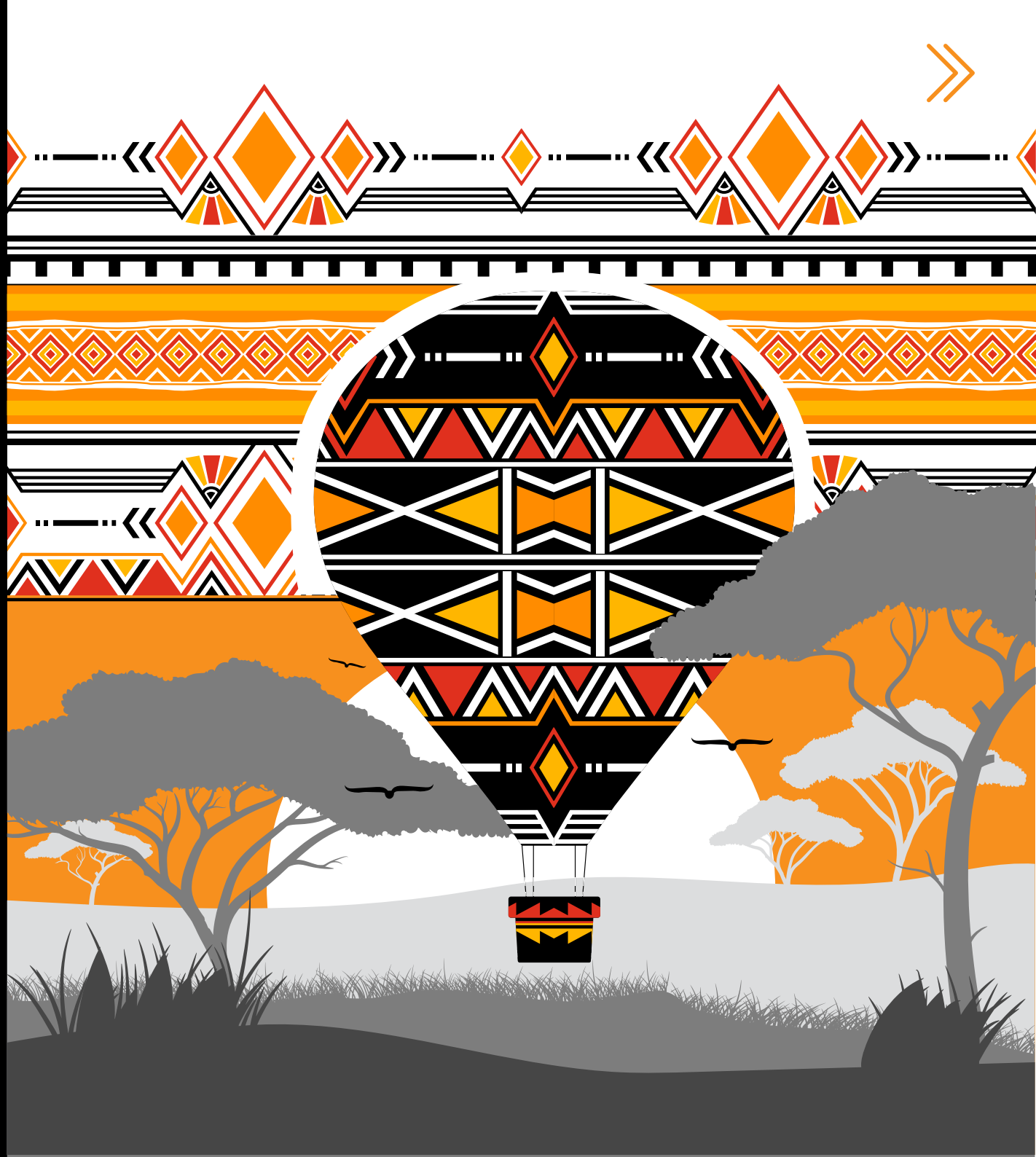




Africa Annual Review 2024

A year of  
building trust  
and solving  
together

[www.pwc.co.za](http://www.pwc.co.za)



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# Introduction

Welcome to our third Africa Annual Review, outlining PwC Africa's performance for the financial year ended 30 June 2024 and offering insights into the future direction of PwC's network of firms in sub-Saharan Africa.

This report provides insights into our performance for the year, which was notable as a period when many of our clients continued to grapple with profound changes in understanding the forces shaping our world. PwC's ambition is to support our clients in building trust and delivering sustained outcomes by providing exceptional and bespoke services while creating valuable opportunities for our community of solvers.



## Navigating a changing world

As we confront the megatrends identified by PwC—climate change, technological disruption, a fracturing world, demographic shifts and social instability—it is clear that these trends are reshaping the landscape across Africa, highlighting the importance of our network growth priorities:

Business model  
reinvention

Artificial intelligence (AI),  
data and technology

Sustainability

Trust in what matters

Climate change is the most pressing issue of our time, demanding urgent action. Rising temperatures, more frequent extreme weather events, dwindling water resources, biodiversity loss and increasing greenhouse gas levels require us to rethink how we live and work. To effectively reduce our carbon emissions, we need to invest significantly in technology and infrastructure, engage in strategic planning and develop innovative solutions.

Simultaneously, technological disruption is driving transformation. The rapid advancement of technologies such as AI, robotics and biotechnology present significant opportunities for innovation. These technologies can enhance productivity, improve efficiency and address critical issues like climate change. However, we must carefully manage their unintended consequences, including cybersecurity threats, increasing disinformation, misinformation and privacy concerns.

Our world is increasingly fractured, with geopolitical tensions, economic disparities and social unrest challenging the stability and cohesion of societies. This fracturing underscores the need for resilience at all levels, from strengthening infrastructure and supply chains to fostering social cohesion and trust in institutions. Demographic shifts add another layer of complexity to this landscape. Ageing populations in some regions and youth bulges in others require tailored strategies to address unique concerns. These shifts influence labour markets, healthcare systems and social structures, demanding innovative approaches to harness the opportunities they present.

Over the past year, many of our clients in sub-Saharan Africa have faced opportunities and challenges similar to those experienced by companies globally. In [PwC's 27th Annual Global CEO Survey](#):

81%

of CEOs in Africa took at least one action that greatly impacted their company's business model in 2023 (Global: 76%).

61%

of Africa CEOs say that AI will change how their companies create value over the next three years (Global: 70%).

