere. The Engine platform is modular, API-based, cloud-native and proven at scale. It can be used by financial services organisations to rapidly launch new digital banking propositions and businesses, or as a replacement to existing banking technology.

Over the last two years, PwC UK has been working closely with the Engine team at Starling to form a robust go-to-market strategy and develop blueprints aimed at delivering services at speed and on time.

Today, PwC UK and Engine are working with numerous clients across the world from the Middle East to the US to implement the Engine SaaS solution. The first joint implementation in Australia is due to go live in the first quarter of 2025. This will not only firmly establish Engine as an innovator in the core banking marketplace, it also represents a business model reinvention for Starling Bank from UK digital bank to global technology powerhouse. PwC UK's work with Starling is an example of business model reinvention to expand the business to add new revenue streams and deliver greater shareholder value.

Case study

Enabling a global technology company to reinvent its business model and drive subscription-based growth and customer value

A leading global technology company faced a low stock market valuation and growing customer dissatisfaction with the buyer journey and ownership experience, fueled in part by the sheer complexity of a vast array of highly technical products.

Over a 40-year period the company had acquired over 60 companies, each with their own variations of processes, technology and data. This resulted in fragmented interactions and caused confusion for customers who wanted to purchase multiple products, often requiring multiple contracts, orders and invoices. The organisational challenges were therefore threefold: a legacy of multiple acquisitions, fragmented customer experiences and a non-standard operating model for its products and services.

PwC US collaborated with the company's leadership team to reinvent both the way it engaged with customers, the subscription based offering structures and the associated operating model. We helped by designing and piloting an industry leading XaaS (Anything as a Service) focused operating model and solution architecture, and working together to shape a strategic roadmap. We also worked with them to standardise processes, automate workflows and move data insights onto a single platform, providing unprecedented visibility across the customer lifecycle, from lead generation to software activation. Most critically, PwC US worked with the company to introduce XaaS offerings with subscription-based pricing into the market. This enabled customers to buy hardware and software products through a digital customer experience with a lower cost of entry, thereby simplifying the buying process and reducing their capex requirements.

This reinvention of the business has produced a very significant improvement in measurable commercial outcomes, including significant year on year revenue growth, an increase in average deal size and a doubling of annual recurring revenue over a two year period. As a result there has been a significant upwards revaluation of the company by investors, along with an increase in sales velocity and digital customer engagement.



“We are delighted to have been able to provide strategic support for this business model reinvention, pivoting the company successfully to XaaS. Adopting an XaaS model increases recurring revenue and also enhances customer relationships and trust, ensuring that customer's needs are met through the buyer journey and the ownership experience.”

Romit Dey

Software Sector Leader, Partner, PwC US

Case study

Reinventing a maritime company

PwC Australia and PwC South East Asia Consulting were brought in to help a maritime company which had encountered challenges after introducing new technology to the business.

The company was set up in 2001 as a joint venture to vet maritime vessels before they headed out to sea and help establish rigorous standards for the maritime industry to mitigate against the risk of harm to seafarers, the environment, local communities, ships, or their cargoes.

The maritime firm initially achieved this primarily through the manual vetting of vessels by in-house maritime experts. However it later pivoted to an analytics-led approach, which replaced humans with technology. This new approach led to new challenges, including lack of transparency, lack of explainability, and high volatility in recommendations. This resulted in a lack of trust between the firm and its customers as well as the maritime industry.

With its customer base falling away, the firm's core business model was put under threat, requiring an immediate need to turnaround and reconsider every aspect of the business. Its products, services and commercial model, as well as its core operating model, capabilities and ways of working all needed to be reinvented to stabilise the business and build a strong platform for growth.

PwC Australia worked in partnership with the maritime firm to turn around the situation with an end-to-end business strategy that has revitalised and repositioned the business and its future prospects.

The PwC Australia and the PwC South East Asia Consulting team began by listening to customers about their concerns with the firm's existing products and services and agreeing with them a pathway for a set of products and services that combined human and digital expertise. The team then created an end-to-end corporate strategy, holding two board workshops to agree immediate remediation activities. PwC Australia and PwC South East Asia Consulting worked with the client to develop a five year strategy for the business including a wide range of critical actions from helping the company to strike and implement a deal to acquire another company to supporting tax restructuring. The team advised on the design, delivery and replatforming of the core products and services, leveraging human-centred design, cloud architecture data and analytics and a first-principles strategy. The team also worked with the client to create, launch and update the maritime firm's brand and communications.

The reinvention of the business model and supporting operating model has been an outstanding success. The business has not only been saved from either forced exit or wind down, it has returned to double-digit top-line growth every year since its reinvention, thereby protecting both the core business and key customers. The business is now able to attract new talent and the perspective of board members has moved from pessimistic to having an ambitious growth mindset, to the extent that the business is now raising capital to fund future growth.

Case study

Driving evolution at David Lloyd health clubs

David Lloyd Clubs (DLC) is evolving from a predominantly health club business to a fully-developed health and wellbeing brand with 750,000 members across 132 clubs in Europe.

To meet the evolving demands of members who see their health club as part of their social world, and drive digital innovation, DLC invested in cloud-based Software-as-a-Service (SaaS) solutions which provide essential technology foundations for future growth and enhanced member experiences. The technology modernisation programme addressed the challenges of an aging and hard to integrate technology estate, poorly used data and manual processes.

Due to the scale and ambition of this project, DLC had complex IT and third party challenges to manage while lacking all the necessary transformation capabilities. So to make processes more efficient, PwC UK worked with DLC to develop and roll out technology-enabled programmes across Finance, HR and Payroll. This included deploying AI systems to improve HR policy management and member interactions. By enhancing data platforms and business intelligence, DLC will be able to improve member experience.

This project has delivered major transformation to the business while significantly enhancing DLC's confidence and capability for future transformations by introducing consistent systems, data, and processes across all clubs and putting in place a clear, sequenced roadmap for strategic priorities.

DLC has now commissioned PwC UK to help it assess regulatory sustainability requirements, identifying gaps and building a roadmap towards greater corporate sustainability as part of its continued transformation journey.

"We have needed to modernise our technology and data to ensure we are fit for the future, partnering with PwC has enabled us to deliver significant initiatives with confidence. We really value the advice, healthy challenge and the flexibility they demonstrate in supporting us."

Yossef La Cherie

Exec sponsor & Strategy Director at DLC



"Given our growth strategy and focus on enhancing employee and member experience - we need effective systems and data, this has required change. PwC provides us with pragmatic advice, and has helped us navigate through complex initiatives. We feel our relationship is based on mutual trust, driving value both ways and we look forward to continue working with PwC."

Patrick Burrows

CFO at DLC

Solving together

Artificial intelligence

AI is revolutionising how we work and live - and this will only accelerate. AI transforms our capacity to apply intelligence at speed and scale, creating exponential improvements in our ability to achieve results.





For companies, using AI to automate processes or generate content is useful, but it only scratches the surface of AI's capabilities. AI makes it possible for companies and their people to [create value](#) in new ways, opening the door to entirely new business models.

CEOs understand AI's potential. In PwC's [2024 Global CEO Survey](#), 70% of CEOs say that AI will significantly change the way their company creates, delivers and captures value over the next three years (rising to 89% for CEOs whose companies have already adopted generative AI).

At PwC, we are harnessing our global expertise in AI to help clients across the world unlock AI-driven value creation. This year, we have helped companies leverage AI in a way that is explainable, secure, and robust to transform their businesses at scale and gain new competitive advantage. We help clients realise the full power of AI [responsibly](#) - mitigating risks, maintaining data security, and supporting the trustworthiness of AI outputs. We are leading the market with the AI led transformation of our core services, rolling out AI platforms across our network and developing thousands of use cases.



“Technology is a powerful force, advancing every day, but technology alone can’t reinvent our business or change the way we work. Meeting that challenge also requires smart, creative people of integrity who dive in and embrace advancing technologies, learning to apply AI in responsible and innovative ways.”

Joe Atkinson

Global Chief AI Officer, PwC US

Highlights of our year

US\$1.5 billion global investment

PwC network firms are collectively investing nearly US\$1.5 billion to expand and scale our AI capabilities across our network, launch partnerships and roll out AI tools across our lines of service.



PwC wins '2023 Digital Innovation of the Year'

for our work with AI at the International Accounting Forum & Awards. Our 'Next generation AI services for the next generation auditor' - including predictive analytics and AI-powered checks - were recognised for improving 'major change in improving audit quality, efficiency or added value to clients.'



PwC wins Microsoft's 'Building with AI' Partner of the Year

in recognition of PwC's global leadership on AI.