74%

of CEOs in Africa are planning or progressing with innovative, climate-friendly products, services or technologies (Global: 71%), and 60% will do so directly in support of customers' climate-resilience efforts (Global: 64%).

By focusing on these areas, we aim to address our clients' most pressing issues today, ensuring that we build trust, drive innovation and support sustainable growth.

## Our network growth priorities

**Business model reinvention:** The shifting business environment, influenced by global megatrends, necessitates fundamentally rethinking how organisations operate. We assist leaders in navigating these complexities, helping them reinvent their business models to thrive in this new reality. In Africa, this often means finding innovative ways to leapfrog traditional development stages and create solutions uniquely suited to our continental context.

**AI, data and technology:** AI, data analytics and emerging technologies are fundamentally reshaping how industries operate and compete in today's digital landscape. By leveraging the synergy between AI-driven insights, robust data infrastructure and innovative technological solutions, organisations can uncover new revenue streams, optimise operations and deliver enhanced value to their stakeholders. Our strategic approach helps clients navigate this digital transformation, implementing cutting-edge platforms that not only address current challenges but also position them for future growth and innovation.

**Sustainability:** Sustainability is no longer just a buzzword; it is a critical priority for our clients. We've developed a robust global strategy to address their most pressing needs and to drive meaningful change. Our services include sustainability assurance, sustainability reporting, decarbonisation and energy transition, supply chain transparency and circularity, and risk and resilience management. By integrating sustainability into every aspect of our work, we provide our clients with forward-thinking advice that not only meets their needs but also helps create a better future for all.

**Trust in what matters:** In a world of increasing complexity and uncertainty, building trust is paramount. Our approach starts with listening to understand what's most important to our clients and their stakeholders. In Africa, where trust can be a scarce commodity, our role in fostering transparency and reliability takes on added importance.

## Building a legacy of positive change in Africa

In Africa, we've evolved our strategy to focus on making a greater societal impact—in our communities, for our clients and for our diverse community of solvers. This approach is founded upon the philosophy of ubuntu, which means 'I am because we are'. It's about creating a legacy of positive change for future generations.

To understand the difference we are making, we track our impact on the economy, communities and the environment. By analysing our contributions, we can better align our efforts with the needs of our stakeholders and ensure that we are fostering positive change. This includes assessing our economic footprint, the social value we create and our environmental stewardship. Through comprehensive impact analyses, we aim to drive sustainable growth and create lasting value.

Recognising that our people are central to our success, we are committed to motivating our workforce and advancing our objectives in transformation, diversity and inclusion. Our employees are our most valuable asset, and we take pride in providing meaningful job opportunities, pathways for career growth and a recognition and reward system that recognises their efforts. Delivering quality and exemplifying ethical conduct are integral to our values, ensuring we uphold the highest standards in all our endeavours.

As we present this Annual Review, we are inspired by the progress we've made and the possibilities that lie ahead. By focusing on climate resilience, business model reinvention, AI, data and technology, and building trust in what matters, we are working together to make a greater impact and create a future where Africa's vast potential is fully realised. In the pages that follow, we invite you to explore our performance, our impact and our vision for the future—as we continue to navigate the complexities of our time, turning challenges into opportunities and working tirelessly towards a more prosperous, sustainable and equitable Africa.

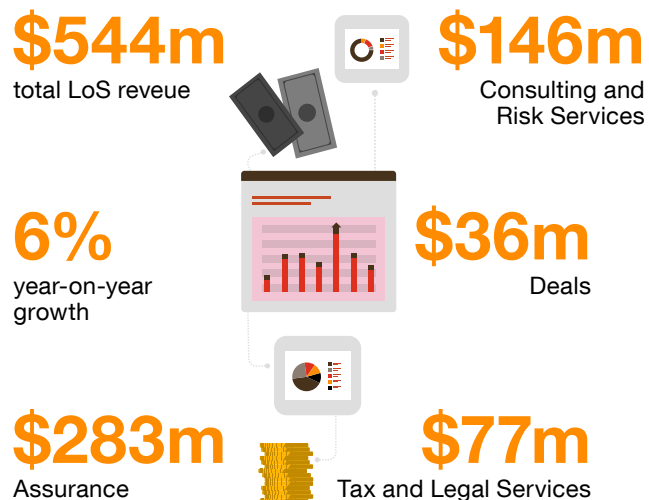


**Dion Shango**

Territory Senior Partner  
for PwC Africa

## 2024 Highlights

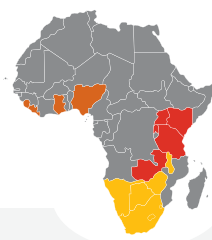
### Financial performance



### Our governance structure

#### Africa Governance Board

Made up of PwC firms in the South Market Area, West Market Area and East Market Area



12 board  
committee  
members



Four year  
term



Led by Territory  
Senior Partner  
Dion Shango

### Our footprint

More than  
**21,400**  
client across Africa

**10,000**  
people across

**15**  
African countries

### Our people



Over  
**1,000**  
graduate  
trainees

More than  
**400**  
Partners

**28%**  
female partner  
representation

### Talent investment

Over  
**668,000**  
training hours

Over  
**599,000**  
technical skills training hours

Over  
**69,000**  
human skills training hours



### Our values



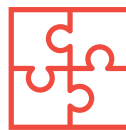
Acting with  
integrity



Making a  
difference



Care



Working  
together



Reimagining  
the possible



### Our societal impact

**50%**  
reduction in travel  
emissions

Over  
**\$470m**  
impact on household  
income in South Africa

Achieved  
**37%**  
reduction in combined  
overall carbon footprint



PwC operations  
sustained about  
**19,700**  
direct, indirect and  
induced jobs

Over  
**\$750m**  
estimated economic activity  
in South Africa in 2023

PwC contributed  
**\$140m**  
in induced tax revenue  
to South Africa

**\$2.4m**  
economic activity  
created in South Africa  
through PwC's bursary  
initiative



## Messages from our regional leaders



**Shirley Machaba**

Regional Senior Partner,  
PwC South Market Area

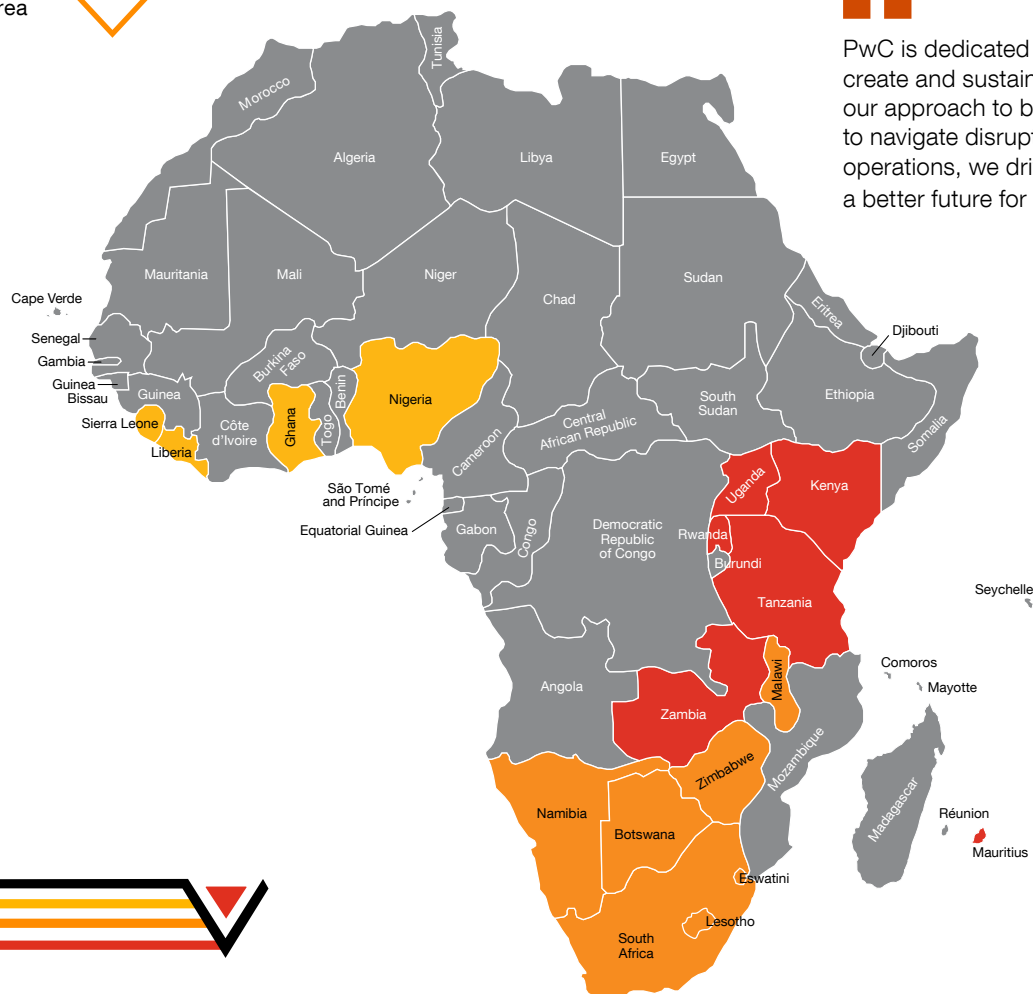
Societal purpose is the cornerstone of PwC's approach to driving positive change on the African continent. As we navigate megatrends like climate change, technological disruption, demographic shifts, a fracturing world and social instability, our commitment to societal purpose compels us to rethink how we operate. We are only half the story—together with our people, our communities and our clients, we can drive meaningful change and build a sustainable future for all.



**Sam Abu**

Regional Senior Partner,  
PwC West Market Area

PwC is dedicated to helping organisations in Africa redefine how they create and sustain value. By developing industry-specific frameworks, our approach to business model reinvention enables organisations to navigate disruption and seize opportunities. Through reimagining operations, we drive innovation, create sustainable value and contribute to a better future for all.



**Peter Ngahu**

Regional Senior Partner,  
PwC East Market Area

We understand that traditional business practices are insufficient for today's pressing issues. We are committed to integrating sustainability into our strategy, culture and operations in Africa. By prioritising sustainability and tackling climate change, we enhance resilience, ensure long-term success and positively impact the environment.

# FY24 reflections: Recognising significant achievements by our lines of service

## Performance summary

### Financial results

PwC Africa net revenues at FY24, constant rates in \$ '000s

Growth FY24	6.0% ↑	5.6% ↑	3.5% ↑	8.4% ↑	6.0% ↑
FY24	283,368	146,373	38,007	76,943	544,691
FY23	267,432	138,612	36,731	70,987	513,762
Africa LoS	Assurance	Consulting and Risk Services	Deals	Tax and Legal Services	Total LoS revenue

The year ended 30 June 2024 was marked by a challenging economic environment in most countries. Despite these difficulties, PwC Africa's revenue was up 6% compared to the prior year, with varied performance across lines of service and territories. Currency volatility, rising inflation and the tough macroeconomic environment faced by clients and our business across territories were the main factors affecting performance.

Despite these headwinds, our resilient teams remained focused on their purpose, delivering value and leveraging the strength of our brand.

We launched the South Africa Technology and Innovation Centre (SATIC) in July 2023, a joint venture between PwC SA and PwC UK. SATIC combines people and technology to create opportunities and address human needs. In its first year, SATIC employed over 120 people. By FY25, we aim to expand to 400 staff and broaden our services into East and West Africa and Europe. SATIC also tackles youth unemployment in South Africa with learnerships and youth development programmes, aiming for 1,000 employees by 2027.



## Assurance

### Financial results

The Africa Core Assurance practice produced a robust financial performance in FY24, achieving an overall net revenue growth of 6.0%. Every aspect of our assurance services is meticulously designed to deliver the highest level of quality, ensuring that every opinion we sign is one you can trust.

### Focus areas

#### Building trust in society

Trust in businesses and organisations is essential for a functioning society. Accurate financial reporting is a key pillar in building that trust. When we know that the numbers reported by organisations are accurate, fair and free from material misstatements, we can have confidence in them. A high-quality audit ensures that reporting can be trusted. As society's expectations change and stakeholders' demand for information evolves, building and maintaining trust remains at the very heart of our role as auditors. Through our deep technical knowledge, multidisciplinary expertise and cutting-edge technology, we ensure the quality, integrity and transparency of our work while continuing to build trust in what matters most.