Global summits and events

Our leaders and AI specialists joined global conversations on AI at Mobile World Congress, Davos, TED 2024, VivaTech, and Financial Times special events.

Alliances

We are continuing to build strategic partnerships with Microsoft, Google, Amazon Web Services, OpenAI, Harvey, EightFold and other innovative tech leaders to help clients realise AI's potential. For example, we announced a new strategic collaboration with Microsoft and Icertis to provide C-suites with a powerful, innovative AI-driven approach to contract management. The PwC network announced an expansion of its strategic alliance with Google Cloud to enhance how businesses operate with generative AI.



PwC is AI 'Client Zero'

The PwC network has made itself 'Client Zero' for GenAI, identifying over 3,000 internal GenAI use cases and fully embedding GenAI into our own work to enable us to be best-placed to advise clients on their own AI needs. We are rolling out AI platforms across our network to enhance our consultancy, tax, legal, audit and assurance offerings. For example, we've equipped over 100,000 people in PwC firms across the network to make the most of Microsoft's AI assistant Copilot for Microsoft 365 to help our people deliver more for clients.



AI platforms for our global tax and legal practice

We rolled out AI platforms Harvey and Leah to our tax and legal practice. Harvey and Leah use natural language processing, machine learning and data analytics to generate recommendations - always overseen and reviewed by PwC people - to help us generate more value for clients.

ChatPwC

We rolled out the AI platform 'ChatPwC' to over 200,000 PwC people in network firms across the world, enabling our people to use ChatGPT technology in a secure environment and always with human oversight.



AI and NextGen Audit

The PwC network is applying AI and investing over US\$1 billion to revolutionise the audit process through our Next Generation Audit, using new technologies to further standardise, simplify, centralise, and automate our audit work. The Next Generation Audit platform will be piloted in 2025 with rollout starting in 2026.



Leading deployment of enterprise ChatGPT

We continue to be at the forefront of enterprise deployment of ChatGPT; for example, PwC this year became the first reseller of OpenAI's ChatGPT Enterprise and the largest corporate user of the product.

AI Factory

The PwC network's AI factory is staffed by data scientists, tech specialists, and industry specialists and continues to develop hundreds of AI use cases, enabled by our broad skills in areas from business process design to supply chain optimisation.



AI upskilling

We're bringing AI to staff and partners in PwC firms around the world through our Network AI Academy, a globally accessible platform containing tailored upskilling to equip every person across the network with the skills to apply AI in innovative and responsible ways. To enable our people to have the confidence and knowledge to leverage AI in how they serve their clients we're rolling out initiatives such as hands-on sessions, prompt workshops, and hackathons to take them from awareness to adoption.

AI-enabled tools in Deals

This year, 60 PwC network firms adopted our Connected Digital Experience, a set of AI-enabled, data-driven smart tools that automate, simplify and accelerate how we work across Deals and beyond to help us deliver more value for clients.



Responsible AI

This year, we continued to support clients to deploy Responsible AI in order to mitigate the risks associated with this technology, maintain the confidentiality and security of their data, support the trustworthiness of AI outputs, and realise the full potential of AI while maintaining trust with their stakeholders. We helped clients incorporate trust by design in their AI systems so that the technology is used ethically, responsibly, and without hidden biases.



AI to build trust

We continued to deploy AI to build trust in business and society with platforms like our AI-driven Risk Detect which enables clients to protect against fraud, corruption and compliance issues. We contributed to efforts to build frameworks for safe and trusted AI systems. For example, PwC US became a founding member of the National Institute of Standards and Technology's AI Safety Institute Consortium, the first-ever US consortium of its scale dedicated to AI safety.



“AI can become an intrinsic, supportive part of everything we make and everything we do. AI can amplify human intuition, creativity, and insight with the precision, efficiency, and scalability of technology.”

Scott Likens

Global Chief AI Engineer Officer, PwC US



“It is easy to focus on AI’s efficiencies only. But AI’s other promise is helping people solve big meaningful problems. If a problem can be solved with data and intelligence, AI can open doors long thought to be nailed shut.”

Dan Priest

Chief AI Officer, PwC US



“AI is creating light speed advances in our people’s ability to problem solve. It’s completely rewriting the rules in terms of the value we can deliver for clients.”

Bivek Sharma

Chief AI Officer, PwC UK



PwC perspectives on AI

This year, PwC shared a range of insights on AI and how companies can make the most of it:

Your industry's GenAI adoption play: PwC offers [practical steps](#) companies can take to use AI to catalyse reinvention.

The path to GenAI value: PwC identifies the increase in operating profit margin that AI can generate across industries, and explains how to get the [flywheel](#) moving toward business reinvention and lasting value creation.

AI improves worker productivity: PwC's 2024 AI Jobs Barometer suggests that AI is already [making workers more productive](#). Sectors that are especially exposed to AI are seeing 4.8 times greater labour productivity growth which can in turn lead to economic growth, higher wages, and enhanced living standards. PwC's 2024 Global CEO Survey finds that 64% of global CEOs say that the next 12 months will



“With GenAI, companies, communities, and citizens can accelerate value creation and capture opportunities. AI is a game changer for what people and organisations can achieve. The future truly is human-led and tech-powered.”

Vishy Narayanan

Asia Pacific Chief Digital and AI Officer and Generative AI Executive Leader,
PwC Malaysia



“GenAI is set to transform the world, revolutionising businesses, value creation and collaboration. Every business operation, function, and process across all industries will feel its impact. We are indeed living in exciting times, as GenAI becomes a critical component of so much that companies do and shows the path to a truly human-led, tech-powered business.”

Damir Maras

Global Advisory Leader, PwC Germany

see GenAI [increase how much employees can accomplish](#). More than 80% of workers who use GenAI daily expect it to make their time at work [more efficient](#) in the next 12 months, according to PwC’s 2024 Hopes and Fears survey.

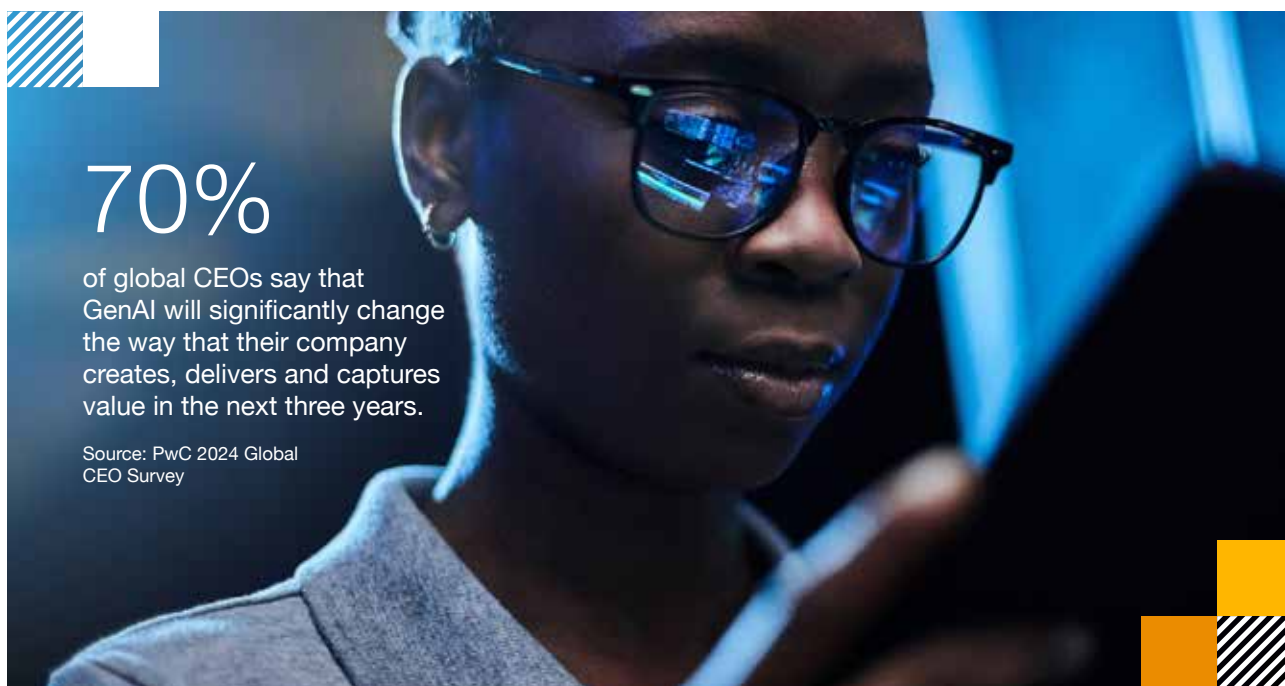
Workers expect AI to improve their work quality and creativity: More than 70% of employees who have used GenAI agree that the tools will create opportunities to learn new skills at work, be more creative and [improve the quality of their work](#).