#### Providing assurance over non-financial reporting

Organisations are now judged on more than just financial performance. Information on environmental, social and governance (ESG) considerations, regulation and technology is crucial in helping stakeholders understand the full enterprise value. Corporate reporting is the first port of call for many stakeholders, meaning non-financial reporting needs to be relevant, reliable and trusted. Stakeholders expect the same level of assurance as they do with financial statements. With formal assurance, you can demonstrate that you

meet the standards you claim, ensuring that investors, regulators and customers can trust your reporting.

### ESG assurance

We combine ESG subject matter expertise with deep audit know-how to deliver robust assurance outcomes. The rapid development in new reporting requirements and challenges in obtaining the correct data are real but addressable. Our assurance opinions confirm whether ESG reporting is robust and fit for purpose. We provide assurance over a growing array of ESG measures such as sustainability and carbon reporting, diversity and inclusion reporting, social impact reporting, supply chain management reporting, green, social and sustainable financing and corporate governance.

### Looking ahead

An emerging area of assurance is AI. AI technologies are transforming industries by introducing new capabilities and driving efficiencies. However, organisations can only realise the full potential of these opportunities if trust is built and managed from the outset. Our generative AI (genAI) assurance services focus on enhancing trust and transparency in controls over genAI data, modelling and validation. Regardless of where organisations are on their AI journey, strong governance will be integral to their control framework. As new and emerging business areas demand scrutiny, we can build assurance models to effectively scrutinise and challenge the data, metrics and controls established. When these areas require specific expertise, we call on subject matter experts from across PwC. These experts bring industry or technical knowledge to help us design the right assurance approach.

## Consulting and Risk Services

In FY24, we brought together our consulting, forensics, risk and broader assurance capabilities into a new line of service called Consulting and Risk Services (C&RS). This enables us to combine and integrate the full breadth of our capabilities in innovative and agile ways, allowing us to serve our clients better than ever before.

Our ambition is to be directly relevant and immersed in our clients' most pressing challenges and opportunities, particularly in the areas of sustainability, tech-led transformation and risk.

We believe organisations will need to fundamentally rethink their business models to meet the evolving expectations of their stakeholders from a climate perspective. Additionally, significant advancements in technology and AI pose both opportunities and threats, requiring decisive and clear-headed responses. Finally, executives must maintain trust with their stakeholders by ensuring their responses are responsible, sufficient and sustainable.



### Focus areas

We are aligning our investment and focus to help our clients deal with these complexities, build trust with their stakeholders and deliver sustained outcomes.

Most notably, we are enhancing our technology and AI capabilities, expanding our sustainability skills with a particular focus on climate risk, and broadening our risk transformation and modelling capabilities. In addition, we are bolstering our relationship with our Alliance partners, such as SAP, Oracle, Salesforce and Microsoft.

By combining our expertise and our Alliance partners' technology capabilities, we help our clients with their business transformation journeys and solve their most complex challenges.

### Looking ahead

In FY25, we will continue to focus on:

- Attracting smart, curious, agile people and helping them develop critical skills to build meaningful careers while serving our clients.
- Deepening and expanding our relationships with our clients.
- Collaborating with Alliance partners in a mutually beneficial manner.
- Co-creating compelling, integrated solutions with our Alliance partners and clients.

By doing this consistently, we will help our clients evolve their business models and thrive. We are leading the way and have evolved our own business model to focus our collective efforts on our clients' most pressing needs. These changes have enabled us to deliver on our purpose—to build trust and solve complex problems, as illustrated through the case studies below.



## Case studies

**Case study 1: Transforming financial services through a 'Fit for Growth and Intelligent Hyperautomation' initiative.**

### Background

PwC assisted a financial services provider in South Africa with a 'Fit for Growth and Intelligent Hyperautomation' initiative aimed at unlocking the following levers to achieve revenue uplift of between R400 million and R800 million:

- Reimagining the relationship and coverage model
- Enhancing the sales and service value chain
  - Through intelligent hyperautomation, to increase frontline capacity and improve the client experience
- Accelerating centralised servicing
  - Through a virtual desk.

### How we delivered

#### Understanding costs and revenue levers

- We analysed the unit cost to sell and serve and the marginal cost to sell and serve, identifying the fixed and variable cost bases. We benchmarked these metrics within a South African and global context, considering the client's three-year plan.
- We conducted a high-level benchmark of the current spending base (fully allocated) for the channel business, identifying value at stake on a top-down basis.
- We identified and defined value extraction opportunities from the back and middle office.
- We detected duplication and overlaps within the channel business and other parts of the organisation.
- We identified opportunities for value extraction.

#### Coverage model development

- We developed a coverage model based on analysis to guide the go-to-market strategy.

#### Organisational structure optimisation

- We assessed and optimised management layers and organisational structure to right-size and remove

duplicate spans and layers across the organisation, focusing on geographic duplication.

### Business process modernisation

- We evaluated and redesigned sales and service value chain processes to identify business and technology modernisation opportunities, enabling a release of frontline capacity and enhancing client experience through capabilities driven by intelligent hyperautomation.

### Sustained outcome

- By unlocking a potential revenue uplift of R400m to R800m, the financial services provider can achieve more robust financial performance and create value for stakeholders.
- By reimagining the relationship and coverage model and enhancing the sales and service value chain, the financial services provider can provide a superior client experience, likely resulting in higher customer satisfaction and retention rates.
- Through process redesign and intelligent hyperautomation, the financial services provider can achieve increased frontline capacity and optimise operations, reduce costs and improve service delivery.



## Case study 2: Empowering telecommunications through AI

### Background

In the past year, PwC Nigeria has supported a leading telecoms company in establishing and running its AI centre of excellence to leverage AI to enhance business processes, improve operational efficiency and drive innovation.

### How we delivered

The initiative embarked on several key projects to address various business challenges and opportunities by introducing an AI delivery framework covering the

design of the AI centre of excellence structure and people capabilities, setting up processes, and defining the required infrastructure for AI development and deployment.

### Key projects and initiatives

- Radio congestion optimisation
- Sourcing AI agent
- AI fraud detection
- Enterprise business product recommendation
- Digital loyalty and campaign management
- GenAI for employee efficiency.

### Knowledge bases

- Human capital FAQ
- Project management office
- Social network predictive analysis
- AIOps (capacity forecasting).

### Sustained outcome

The initiatives have led to substantial advancements in AI-driven solutions, significantly improving business processes and operational efficiency. The successful completion of critical projects like radio congestion optimisation and the HR chatbot demonstrates the potential of AI to transform business operations. Ongoing projects like the Sourcing AI agent and AI fraud detection are on track to further enhance capabilities and deliver value. The initiative continues to address challenges and leverage AI to drive innovation, ensuring sustained progress and impact across various business domains.



## Tax and Legal Services

### Focus areas

There was strong growth in our Africa Tax and Legal Services businesses during the financial year. There was year-on-year growth across all regions in Africa, with the Deals Tax network, the International Tax network and the Tax Controversy and Dispute Resolution practice showing particularly strong performance. Year-on-year, revenue grew in excess of 8%. We intend to remain the most trusted, relevant and dominant tax services provider in Africa.

We seek to differentiate ourselves by building the strongest client delivery teams and working cohesively across countries, regions and specialisms to solve our clients' problems, ensuring they are well-positioned to thrive. Towards the end of the financial year, we held a tax policy conference, joined by government representatives, academics, clients and PwC partners from across the continent, to discuss the challenges of developing tax policy in the African context for the benefit of society. We also hosted several other client events across our three market areas—East, West and South—including country-specific fiscal budget events and specialism master classes on topics such as Transfer Pricing and Pillar Two global minimum tax regulations.

We continue to develop all our people on the continent to ensure they have the skills to deliver sustained outcomes for our clients. The development of these skills goes beyond the core tax technical skills and now includes training our 1,000 tax and legal staff on the latest digital technologies as we change how we deliver and what we deliver. Building a sustainable business means placing quality at the forefront of everything we do. In FY24, we rolled out our Global Tax Code of Conduct, which sets out what we do, who we act for and how we act as we provide clients with objective and high-quality tax advice.

### Looking ahead

As we move into FY25, we have a clear strategy, primarily focusing on connected tax compliance across Africa. We are leveraging our digital tools to provide our clients with a comprehensive compliance solution. This extends beyond the preparation of tax returns to support clients in extracting data from their systems, harnessing it to meet tax authority requirements and providing insights into their data to manage any queries raised by tax authorities. We will achieve this with our connected teams across the continent, ensuring that our clients' data and insights are seamlessly integrated.

## Deals

### Focus areas

Our Deals practice's strategy is focused on being the most trusted and relevant Deal advisor in Africa, advising our clients and other stakeholders to realise value before, during and after their transactions. We deliver differentiated insights through best-in-class technology to distinguish ourselves from our competitors.

The Deals team delivered a credible performance in FY24, as all three of our market areas faced challenging market conditions stemming from continued higher interest rates and macroeconomic uncertainty.

West Market Area (WMA) delivered a standout performance for the year, with excellent growth and high profitability. Both the Nigerian and Ghanaian practices delivered outstanding results.

### Looking ahead

The focus areas for Deals as we look to FY25 are:

- **Clients:** The successful execution of our strategy relies on relentless client focus, building client relationships and accelerating demand generation and origination. Initiatives include working on and contributing to the firm's various priority account programmes.
- **Digital:** To deliver differentiated insights efficiently on our projects requires accelerated best-in-class technology investment. We will focus on the rollout of:
  - Connected Deals Experience (CDE): A comprehensive project management platform that integrates essential tools like MS365, MS Teams, Junction, Workbench, SaveIT and DealsIQ, enhancing the efficiency and quality of Deals delivery.
  - AI and Deals data strategy: Enabled by the CDE ecosystem, genAI is leveraged to unlock project insights and draft client deliverables. Global Deals teams are piloting other AI initiatives to inform investment decisions.
  - Junction Next: This is where we connect with our clients. Not simply a replacement for PowerPoint, PDF, and Power BI reports, Junction Next brings together people, data and technology (including genAI based on GPT-4) in one seamless platform to deliver quality outcomes for every deal.
- **Investments in Deals:** Deals has invested in new services and skilled resources over the past few years. The focus is on increased market traction for these investments to realise a return on our investments. We have also identified investment areas in the East Market Area (EMA) and WMA on which the teams in these market areas will focus.
- **People:** Our market across the African continent is skills constrained. We need to offer a world-class employee value proposition and a clear career path to succeed. Succession across our business requires continued attention.

### Case studies – Deals

#### Case study: Renaissance Africa Energy's acquisition of SPDC

The PwC Nigeria Deals and Tax team's holistic advisory support enabled Renaissance Africa Energy Company Limited (Renaissance) to be selected as the preferred bidder for the acquisition of the largest oil and gas company in Africa—The Shell Petroleum Development Company of Nigeria Limited (SPDC).

#### Background

PwC was awarded the buy-side mandate to advise Renaissance on the acquisition of up to 100% shareholding of SPDC. PwC acted as a mergers and acquisitions (M&A)/financial and tax advisor on all aspects of this landmark transaction. The consideration payable to Shell as part of the transaction is \$1.3bn. The buyer will make an additional cash payment of up to \$1.1bn, subject to regulatory approvals.

#### How we delivered

PwC's Deals team provided tailored financial advisory services to Renaissance, involving buy-side financial advisory and due diligence services. M&A support on the transaction included strategic advice, stakeholder engagement, structuring advice and project management. The due diligence services included financial, tax, human resources, and environmental, social and governance diligence services.

#### Sustained outcome

Given our industry knowledge, our PwC team used the insights gained through the due diligence process to successfully advise Renaissance and be selected as the preferred bidder in a competitive process. The share purchase agreement (SPA) was signed on 15 January 2024. Following the successful delivery of the initial mandate, PwC has been engaged to provide post-SPA advisory services to the client during the transition phase to ensure business continuity after handover.



# Impact of key growth priorities

## Business model reinvention

Today's pace of change and the influence of converging megatrends, from technological disruption to climate change, means that how businesses create, deliver and capture value will need to change fundamentally. It is clear that over the next decade, organisations will face industry reconfiguration, blurred sector boundaries and intensified competition. This requires adjustments or fundamental changes to the way in which organisations operate.

*PwC's Annual CEO Survey 2024 highlighted that 45% of CEOs believe that to remain competitive, they will have to reinvent their business models to compete and be sustainable in the next ten years.*

### How PwC Africa has reinvented its business model

Given the challenges and opportunities our clients face, combined with the dynamic landscape of mandatory audit firm rotation, we recognised that structuring our business as Audit, Tax and Legal Services and Advisory did not allow us to leverage our capabilities to serve our clients optimally.