AI can create value and increase revenue for companies: 70% of global CEOs say that GenAI will significantly change the way that their company creates, delivers and [captures value](#) in the next three years. 41% of CEOs say GenAI will [boost revenues](#) by at least 5% in the next 12 months, and 89% who have used GenAI believe it will improve the quality of their goods and services over the next 12 months. Investors agree. 61% of investors believe accelerated adoption of AI is very or critically important to [generating value](#), according to PwC’s 2023 Global Investor Survey.

70%

of global CEOs say that GenAI will significantly change the way that their company creates, delivers and captures value in the next three years.

Source: PwC 2024 Global CEO Survey





“AI has revolutionised the value our tax and legal teams bring to clients. By enhancing our ability to simulate complex tax scenarios and craft tailored strategies, AI empowers us to guide clients through uncertainty with unparalleled precision.”

Brad Silver

Global Tax & Legal Services Leader, PwC US

Next generation business leaders see the value of AI: PwC’s 2024 Global NextGen Survey of 900+ next-generation business leaders suggests that they are more optimistic about GenAI than the previous generation, and they understand the urgent need to deploy AI enterprise wide.

AI is transforming industries: 40% of workers who have used GenAI in the past 12 months say it will fundamentally change their profession in under five years. 68% of global CEOs say that GenAI will increase competitive intensity in their industry.

AI is changing the skills workers need to succeed. Skills sought by employers are changing at a 25% higher rate in AI-exposed occupations. To stay relevant, workers in these jobs will need to build or demonstrate new skills. In fact, 69% of global CEOs anticipate that GenAI will require most of their workforce to develop new capabilities.

Six priorities for an ‘early days’ GenAI strategy: PwC identifies six priority actions to help companies generate maximum value from AI right from the start.

In the coming year, we will continue to generate new insights on AI, including, for example, through our new collaboration with the World Economic Forum to explore how GenAI is increasing worker productivity.



“Helping clients build trust in what matters depends on our ability to draw rigorous conclusions from data. AI is an indispensable partner that helps us draw robust conclusions at speed and scale. That’s why we are continuing to invest US\$1 billion over five years to enhance the rigour and quality of our audits including investing in AI platforms.”

Wes Bricker

Global Assurance Leader, PwC US

Case study

Using GenAI to improve clinical trials for major pharma company

Clinical trials are an essential part of the drug development programme in the pharmaceutical industry. However, they are also notoriously inefficient, with progress slowed down by the time, effort and increasing costs of recruiting patients to participate in clinical trials, together with the high risks and cost of failure of each phase of the trial. It often takes many years and billions of dollars to bring a new treatment or therapy to market.

PwC US has been working with a top 20 global pharmaceutical company to improve the design of their clinical trials for major drugs which could potentially benefit millions of people around the world.

The PwC US team used data and analytics together with the power of GenAI to design a new clinical trial model, building an integrated technology platform which utilised the capabilities of PwC Alliance partners Amazon Web Services and Microsoft. These capabilities enable pharma companies to design clinical trials leveraging data and AI.

The optimised clinical trial design delivered big improvements in three key areas. It dramatically sped up the time taken to test the drug, cutting the length of the trial by 20-25%. It also considerably reduced the cost of the process, and it enhanced the quality of the trial findings by providing greater precision.

Indeed the improvements were so significant that they are estimated to have delivered a 60-70% boost in productivity compared to the old design. The optimised design also delivered a revenue boost in excess of \$100 million to the pharmaceutical company because they were able to bring their new drug to market far more quickly than they would normally have been able to.

Most importantly, the optimised design has a wide potential application and can be used to conduct faster and more efficient clinical trials for all kinds of drugs across the pharmaceutical industry, helping to unlock the potential of drug discovery and ultimately benefitting patients everywhere.



“Clinical trials are an enormously important part of bringing much needed life-improving drugs to the market and ultimately to the patients who need them. PwC is delighted to have been able to play a role in improving the efficiency of this process by using GenAI and other tools to optimise the design of clinical trials.”

Sidd Bhattacharya

Partner, PwC US



“Flooding is a serious risk for vast numbers of communities around the world and can cause immense devastation. Our AI Flood Resilience Tool will provide a practical way for communities to simulate such conditions and put plans in place before a flood strikes in order to mitigate its impact.”

Sumedh Ghatage

Data Scientist, PwC Middle East

Case study

Helping communities mitigate against flood risks with AI flood resilience tool

Floods are a severe global challenge that affect the lives and livelihoods of millions of people. An estimated 25% of the world's population is exposed to flood risks. In the past decade alone flooding has displaced approximately 24 million people and caused economic losses of approximately US\$453 billion.^{1,2}

Realising the global need to address the devastating effects of flooding, a team from PwC Middle East created a solution using AI to create a Flood Resilience tool.

The Flood Resilience AI tool uses advanced technology such as geospatial AI to create dynamic simulations which show possible flooding scenarios. Real-time data such as the slope of an area, rainfall, speed and direction of a cyclone or hurricane and distance from the ocean are used to create the simulations which are then presented in a visual 3D environment, making it easier for people to understand the likely flow of the flood at the level of individual properties.

These immersive simulations can help government agencies, emergency services, first responders and homeowners, as well as other organisations such as insurance agencies, to create plans and strategies that may reduce the impact of floods in the event of a real-life emergency, for example by carrying out targeted emergency evacuations to safeguard communities.

¹ Nasa Earth Observatory

² Statista

Case study

Making GenAI cyber secure

Generative AI is without doubt a game changer for businesses, but using it comes with its own set of challenges, not least the hallucinations it can sometimes create when asked to perform a task.

A team at PwC India has created a tool to tackle these issues with Cyber Secure GenAI, a security product which has been specifically designed to address the unique challenges and vulnerabilities emerging in the world of Generative AI.

Cyber Secure GenAI is designed to enable enterprises to safeguard and implement guardrails in their Gen AI Large Language Model (LLM)-based applications.

The technology platform provides protection through six modular security membranes including input checks, PII (Personal Information Identifier) checks, datastore checks, generated output checks, connected app checks and hallucination checks. The input membrane, for example, serves as the first line of defence, safeguarding against unauthorized access attempts and malicious inputs. It checks for various threats such as prompt injections, unauthorised code execution, and sensitive data exposure. The output membrane meanwhile checks the legitimacy and accuracy of outgoing data and responses from LLM applications. The other membranes, namely PII, Data and connected apps, perform modular checks at the connected database, data pipeline and other connected applications (Customer Relationship Management (CRM), Enterprise Resource Planning (ERP) etc) with the GenAI LLM application/s.

Crucially, Cyber Secure GenAI also features an industry-first hallucination checker, an advanced mechanism that detects false outputs and helps to establish a secure and reliable environment for AI applications. This increases the accuracy and credibility of application outputs, helping to prevent the spread of misinformation or distortions.

These six membranes provide a holistic security guardrail for LLM applications - modularly integrated as per the business need from simple to complex architectures. The solution builds trust in adopting newer and innovative technologies such as GenAI within the organisational landscape.

Cyber Secure GenAI will be embedded in all global PwC GenAI offerings to enhance PwC's global cybersecurity services.



“Cybersecurity threats posed by Gen AI loom large over global organizations, presenting a formidable challenge. We are delighted to have been able to create a solution with Cyber Secure GenAI that provides trust and security for both businesses and their customers.”

Mokshita Vashisht

Digital Products and Transformation, Manager, PwC India

Case Study

Using AI to detect Insurance Fraud

Insurance fraud has risen sharply as businesses become more complex, incorporating large numbers of stakeholders and disparate data and technology. The scale of the problem is reflected in the fact that the global fraud detection solutions market is expected to increase from US\$28 billion today to US\$67 billion by 2028.¹

One of the key challenges in identifying insurance fraud is that it requires the review of large volumes of data. One of our existing products, Risk Detect, achieved this by using advanced analytics and machine learning to identify and flag high risk activity. So the Cybersecurity Risk & Regulatory Financial Crimes and Investigations & Fraud teams from PwC US and PwC UK collaborated to adapt Risk Detect for the insurance market.

Risk Detect brings together disparate data sources to help review transactions and documents at speed, delivering analytics, investigative tooling and reporting in a single package to enable clients to detect and respond to risk with more precision.