As a result, we reconfigured our business model by restructuring PwC Africa into Assurance, Consulting and Risk Services (C&RS); Tax and Legal Services (TLS); and Deals.

We recognise that our core strength lies in our audit capability. Still, we have invested significantly in modernising our working methods by incorporating various technologies, including AI, as part of our 'next-generation audit' mindset, with a key focus on quality and technical insight.

With this change in our operating model, we are also signalling to our non-audit/advisory clients that we hold distinct capabilities across Consulting and Risk Services, Deals and Tax and Legal Services. This is underpinned by an end-to-end approach to delivering services across our key platforms: Transformation, Deals, Sustainability and Risk Services, all powered by emerging technologies (including AI).

Furthermore, the need for cost-effective and agile delivery models has become an essential factor in remaining competitive. As such, we have established a Technology and Innovation Delivery Centre in South Africa. This change to our operating model means we can deploy skills and capabilities based on the African continent, which are not exposed to changes in currency and other external factors.

We are readying ourselves for the next decade of growth and see the mindset of business model reinvention as a critical part of the African growth story, as well as our purpose to build trust in society and solve important problems.



# Artificial intelligence, data and technology

The business landscape stands at a pivotal point of technological disruption, with over three-quarters of executives and **82%<sup>1</sup>** of CEOs affirming the need for fundamental changes to business models within the coming decade. As organisations navigate this complex transformation, the stakes are high—**74%<sup>2</sup>** of executives identify technological disruption as their primary business risk, and **92%<sup>3</sup>** of CIOs anticipate widespread AI implementation by 2025. Through strategic collaboration with clients, we observe how this technological shift demands a comprehensive approach, balancing visionary goals with practical implementation.

## Building a solid foundation in technology and data architecture

For successful transformation, a robust foundation in technology and data architecture is paramount. With **79%<sup>4</sup>** of CIOs planning to leverage genAI to reshape business models, organisations must establish sustainable frameworks for innovation. Success hinges on a clear data strategy, scalable data architecture and the alignment of technology investments with business objectives. A well-constructed roadmap addresses these areas, allowing organisations to evolve their digital capabilities whilst maintaining operational stability.

## Achieving data and operational excellence as a catalyst for change

Data and operational excellence is a cornerstone of business transformation. Organisations need effective data governance frameworks, sophisticated data capabilities and integrated, scalable data architecture. These elements are essential for delivering actionable insights, enabling innovation and driving consistent value across the enterprise. By prioritising data quality and governance, companies can better navigate the complexities of digital transformation and create lasting impact.

## Embedding security from the outset

In a landscape where **78%<sup>5</sup>** of CIOs see cyber risks as critical, embedding security within every architectural and operational decision is crucial. Comprehensive security policies, standards and processes protect key assets while fostering a secure environment for innovation. Successful organisations integrate these security considerations within their data governance framework, ensuring that risk management and technological advancement remain aligned.

## Fostering C-suite alignment and leadership

Leadership alignment is a decisive factor in transformation success. Whilst **42%<sup>6</sup>** of CIOs report strong C-suite consensus on business model changes, realising this alignment often requires strategic communication and shared vision. Technology leaders play a crucial role in building strong partnerships across the C-suite, underscoring the strategic importance of transformation initiatives. Notably, **74%<sup>7</sup>** of CEOs now rate their CIOs as highly effective in driving change, underscoring the impact of cohesive leadership.

## Balancing innovation with operational stability

At PwC, we are committed to empowering our clients by positioning data as a strategic asset. Our Data-as-a-Service model enables organisations to unlock the full potential of their data by establishing robust data foundations, governance structures and best practices that drive accessibility, reliability and actionable insights. This approach supports scalable and agile solutions that establish business intelligence, advanced analytics, data science and artificial intelligence automation for long-term success.

Central to our strategy is fostering a digital organisation and a data-driven culture that empowers teams to make informed decisions and innovate confidently. Designed for rapid, cost-effective experimentation, our framework—built on proper data architecture and a foundation of data as an asset—enables clients to explore exponential use cases without significant overhead as the asset grows.

Recently, we supported a client's finance team by developing an AI-powered chatbot to simplify document interaction. For another client, we developed a comprehensive data governance framework, embedding AI considerations to future-proof their processes and enable more intelligent data management. Additionally, we built a fully-fledged data architecture solution for ESG reporting automation that, by following best practices, is positioned to support future AI-driven innovation. These examples demonstrate how we bring sophisticated, practical AI and data solutions to real-world business challenges.

As technological disruption reshapes the business world, we remain committed to empowering organisations to build resilient capabilities, turning challenges into growth opportunities. Organisations that harmonise technology advancements with operational excellence and strategic leadership will be best positioned to lead in a dynamic environment, driving sustainable success through innovation.

<sup>1</sup><https://www.pwc.com/us/en/library/pulse-survey/finding-opportunity-in-business-reinvention.html>

<sup>2-7</sup><https://www.pwc.com/us/en/library/pulse-survey/finding-opportunity-in-business-reinvention/technology-leaders.html>



# Sustainability

## PwC has the expertise and experience to help clients implement successful sustainability strategies

At PwC, sustainability is more than a buzzword—it's a core principle guiding our operations and strategies across Africa. In the past financial year, our sustainability team has guided clients at various stages of their sustainability journey. We have also kept our clients informed about global and local changes that will impact them.

## Building success: Leveraging global expertise, centres of excellence and local impact

By leveraging our extensive global network of experts and centres of excellence, advanced technology solutions, data insights and years of experience, PwC is well-positioned to assist clients in identifying the most effective actions relating to sustainability and climate. This approach not only protects their bottom line but also maximises value creation.