The collaboration between the two PwC teams included enhancing the analytics tool and building a platform to host a real time fraud detection engine. This engine can process large amounts of structured and unstructured data through complex analytics models, including machine learning and GenAI, in order to detect more - and more complex - fraud for our clients. The analytics models created were then reviewed for bias to confirm ethical use.

The model the PwC US and UK teams created can be used across the insurance industry. Its multi-tiered analytics and advanced AI are better able to detect fraud and reduce false positives while also providing transparency and detailed explanations of the fraud analytics.

¹ The FinTech Times



“We bring more than 100 years of insurance fraud subject matter expertise to support the Risk Detect technology, giving clients supreme confidence in the current and future abilities of our offering. We are delighted to have been able to leverage our expertise to create a critical tool for our clients.”

Frank Pinder

Insurance Fraud Practice, Managing Director, PwC US



“By their nature, refugee crises are highly unpredictable and therefore very challenging to address and manage. We are really pleased to be able to offer a solution that helps authorities use their resources in the most efficient and effective way to support refugees in their time of need, while taking into account the interests of the local community as well.”

Jacques de Swart

Data Analytics - Public Sector, Partner, PwC Netherlands

Case study

Providing vital insights to help optimise resources for refugees

It is challenging to predict when the next wave of refugees is going to occur, making it difficult for authorities to prepare. We have seen this happen recently when Russia invaded Ukraine, forcing many Ukrainians to flee suddenly.

The urgency, unpredictability and high costs of a refugee influx crisis make it hard to manage. The public authorities responsible for helping refugees to integrate into local communities have to allocate limited resources quickly, while ensuring that the allocation decisions they make align with the interests of both the refugees and the local community. This is despite often lacking specialist guidance and insights.

As part of PwC's [Solvers Challenge](#), an annual global challenge that encourages collaboration on innovative solutions to complex problems, a PwC Netherlands team has developed a model which combines data, research, and expert knowledge with a powerful AI model to provide authorities with quantitative insights into potential interventions so that they can decide the best actions to take. The model does this by translating the local community's priorities into weights of key performance indicators (KPIs) and then relating these directly to possible interventions. The interventions proposed by the AI model in most cases outperform those proposed by human beings.

The possible interventions that this model assesses are a mix of investments in education, language and integration, sports, access to transport and employment. The model is based on the generic framework of PwC's Responsible Business Simulator, a modelling tool which helps users make strategic decisions based on facts rather than instincts; however, it is possible to adjust the settings and approach to address refugee crises in other countries.

The current version of the model was designed to support Dutch municipalities in accommodating Ukrainian refugees. It considers the following KPIs for both Ukrainians and local residents: feeling of safety, financial security, social cohesion, health and labour participation, and economic impact on the local area.

The goal of the model is to calculate and compare the impact of the given interventions, thereby allowing decision makers such as governments, municipalities and NGOs to make data-driven decisions in this complex area. This builds greater trust in these organisations and wider society.

Solving together

Sustainability

Ensuring the continued sustainability of our planet is becoming more and more urgent as the health of natural ecosystems declines and climate change accelerates at a rate that has defied even some scientists' expectations.¹ PwC's purpose is to build trust in society and solve important problems. That's why a key strategic priority for the PwC network is helping business and society move rapidly toward sustainable prosperity.

¹ Financial Times, 'The world is warming faster than scientists expected,' March 2024

CEOs recognise the urgency. Nearly half of CEOs believe their companies won't be viable in ten years unless they change course according to PwC's [2024 Global CEO Survey](#). Climate change is a primary force driving business leaders' need to reinvent their companies.

Business leaders must transform their firms to succeed in an economy that is transitioning toward net zero while also preparing to operate in a world that is already being hit by the [accelerating impacts of climate change](#). Doing so helps to maintain the trust and support of investors, customers, regulators, employees, lenders, and other stakeholders who want business to support sustainability.

More and more, a rapidly evolving global regulatory landscape requires companies to disclose sustainability performance and planning. For example, this year the [EU's Corporate Sustainability Reporting Directive](#) (CSRD) began to affect around 50,000 companies globally, requiring them to make detailed disclosures about sustainability issues and their strategic implications.

Investors too seek action. Three-quarters of investors in PwC's [Global Investor Survey](#) said that how companies manage sustainability-related risks and opportunities is an important factor in their investment decision-making.

From obligation to opportunity

PwC's 2024 Global CEO Survey shows that while over two-thirds of CEOs are acting to decarbonise their operations, only half are taking action to protect their workers and assets from the impacts of climate change. Less than half are incorporating climate risk into their financial planning or investing in solutions to protect nature.

Our experience with clients across the world shows that action on sustainability is not just an obligation to satisfy stakeholder demands. It is an opportunity to create a business that is successful now and in the long term. Investors are realising this. Ten years ago, when PwC first surveyed private equity firms on their approach to sustainability, risk management was their top concern. Today, however, over 70% said that one of their top three drivers for action on sustainability is [value creation](#). PwC brings together the vast range of capabilities needed to help companies leverage the opportunities of supporting sustainability.

We are enabling progress toward sustainability at a societal level by collaborating with others across the public and private sectors including in forums like Davos, Climate Week, and COP28. We are enabling society's transition by supporting the [move to clean energy](#), encouraging reductions in [energy demand](#), and helping to [protect the natural world](#) on which 55% of global GDP depends.

In this chapter, we share some of the ways we have helped our clients, and society more broadly, become more sustainable this year.



“Businesses face a vast range of sustainability-related impacts, risks and opportunities across their operations and supply chains. But this also gives organisations the opportunity to transform and reinvent themselves in order to ensure future growth and resilience.”

Will Jackson-Moore

Global Sustainability Leader, PwC UK

Highlights of our year

Global leader in Sustainability

PwC was recognised as a Global Leader in ESG and Sustainability in Verdantix's 2024 Green Quadrant: ESG And Sustainability Consulting report, highlighting our ability to provide robust sustainability services to clients across all sectors.



Top 1% sustainability performance

PwC US, PwC UK, PwC Netherlands, and PwC Germany were awarded a Platinum rating by EcoVadis, the business sustainability ratings provider, ranking us in the top 1% for sustainability performance in our industry.



Innovation award winner

PwC's ESG Reporting Manager for CSRD offers an efficient way to meet sustainability reporting requirements and won the SAP Innovation Award 2024.



Climate leadership score

This year, PwC achieved an A- for its 2023 CDP climate disclosure, demonstrating our commitment to leading practice in climate strategy and action. CDP is a nonprofit organisation that manages a global environmental disclosures platform.



Delivering impact at global events

PwC contributed insights at sustainability forums including COP28 in Dubai, the World Economic Forum's Annual Meeting in Davos, Climate Week in New York, the Global Solutions Summit, the World Business Council on Sustainable Development, and the World Energy Congress in Rotterdam.



“Our own business continues to evolve to respond to the twin challenges of decarbonisation and managing the risks of embedded climate change. We continue to focus on progressing our own Net Zero journey, we continue to identify and manage physical risks embedded in our value chain, and we continue to evolve our services to support our clients as they too transform their businesses. We remain committed to working with governments, policy makers and other stakeholders to help address the inevitable challenges which arise for all businesses during a transformation on this scale.”

Colm Kelly

Global Corporate Sustainability Leader, PwC Ireland

Centre for Nature Positive Business

We celebrated the one year anniversary of our Centre for Nature Positive Business which unites PwC nature specialists to accelerate the global transition to a nature positive and net zero future.



Creating a nature partnership

PwC UK collaborated with Business for Nature, a global coalition that brings together business and conservation organisations, to develop a new [Nature Strategy Handbook](#), providing a step-by-step guide for businesses to establish their nature strategy.

Progress on PwC's own net zero commitments

The PwC network continues to make progress towards our net zero commitments. We have reduced our scope 1 and 2 greenhouse gas emissions by 71% from a FY19 baseline, sourced 95% renewable electricity for the PwC network, and reduced our scope 3 business travel emissions by 43% from a FY19 baseline. Please see our 2024 [Network Environment Report](#) for more on our progress on our commitments.



Doubling our number of nature practitioners

The PwC network has doubled its number of nature practitioners from 500 to over 1,000, with specialisms including biodiversity, water, deforestation, marine resources and regenerative agriculture.



Developing nature standards and frameworks

The PwC network has driven the development of frameworks, standards, and methodologies necessary for rapid system-wide progress on nature by leveraging existing partnerships with Science Based Targets Network (SBTN), TNFD, and other leading initiatives. Highlights included leading the largest private sector programme to pilot TNFD with the World Business Council for Sustainable Development and working with the SBTN to help validate SBTN freshwater and land targets set by 17 pilot companies.



Early adopter of Taskforce for Nature-related Financial Disclosures

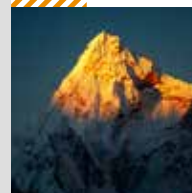
We are proud to be one of 320 organisations globally to commit to the Taskforce on Nature-related Financial Disclosures (TNFD). TNFD offers guidance to businesses to assess, report and act on their nature-related dependencies, impacts, risks and opportunities. Our disclosures are publicly available in our [Network Environment Report](#).

Empowering over 11 million young people

Through our collaboration with UNICEF in support of [Generation Unlimited](#), we participated in the launch of Green Rising at COP28 to empower 10 million youth with climate action knowledge and skills by 2026. Green Rising exceeded its ambition after less than a year and has to date worked with over 11 million young people.

Enabling a just transition

The PwC network participated in Global Solutions Summit discussions with government, civil society, and business leaders and contributed thought leadership on building a just transition and sustainable society.



“As the impacts of climate change become more frequent and intense, we urgently need to enhance adaptation and resilience for communities, sectors, economies, and ecosystems around the world. Business has a key role to play in helping the world adapt and much to gain from taking action on climate adaptation which is crucial to protect their organisation and help them thrive in the years ahead.”

Emma Cox

Global Climate Leader, PwC UK



“Business and sustainability are interdependent; one cannot thrive without the other. To remain viable, businesses urgently need to move sustainability beyond strategy and commitment to transformation and impactful change, ensuring they, the environment, and society are fit for the future.”

Ivy Kuo

Asia Pacific Sustainability Leader, PwC China

PwC perspectives on sustainability

This year, PwC shared a range of insights on sustainability and what it means for business:

Transforming Energy Demand: In partnership with the World Economic Forum, PwC found that companies can achieve a [31% reduction in energy demand](#) - with huge accompanying savings in costs and carbon emissions - without loss of output. These gains are deliverable now, at attractive returns, and need no new technology. Our [Energy Demand Experience](#) helped clients explore the implications of energy use decisions.

Getting to grips with CSRD reporting: Almost two-thirds of companies are confident that they will be ready to report under the EU's new Corporate Sustainability Reporting Directive, but many don't know how, finds PwC's inaugural 2024 [Global CSRD Survey](#).

Climate technology investment: PwC finds that investors are expanding their search for growth potential and climate impact in its fourth annual [State of Climate Tech](#) report.



“If you think about the impact of climate change and all the things that need to be done to address this, it means that we need to change every business, every country and every community. Therefore we must collaborate as one.”

Renate de Lange

Global Sustainability Markets Leader, PwC Netherlands

Hidden cost of carbon: PwC shows how businesses can anticipate, track, and manage the [often-hidden costs](#) of carbon pricing in their supply chains to help the company build competitiveness and profitability.

17.2% annual decarbonisation required: The world must achieve a daunting year-on-year decarbonisation rate of 17.2% from now until 2050 if we are to limit global warming to 1.5°C above pre-industrial levels, says PwC UK's [Net Zero Economy Index](#).

Climate risks to essential commodities: Climate change-driven [heat stress and drought](#) increasingly threaten production of commodities we all rely on such as copper, iron, lithium, wheat, and rice.

How climate change adaptation can protect and grow companies: Companies that take proactive steps to identify and manage the effects of climate change can [turn risk into opportunity](#).

Climate change is increasingly factored into company strategy: Nearly a third of global CEOs say that climate change will drive the way their companies create, deliver and capture value to a large or very large extent over the next three years, compared with 22% who said it drove company actions in the past five years, finds PwC's [27th Global CEO Survey](#).

Workers are realising that climate change could affect their roles: 37% of employees think that climate change will impact their job in the next three years, according to PwC's 2024 [Hope and Fears Survey](#).

Resetting the value-creation agenda: PwC [reveals](#) how executives can use the European Union's far-reaching Corporate Sustainability Reporting Directive to bring sustainability into the heart of strategy - and uncover opportunities for value creation.

Generating upside from sustainability: Most private equity firms believe that action on sustainability can help create value, according to PwC's [Global Private Equity Responsible Investment Survey 2023](#).



37%

of employees think that climate change will impact their job in the next three years

Source: PwC's 2024 Hope and Fears Survey.

Case study

E.SUN's journey to net zero using science-based targets

PwC Taiwan has helped E.SUN become the first bank in Taiwan - and the third in the world - to be validated by the UN-backed Science-Based Targets initiative which drives climate action.

E.SUN, one of Taiwan's leading commercial banks, now has a clearly defined, measurable pathway to reach its goals of achieving 100% use of renewable energy by 2030 and net zero by 2050.

In order to achieve its net zero goal, E.SUN needed to calculate the bank's carbon emissions, set science-based targets, develop a carbon reduction strategy, and regularly review its progress. It began doing this at a time when no bank in Taiwan had completed the process of setting a net zero goal so it had to learn the latest methodologies and then create the best practices for E.SUN without having any examples to follow.

PwC Taiwan helped E.SUN achieve its ambitions by using technology to collect and analyse large volumes of corporate data to establish reliable calculation methods and rational benchmarks for financed emissions. These helped the bank to quickly identify erroneous information and correct it in a timely manner, while also contributing to creating a robust, stable platform for calculating E.SUN's Scope 3 emissions from lending and investment banking.

To establish a solid foundation for net zero transformation, PwC Taiwan worked with E.SUN to put in place processes that broke down complex sustainability goals into smaller objectives.

PwC Taiwan also helped E.SUN to increase the level of sustainability literacy and knowledge within the organisation and build up in-house capabilities for the future by sharing expertise in key areas and creating upskilling opportunities at each net zero milestone. Working in this way gave E.SUN a clear understanding of why tasks should be approached in a certain way, raising standards and engagement with sustainability by passing on knowledge throughout the organisation.



"We are dedicated to combining climate action with finance to build a more resilient social system in Taiwan. Since our validation, we have been invited to share E.SUN's Science-Based Targets experience in multiple external forums, encouraging more Taiwanese companies to join the initiative and help Taiwan's progress towards a more sustainable future."

Joseph N.C. Huang

E.SUN's chairman

Case study

Equipping an energy giant with insights and tactics to support climate action

GE Vernova is a global energy leader whose technology helps to generate about 30% of the world's electricity. As such, the company recognises its responsibility to help drive the world's energy transition and lead the global effort to meet ambitious and necessary climate goals.

As part of its climate commitment, GE Vernova approached PwC US to help it understand market mechanisms that implement carbon pricing (exchanges between entities that produce greenhouse gas emissions and those that remove or reduce them). Though they are an important component of the world's multi-pronged net zero targets and goals, market mechanisms have suffered from a lack of credibility in many of their underlying projects. For example, one such mechanism, carbon offsets, should ideally be deployed to address residual emissions only once other decarbonisation levers have been exhausted - but this isn't always the case.

GE Vernova knew it could address the core issue of trust in these markets with decarbonisation programmes that can be measured, verified, reported and exchanged reliably. But it needed to determine the appropriate path to achieve this.

PwC US assembled a global, multidisciplinary team from various firms within the PwC network that conducted extensive research and analysis on carbon markets, identifying the key factors that will influence GE Vernova's approach and role in the market, such as a shift in buyer preferences to technology-based and engineered carbon market offerings. The team identified six new business opportunities centred around meeting corporate demand, scaling engineered solutions, localisation and exploring emerging technologies based on a careful analysis of market trends, optimal timing and financial implications.

As GE Vernova invests for 2050 and well beyond, the value of this initiative lies in providing a measure of certainty to guide an uncertain future.

"Delivering a decarbonisation solution at this scale requires understanding how all these pieces fit together. With our experience in complex ecosystems, we were able to bring together the right people and perspectives to drive real results."

David Linich

Sustainability, Principal, PwC US



"PwC delivered one of the most effective experiences I've had working with a consulting advisor."

Gagan Porwal

Chief Commercial and Strategy Leader, Energy Consulting Services,
GE Vernova



“Hydrogen has enormous potential as a source of renewable energy in the future. We are really pleased to be able to support the Romanian Government in the development of a national hydrogen strategy that will contribute to the long-term objectives of the country in terms of renewable energy consumption.”

Alexandru Enea

Management Consulting, Director, PwC Romania

Case study

Creating a National Hydrogen strategy for Romania

Hydrogen can be a clean energy source and an important tool in nations' efforts to move toward renewable energy sources. The Minister of Energy of Romania needed technical support for the development of a national hydrogen strategy and action plan to establish concrete objectives and measures for hydrogen within the country, including financing instruments.