## Driving change with tech-enabled solutions

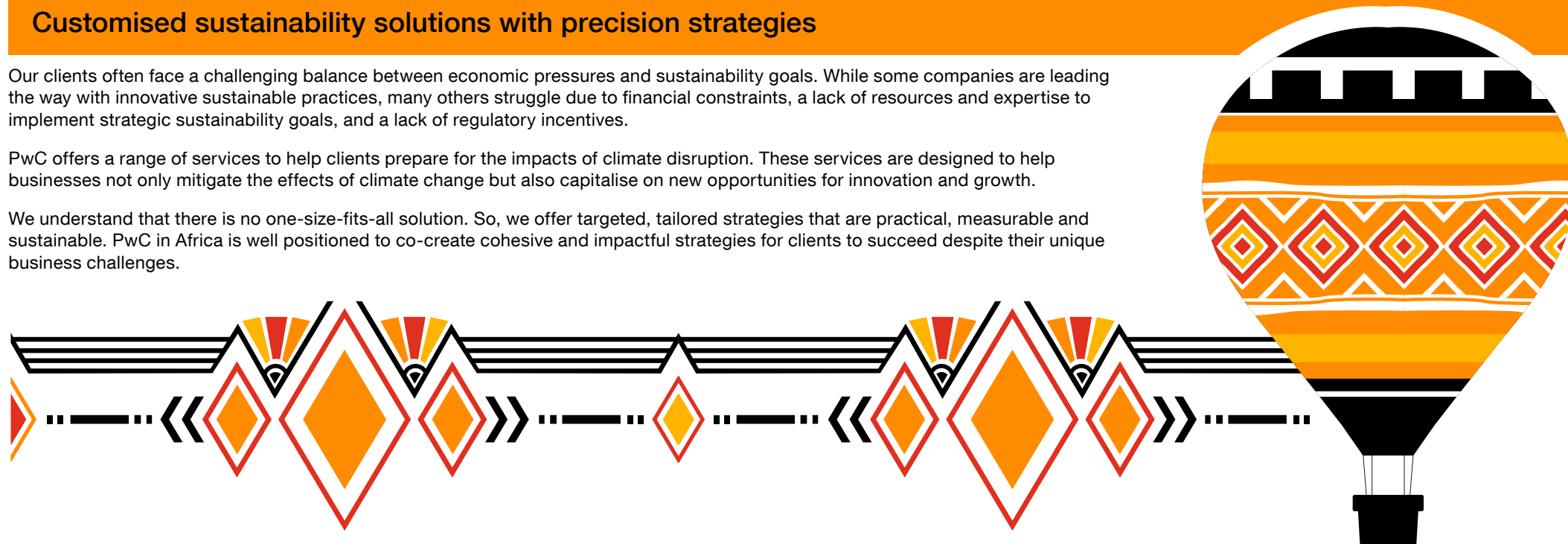
PwC has developed digital tools and accelerators to help deliver efficient, reliable, impactful outcomes. Our human-led, tech-powered approach addresses all stages of the sustainability journey: net zero and decarbonisation strategies, sustainability reporting and disclosures, climate risk assessments and more. Harnessing technology and AI for sustainability is revolutionising our approach to environmental challenges.

## Customised sustainability solutions with precision strategies

Our clients often face a challenging balance between economic pressures and sustainability goals. While some companies are leading the way with innovative sustainable practices, many others struggle due to financial constraints, a lack of resources and expertise to implement strategic sustainability goals, and a lack of regulatory incentives.

PwC offers a range of services to help clients prepare for the impacts of climate disruption. These services are designed to help businesses not only mitigate the effects of climate change but also capitalise on new opportunities for innovation and growth.

We understand that there is no one-size-fits-all solution. So, we offer targeted, tailored strategies that are practical, measurable and sustainable. PwC in Africa is well positioned to co-create cohesive and impactful strategies for clients to succeed despite their unique business challenges.



## The impact of climate change cannot be overstated

Climate change poses significant challenges for our clients in Africa, affecting many industries, including agriculture, mining and energy. Rising temperatures, shifting rainfall patterns and the increased frequency of extreme weather events, such as droughts and floods, disrupt operations and supply chains.

The energy sector faces pressure to transition to renewable sources as countries reduce their reliance on coal, while companies across all sectors are increasingly required to adopt sustainable practices. Additionally, insurance premiums are rising due to heightened climate risks, and companies risk losing access to international markets that prioritise sustainability.

To mitigate these risks, businesses in Africa must adapt through resilience strategies, invest in sustainable technologies, reduce their carbon footprint and position themselves for long-term growth.

These environmental factors are rapidly transforming how we live and work, compelling organisations to rethink their business models while transparently reporting their progress. PwC's sustainability efforts centre around two main areas:

- **Stakeholder engagement through SDGs:** We prioritise the seven SDGs most relevant to our organisation. This focus guides our interactions with stakeholders and drives our impact assessments, including job creation, economic contributions and fiscal impacts. We also analyse the effects of our bursary programme and community projects.
- **Climate impact through our net zero journey:** Our commitment to reducing our climate impact is dynamic. We continuously adapt and expand our initiatives to address emerging challenges and leverage new opportunities. This ensures our strategies and projects are regularly updated to reflect the latest advancements and insights in sustainable development. By staying flexible and responsive, we ensure our actions remain effective and impactful.

We set new goals each year, form new partnerships and develop innovative solutions to empower our clients and communities.

## Value Chain Sustainability Insights application

Organisations, including PwC, are facing increasing pressure to measure and manage their environmental impact, particularly with supply chain emissions (Scope 3) accounting for a significant portion of a company's carbon footprint. To address this, PwC Africa's Net Zero team developed an application that quantifies and manages emissions, called Value Chain Sustainability Insights, which is aimed at helping our clients. This application measures Scope 1, 2 and 3 emissions, enabling informed decisions and policy changes, such as the travel carbon charge, aligning with sustainability goals. As a result, PwC Africa is on track with its global net zero commitments extending to 2030. The application offers a streamlined, cost-effective and accessible solution for managing full value chain emissions.



## We are committed to achieving net zero

Achieving net zero is crucial as it aligns with our strategic intent of positively impacting the environment and society. By prioritising these goals, we are not only reducing our carbon footprint but also helping our clients and communities transition to more sustainable practices. We continue implementing various initiatives to integrate environmentally responsible practices within the organisation. This dedication enhances our brand value, fosters trust and loyalty among stakeholders and ensures that we contribute to creating a healthier planet for future generations. By integrating these initiatives, PwC aims to create an organisation that inspires others to follow.

### Our global net zero commitment:



Achieving our net zero commitment

We have made progress towards our global commitment of reaching net zero by 2030 with some notable initiatives:

Category	Details
Overall reduction	We have achieved a 37% reduction in combined overall carbon footprint from our baseline year.
Renewable energy transition	<p><b>PwC Mauritius:</b> Installing a 115 kWp solar PV system.</p> <p><b>PwC Nigeria:</b> Migrated to the cloud, decommissioned most servers and installed a solar inverter system in Port Harcourt, with plans to expand to other offices.</p> <p><b>PwC South Africa:</b> Evaluating advanced energy optimisation technologies to reduce energy consumption by 10%.</p>
Travel management	We implemented a carbon recharge policy to manage travel and maintain a 50% reduction in travel emissions from our baseline.
Supply chain engagement	We are engaging suppliers in carbon reduction programmes, with 70 suppliers signed up to science-based targets (SBTs), representing around 15,000 tCO2e and 50% of our target.