The country also needed to have the necessary primary and secondary legislation and regulations in place to make hydrogen projects possible, to improve the investment conditions for hydrogen technology, and to enable Romania to develop a value chain for hydrogen, particularly renewable hydrogen.

PwC Romania was asked by the European Commission through the Directorate-General for Structural Reform Support (DG REFORM), which coordinates and provides tailor-made technical support to EU Member States in cooperation with the relevant Commission services, to assemble a global, multidisciplinary team from various firms within the PwC network who drew up a portfolio of existing hydrogen related projects being pursued in the European Union. The PwC team also drew on its own expertise from implementing more than 80 hydrogen-related projects for private companies.

The PwC team's proposed methodology was highly targeted to the specific context and issues around creating a hydrogen strategy for Romania, including addressing the opportunities and barriers to hydrogen in Romania and suggesting relevant options for a hydrogen valley.

The draft of the strategy and its related action plan were submitted to the Ministry of Energy of Romania and the European Commission and as of September 2024, the strategy is undergoing a Strategic Environment Assessment by the Romanian Ministry of Environment, a process which every major public and private project undergoes to evaluate its impact on environment or on protected sites.

Once this process is finalised, the strategy will be sent to the Romanian government for approval and adoption. The PwC team is also creating four case studies that will support the strategy in the implementation period.

Case Study

Helping to develop a robust carbon market for India

Carbon markets are a vital policy tool used by governments to incentivise businesses and energy users to transition to cleaner energy sources. By imposing a price on each ton of carbon emissions, these markets help to make the development and adoption of cleaner energy technologies economically viable compared to fossil fuels.

India has set an ambitious target to achieve net zero emissions by 2070. The carbon market in India has been designed to mobilise capital flows and incentivise industries to adopt innovative technological solutions for decarbonisation. In this context, a team from PwC India was selected based on their robust approach and methodology to serve as the advisors to India's Bureau of Energy Efficiency (BEE) on their carbon market implementation journey.

This engagement is now in its second year. During the first year, PwC India supported BEE in developing a regulatory and policy framework, drawing on extensive insights, assessments, and studies of policies implemented in other countries. Concurrently, work began on creating a central IT platform called the Registry. This platform will enable the registration of projects, provide access and portals for all market participants—including project developers, traders, verification agencies, and validators—and feature a trading platform for carbon credits.

The next phase involves assisting BEE in conducting stakeholder consultations with industry leaders, academia, and regional and state governments. BEE has been organising these consultations across key cities in India to discuss and shape policy frameworks and documents critical to establishing a practical carbon market in India. A standout feature of this engagement has been the leadership from the Prime Minister's office which has brought together key ministries to work towards a common goal with measurable outcomes.

Through this engagement, we aim to help create a robust carbon market that will play a pivotal role in India's decarbonisation journey.



"We are thrilled to collaborate with the Bureau of Energy Efficiency in its groundbreaking initiative to introduce carbon markets in India. This engagement provides a crucial platform to engage with key stakeholders, facilitating the effective implementation of carbon trading mechanisms that are essential for India's decarbonisation journey."

Madhura Mitra

Climate Change and Sustainability, Executive Director, PwC India



“Addressing single-use plastics is a key environmental concern for Nigeria, as it is for the rest of the world, so it is important that key stakeholders are part of the conversation for creating and delivering a workable solution. PwC Nigeria is pleased to be able to provide its expertise in such an important area.”

Esiri Agbeyi

Partner, PwC Nigeria

Case study

Addressing single-use plastics engagement in Nigeria

Nigeria faces significant environmental degradation due to plastic waste, exacerbated by inadequate recycling infrastructure, high consumption of single-use plastics and lack of incentives to companies who invest in recycling infrastructure. In an attempt to resolve this problem, the Nigerian government introduced a single-use plastic tax aimed at discouraging the use of single use plastics. Following push back by the industry, the tax was suspended with the aim of reexamining the most efficient methods of achieving plastics circularity.

PwC Nigeria was asked by the Manufacturers Association of Nigeria (MAN) to develop a response to this initiative on behalf of its members who supply the non-alcoholic drink sector.

The team began by holding conversations with sustainability drivers and key stakeholders in the relevant manufacturing companies, building on established relationships within the industry. They then brought together expertise from PwC Nigeria's Strategy&, ESG, tax and regulatory business solution units to create a framework for the industry's advocacy engagement, using relevant data to tell the industry's story.

From this the team helped MAN prepare an industry roadmap for tracking waste generation, collection, recycling single-use plastics and reuse of recycled products, including a plan for phase down and phase out of certain single-use plastics over a couple of years. They also assisted in developing a report evaluating the value chain, identifying aspects with significant bottlenecks and developing win-win proposals to present to the government.

As a result, PwC Nigeria was able to suggest a phased industry commitment to the government's proposals through an implementation roadmap, while also highlighting the industry's ongoing impact in terms of jobs, taxes and their self regulation initiative as responsible producers.

Case study

Addressing the challenge of decarbonising aviation

Spanish airline Iberia and its sister airline Vueling have committed to using 10% sustainable aviation fuel (SAF) in their aircraft by 2030 as part of their drive to achieve net zero by 2050. Iberia wanted to find out whether Spain would be able to produce enough SAF to enable it to meet these commitments.

The European Union's ReFuelEU Aviation regulation is encouraging aviation fuel suppliers to switch from kerosene to SAF by requiring them to blend a minimum of 2% SAF with kerosene in 2025, rising to 70% by 2050. However, the International Energy Agency expects planned production capacity worldwide to provide only between 1% and 2% of SAF demand by 2027, leaving airlines facing a major challenge of how to access the SAF they require.

Iberia engaged PwC Spain to analyse whether Spain's SAF producers have the potential to make enough for Spain's own needs and also potentially for export. SAF is currently made from used cooking oil, farm or forestry waste. Iberia asked PwC Spain to look at both the availability in Spain of biowaste for generating SAF in the short term, and also at the potential for creating synthetic fuel from green hydrogen in the future, a process which is in the very early stage of development.

The airline also wanted to understand the size of the investment needed to build up production capacity in Spain, and to consider how carbon pricing would affect the future cost of SAF which is currently three to five times more expensive than kerosene. The final part of the project was to conduct an economic impact assessment of the potential to create good quality jobs in a new SAF industry.

PwC Spain found that Spain has the potential to not only meet the national demand for SAF by 2050, but also become an exporter, dependent on the availability of agricultural waste and the potential to expand renewable energy production. Building and running the 30-40 production plants required to produce the 5 million tonnes of SAF needed a year could also generate €56 billion for the Spanish economy by 2050 and create 270,000 jobs. An added social impact would be that many of the sites, and therefore jobs, could be created in more sparsely populated rural areas where there is access to bio-waste from farming and food production.

Iberia is now working with fuel producers on ways to accelerate the development of SAF to increase production and bring down the price.



"The report showed the opportunity for the airlines and also the industrial opportunity for the country. It had a big impact in terms of press coverage and is currently a key reference in the business press when aviation and sustainability are discussed."

Ismael Aznar Cano

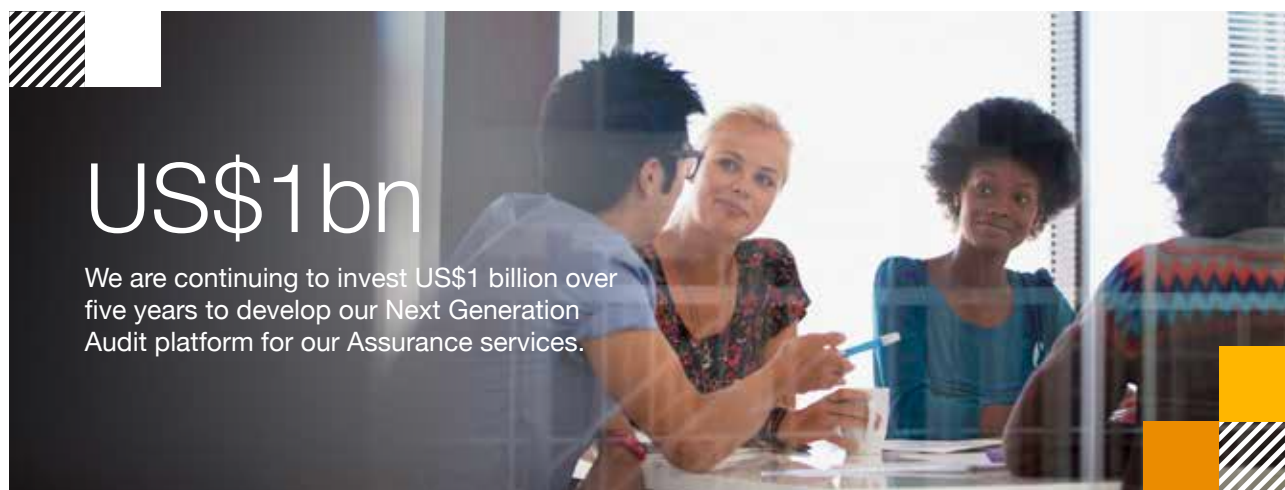
Tax and Legal, Partner, PwC Spain

Solving together

Trust

In a more volatile and complex world, trust is the new currency – highly valued but harder than ever to earn, and all too easy to lose. Trust is the foundation of business success. Stakeholders' actions toward a company or even willingness to engage depend on it.





US\$1bn

We are continuing to invest US\$1 billion over five years to develop our Next Generation Audit platform for our Assurance services.

Companies today must earn trust with stakeholders - customers, suppliers, employees, lenders, investors, regulators, and others - on a broad spectrum of issues. Companies must demonstrate rigorous data security, robust risk management, progress on sustainability, action on inclusion and diversity, responsible use of technology, adherence to regulations, and more. The list of topics is long, but to maintain stakeholder support business leaders must show that their company is trustworthy on each.

This year, we have applied our multidisciplinary expertise and objectivity to help companies as they seek to build trust in what matters. We provide robust financial statement audits which enable our clients to earn the trust of stakeholders from investors to policymakers. Trustworthy financial statements provide a foundation of reliable information that enables capital markets, and economies more broadly, to function.

In addition, we help clients earn stakeholder trust in many areas beyond financial statements. For example, this year we have helped clients build strong cloud security, use AI responsibly, protect against risks, demonstrate sustainability performance, and document pay fairness. We serve our clients wherever they need to earn confidence that they are taking trustworthy action.

This year, we have continued to invest US\$1 billion over five years to develop our Next Generation Audit platform for our assurance services on financial and broader impact reporting so we are even better able to help our clients build trust in what matters.



“Trust is the foundation of a company’s ability to succeed. Today’s business leaders are expected to build trust with stakeholders in more areas than ever before. We are a unique profession in that we are brought in to tell our clients the truth in an objective way. This helps our clients build trust in what matters, earning stakeholder confidence that they are having an impact where it matters most.”

Wes Bricker

Global Assurance Leader, PwC US

Highlights of our year

Trust Academy

Our [Trust Academy](#) convened senior executives and thought leaders from across industries to identify opportunities to earn trust and drive better outcomes for business and society. Speakers at the Trust Academy have included prominent world leaders and trust experts from the World Economic Forum and Harvard Business School.



Building trust through global events

We have delivered on our purpose to build trust in society through contributing to debates at global events such as the World Economic Forum Annual Meeting in Davos, APEC CEO Summit, Climate Week NYC, Bloomberg New Economy Forum, FT Moral Money Summits, World Energy Congress and the AI For Good Summit.

Supporting trusted assurance with US\$1 billion investment

Trusted information is critical to confidence in the financial markets, and it supports regulation by assisting companies to achieve and demonstrate compliance. This year, working with leading technology companies, we continued our multiyear programme of investing US\$1 billion to develop our Next Generation Audit platform for our assurance services on financial and broader impact reporting.



Enhancing trust on sustainability

We have helped businesses maintain trust by advancing progress on sustainability. We are proud to be recognised this year as a [Global Leader in ESG and Sustainability](#). We have helped clients across the world reduce their emissions. We have supported the world's [transition to clean energy](#), encouraged urgent action on climate adaptation, and helped to protect the natural world (on which 55% of global GDP depends) through PwC's [Centre for Nature Positive Business](#).



Building trust in tax

We have committed US\$350 million to integrating advanced technology and centralising our processes in tax to help clients more efficiently meet their regulatory compliance obligations. This approach enhances accuracy, reliability, and transparency so that stakeholders receive trusted answers and timely insights.

Supporting trust in technology

We have supported the responsible, trusted use of technology. We contributed to efforts to build frameworks for safe and trusted AI systems; for example, PwC US has become a founding member of the [AI Safety Institute Consortium](#), the first-ever US consortium of its scale dedicated to AI safety. We continue to support clients to deploy [Responsible AI](#).

Audit quality

All PwC firms implemented the most recent international standard for quality management (ISQM1) for their assurance business. In addition, PwC achieved a reduction in the proportion of regulator-inspected engagements with findings by more than the 25% International Forum of Independent Audit Regulators (IFIAR) target over the four-year period of the IFIAR Survey from 2019 to 2023.



“Trust is not just a feel good thing. It is an economic necessity. Enterprise value has traditionally been communicated via financial statements. Now enterprise value is also created and communicated in other ways as companies must demonstrate they are trustworthy on a greater number of topics such as protecting customer data, climate performance, and more.”

Kazi Islam

Global Assurance Strategy Leader, PwC US



PwC perspectives on trust

This year, PwC shared a range of insights on trust and what it means for business:

Shrinking the consumer trust deficit: There is a widening gap between the trust that executives think consumers place in their companies and the trust that consumers actually have in them, finds PwC's inaugural [Voice of the Consumer Survey 2024](#). We offer six steps executives can take to strengthen consumer confidence and shrink the trust gap.

Trust Matters: 93% of US business executives agree that building and maintaining trust improves the bottom line, but 94% say they face at least one challenge when building trust with stakeholders, according to PwC US's [2024 Trust Survey](#).



“Trust is paramount for us as a professional services network; it is ingrained in our DNA. In an environment shaped by advancing AI technology, increasing geopolitical risks, regulatory requirements, and heightened concerns over cyber security and data protection, the importance of trust has never been greater. Helping clients build and maintain trust with shareholders, investors, regulators, customers, and their employees is our highest priority.”

Damir Maras

Global Advisory Leader, PwC Germany



“Trust has been described as a confident relationship with the unknown. The greater the unknown, the more uncertainty, the more trust that you need. In tax we are faced with constant unknowns - regulatory uncertainty, macroeconomic pressures, tax policy changes and a dynamic work environment – all elevating the need for trust.”

Brad Silver

Global Tax & Legal Services Leader, PwC US

Building investor trust: Investors want to know how companies are managing sustainability and emerging technologies like AI, but they lack confidence in much of the information supplied, finds PwC’s [Global Investor Survey 2023](#). Companies can address this challenge through [robust, assured data and reporting](#).

Improving trust in cybersecurity: PwC US’s 2024 [Global Digital Trust Insights](#) survey finds that only half of executives are ‘very satisfied’ with their cybersecurity capabilities, and more than 30% of companies don’t consistently follow what should be standard practices of cyber defence. The survey report offers concrete steps to build stronger cybersecurity that maintains customer confidence.

Risk management to build trust: PwC’s [Global Risk Survey 2023](#) finds that ‘risk pioneers’ who embrace risk management as an opportunity for value creation have vastly higher performance on customer trust.

Enhancing trust in economies: PwC’s [joint report](#) with the World Economic Forum highlights how a “skills-first” approach to hiring and developing people has the potential to transform the way that labour markets operate, helping to bring opportunity to more people and support public trust in the economic system.

Strengthening corporate governance: Strong governance is key to maintaining trust in companies. PwC US surveyed more than 600 public company C-suite executives to find [insights](#) on how to strengthen board oversight.

Growing business support for living wage: A growing number of business people are aware of the need to pay a living wage to satisfy regulatory requirements, address external pressures and attract and retain talent. 67% of business people surveyed say [paying a living wage](#) is a priority for their business.

Case study

Building a trusted digital bank in Malaysia

AEON Bank wanted to create a digital bank from scratch that would deliver innovative and inclusive financial services to retail customers in Malaysia while winning customer trust. So it asked PwC South East Asia Consulting to use its expertise in this area to help AEON Bank to achieve its vision.

AEON Bank and PwC South East Asia Consulting worked together to design the digital bank's systems and build the technological framework for the customer journey, establishing Salesforce Service Cloud as the core system for running customer support activities. The mission was to make the client experience fast, responsive and personalised, something that was particularly important for a bank without physical branches.

AEON Bank is now Malaysia's first Islamic digital bank; all its products and services are Shariah-compliant, however its services are available to all Malaysians.

The creation of the bank formed part of the AEON Bank's broader business transformation strategy and aligns with its ambition of becoming a tech enabler within the banking landscape.

Partnering with PwC South East Asia Consulting meant that the project was achieved within timelines and within budget. PwC South East Asia Consulting also helped AEON Bank address regulatory hurdles and comply with the regulatory requirements, thereby helping to build trust in the bank and its products.

"PwC played a pivotal role in introducing us to interested partners and various technology partners with world-class solutions to design and build the products and services we envisioned for the bank together with the Financial Projections to ensure the bank would be successful."

Ajith Jayaram

Chief Strategy Officer of AEON Bank



"PwC is thrilled to have collaborated with AEON Bank to help realise its digital-banking vision. The relentless focus on an enhanced customer experience set the tone of the engagement right from the get go, and we are confident that AEON Bank will add tremendous value for an ever-growing customer base and enrich the Malaysian digital-banking landscape."

Tristan Hockley

South East Asia Consulting, Salesforce Practice Leader, PwC Singapore

Case study

Award-winning solutions helps companies build trusted supply chains

To maintain trust with stakeholders including regulators, companies must demonstrate that their supply chains adhere to human rights protections, environmental standards, and other requirements.

For example, the European Union is implementing new legislation that includes supply chain provisions such as the Corporate Sustainability Due Diligence Directive (CSDDD), the Carbon Border Mechanism Adjustment (CBAM) and the European Union Deforestation Regulation (EUDR). In addition, in 2023, the German Supply Chain Due Diligence Act (SCDDA) came into force, requiring German companies (and those who have major trading relations with them) to assess potential human rights violations and environmental risks within their global supply chains.

It can be challenging for companies to have complete visibility into complex supply chains in order to check compliance. Fortunately, a team at PwC Germany has come up with a multi-client, enterprise ready software that can help. Its SAP-based [Check Your Value Chain](#) (CYVC) enables businesses to automatically analyse extensive supplier data across their value chain to identify environmental and social risks or violations.

The automated risk analysis, which includes an analysis of macroeconomic risks, evaluation of publicly available news sources and a review of SCDDA-relevant certificates and benchmarks, gives companies an overview of their business partner portfolio to quickly identify risky business partners. The questionnaire functionality is automated and consists of a predefined, risk-based catalogue of questions as well as a free text option giving the client the option to ask additional questions. PwC's solution can help companies to comply with supply chain regulations in a thorough and traceable way.

The PwC Germany team drew on expertise across the PwC network including Advisory, Assurance and Legal as well as Products & Technology. The solution was constructed using reusable components on the SAP Business Technology Platform, making it easy to adjust and straightforward to scale globally. Check Your Value Chain has already incorporated the French Corporate Duty of Vigilance Law and has plans to include the UK Modern Slavery Act. When there are changes in legislation, the software is updated, allowing companies to remain up-to-date.

The solution has already won several awards including the SAP Innovation Award in 2023 and the [Corporate Digital Responsibility Award](#) in 2023. Currently the CBAM, EUDR and CSDDD modules are being developed to make the solution a holistic value chain compliance suite.



“The pressure around the globe to comply with several laws securing human rights and environmental protection in supply chains is increasing, as well as the bureaucratic burden for the concerned companies. Check Your Value Chain was developed to reduce these additional efforts for our clients and increase efficiency to practically support their compliance. This is PwC's contribution in making supply chains more transparent and less risky over time on a global level.”

Viktoria Demin

Director, PwC Germany and Product Owner of CYVC

Case study

Building trust in diversity in aviation

In the airline industry, women have historically been under-represented in both senior leadership positions and on the flight deck. In 2022 only 5% of pilots were women, according to the International Air Transport Association (IATA).

To improve diversity, equity and inclusion (DE&I) across the industry, IATA started the voluntary 25by2025 initiative in 2019 with the aim of increasing the number of women in senior positions and under-represented areas by at least 25% by 2025. More than 200 organisations have signed up to the initiative, and the proportion of senior leadership roles held by women has increased from 24% in 2021 to 28% in 2022, including 28 female CEOs.

However, there is a notable gap between the companies that have made the greatest progress and those still at the beginning of their DE&I work. IATA therefore engaged PwC Switzerland to help it share insights and leading practices from the initiative to enable its members to better understand their performance compared with peers and learn from their successes.

IATA and a team from PwC Switzerland specialising in DE&I and Organisational Culture built a survey to enable participating companies to understand how much progress they had made and where more focus may be needed, giving each a score and personalised recommendations.

The team focused on making the survey user friendly. It takes no more than 20 to 30 minutes to complete, and was designed so that a senior HR or DE&I leader could answer the questions without having to look for new types of employee data. It also provided space for users to share their challenges and success stories for the benefit of the industry.

The survey was launched in late 2023 and each airline was provided with a personalised diagnostic assessment. IATA then shared the key aggregated findings with its members in 2024, holding individual conversations with airlines to help them further understand their results and plan for next steps. By presenting real-life examples of leading practice and showing what types of change really work in increasing gender diversity, IATA hopes to further increase the number of women in senior leadership roles, thereby building trust within the industry as a whole.

“The overarching aim is to keep making progress - no matter how advanced the company is in its DE&I journey, members can make improvements. Our industry involves people everywhere in the world and we want to make it more representative of the world around us.”

Jane Hoskisson

Director of Talent, Learning, Engagement and Diversity at IATA



“Our team has worked with organisations across different industries and countries to assess DE&I progress in the workplace. We were able to build upon our experience and expertise to develop a tried-and-tested DE&I maturity index approach for IATA, which we then adapted to take into account the reality and particular challenges of the aviation industry.”

Johannes Smits

DE&I practice leader, Partner, PwC Switzerland



Case study

Helping a major airline maintain trust at a challenging time

Many airlines around the world have suffered financial difficulties brought about by the Covid pandemic and the subsequent challenging market. Specialists from PwC China and PwC Hong Kong have been working with one such airline, Hong Kong Airlines, to help it recover from these impacts.

PwC Hong Kong restructuring specialists, with support from various PwC Hong Kong and PwC UK teams, worked with Hong Kong Airlines as the financial advisers on its successful HK\$49 billion debt restructuring.

The restructuring has effectively dealt with the liabilities owed to financial and operating creditors in various jurisdictions using a parallel Hong Kong Scheme of Arrangement and UK Restructuring Plan process for the first time.

This debt restructuring exercise, coupled with a new equity injection of HK\$3 billion, allows Hong Kong Airlines to recover from its financial difficulties just in time to prepare for the recovery of the aviation industry in the region.

PwC advisors helped to build trust between a distressed corporate business and its stakeholders to overcome the hardest time of the economic cycle. PwC more broadly aims to continue to be involved in distressed situations to help deliver beneficial and sustained outcomes for industries and their customers.



“The successful restructuring of the second largest airline in Hong Kong not only prevented a disruption to the travel plans of tens of thousands of people in Hong Kong and other cities, but opened the door for further development of the aviation industry locally.”

Jacky Wan

Partner, PwC Hong Kong



“Understanding and empowering employees not only benefits them as individuals, it also benefits the organisations they work for. We believe that inclusive, indigenous-led perspectives will pave the future of better workplaces and employer relationships globally.”

Nik Wilson

Workforce, Associate Director, PwC

Case study

Inclusive indigenous-led workforce solutions build employee trust

Workforce solutions are more successful when they reflect the context in which people live and work. This is particularly true in relation to the ethnic identity and lived experiences that employees bring to the workplace. Aotearoa New Zealand’s indigenous Māori people make up approximately 16.7% of the country’s population yet are under-represented in the workforce, particularly in leadership roles.

A team from PwC New Zealand helped to address this issue by creating an indigenous-led workforce solution that integrates and embeds the perspectives, values and principles of Māori people into traditional workplace frameworks.

This innovative approach includes engaging with Māori staff, leaders, communities, and cultural specialists through wānanga facilitation, an indigenous-led form of workshop, to authentically represent their viewpoints. It also uses Māori worldview frameworks and methodologies which respect and integrate Māori wants and aspirations, often through the use of indigenous storytelling to connect concepts. The indigenous-led workplace solutions incorporate a deep understanding of Te Tiriti - the treaty between Māori and the Crown - to create bespoke solutions for each business.

Continuous engagement with Māori communities helped the approach remain authentic and culturally sensitive. Ongoing support is provided so that the integration of indigenous perspectives remains a living practice within the organisation.

There are considerable benefits to an organisation in taking this unique approach. By empowering Māori employees and making leadership and other workforce opportunities more accessible and relevant to them, organisations are able to harness the full potential of their workforce. This creates a diverse, equitable and culturally responsive work environment, resulting in greater employee engagement, increased productivity and trust.

The framework created by the PwC New Zealand team can be adapted to meet the needs of indigenous and diverse populations across the world, helping to build trust not only in organisations but in society as a whole.



PwC's Global Annual Review 2024

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