# Trust in what matters

## Build trust to protect what matters

Disruption is all around us. Change is the only constant. Companies, including PwC, should build trust to protect what matters. From protecting a company's purpose to its vision, across the use of technologies and even how it engages with employees and broader stakeholders, trust is non-negotiable.

## PwC's commitment to trust

Our approach to building trust in what matters begins with listening so we understand what's most important to our clients and their stakeholders. This trust, which protects and powers businesses, is what our clients and their stakeholders look for—and we deliver by focusing on what matters.

Trusted leadership means also going beyond the scope of the audit to provide valuable insights and recommendations for improvement. Our leaders use their expertise and industry knowledge to help clients identify risks, streamline processes and enhance internal controls, ultimately adding value to the organisation.

What matters is ever-expanding and varied for every country, society, industry and company. Whatever a client's focus—be it regulation, reputation, financial or non-financial information—we strive to bring trust and quality to the table through tailored multidisciplinary perspectives, deep technical expertise and next-level technology. This helps give clients the confidence to govern, the readiness to act, and the resilience to lead through constant disruption and transformation.

## Ethics

### Ethics codes and practices

At PwC, we adhere to the fundamental principles of ethics set out in the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA).

These are:

- **Integrity** to be straightforward and honest in all professional and business relationships.
- **Objectivity** to not allow bias, conflict of interest or undue influence of others to override professional or business judgements.
- **Professional competence** and due care to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional services based on current developments in practice, legislation and techniques; and to act diligently and in accordance with applicable technical and professional standards.
- **Confidentiality** to respect the confidentiality of information acquired as a result of professional and business relationships. This includes not disclosing any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, and not using the information for the personal advantage of the professional accountant or third parties.
- **Professional behaviour** to comply with relevant laws and regulations and avoid any action that discredits the profession.

All PwC firms must also comply with our network standards, which cover a variety of areas related to ethics and compliance, including ethics and business conduct, independence, anti-money laundering, antitrust and fair competition, anti-corruption, information protection, firms' and partners' taxes, sanctions laws, internal audit and insider trading. We require all partners and people to complete annual mandatory training and submit annual confirmations of their individual compliance as part of our system to support appropriate understanding of the ethical requirements under which we operate. Our partners and people are expected to uphold and comply with our ethics and compliance network standards.

Each PwC firm is required to uphold the [PwC purpose and values](#). In addition, we have implemented the [PwC Global Code of Conduct \(the Code\)](#), which sets out the behaviours and expectations for our partners and people.

## Accountability framework

PwC Africa has an Accountability Framework so that there is a consistent application of consequences for behaviour that is inconsistent with our policies and procedures. The framework covers:

- Ethics and Conduct — This includes the Code and PwC values and behaviours, ethics and business conduct and behaviour identified in complaints, investigations and/or litigation.
- Compliance requirements — Network and territory policies and compliance requirements (e.g. appropriate and timely completion of required training, Annual Compliance Confirmation, maintaining credentials).
- Independence — This includes personal, services and business relationships.

PwC Africa has a confidential [PwC Ethics Helpline](#) where any PwC partner or person or third party can raise questions or report concerns.

### PwC's approach to anti-corruption

PwC is opposed to corruption in any form and recognises the importance of making smart choices when it comes to its business relationships.

The PwC Ethics and Compliance standards and policies specifically set out how firms are expected to identify and mitigate the risk of bribery and corruption in their activities. They are consistent with the principles of the UK Bribery Act of 2010 and the US Foreign Corrupt Practices Act of 1977. The standards require each firm to establish systems, policies and procedures to prevent bribery and corruption. They set out specific requirements for each firm, including:

- Appointing an experienced individual who, with appropriate leadership oversight, is responsible for implementing the standards' requirements.
- Annually preparing a risk assessment to evaluate (a) the level and type of risks the firm faces, and (b) the policies and procedures the firm uses to comply with this standard and/or to respond to local risks.
- Training all personnel (including new joiners) annually on policies and guidance that apply locally and across our network.
- Taking steps to identify and resolve any departures from, or violations of, policies in place locally or across our network.
- Annually undertake monitoring to assess compliance with these standards as well as policies and guidance that apply locally or across our network, and resolving any deficiencies, where identified.

Each year, all partners and people at PwC firms are required to sign a personal confirmation of their anti-corruption compliance.



# Translating our humanity

## Risk and quality

### Governance, leadership and legal structure

#### Africa Governance Board

PwC firms in the South Market Area (SMA), West Market Area (WMA) and East Market Area (EMA) fall under the governance arrangements of the PwC Central and Southern Africa Joint Venture (PwC Africa). These governance arrangements are exercised by the Africa Governance Board, constituted in terms of the PwC Africa joint venture agreement, which details its powers and duties.

Africa Governance Board members are elected by the partners in each of the three **market areas** making up PwC Africa. The members of the board elect the Chairman. The Governance Board delegates authority to several board committees. The committees are accountable to the Governance Board and report to the members at each board meeting.

#### Constitution

- 12 members
- Four scheduled meetings per annum (and ad hoc meetings if required)
- Term of office: Four years

#### Africa Leadership Team

PwC Africa's CEO, Dion Shango, leads our Africa Leadership Team. Dion appoints the members who represent PwC Africa's three market areas and strategic functions, including lines of service, operations and strategic functional areas of our business.

#### PwC South Africa Governing Board ("the Governing Board")

The PwC South Africa partners elect members, and the members elect the Chairman. The Governing Board oversees the implementation of PwC Africa's long-term strategies and business plans across South Africa.

#### Constitution

- 10 members (nine elected by partners and the Chief Executive Officer, serving ex officio)
- Four scheduled meetings per annum (and ad hoc meetings if required)
- Term of office: Four years

#### Market area management Committees

Each PwC Africa market area has its own management committee. These committees handle direct management and the firms' results in each Market Area. Their principal responsibilities include creating, directing, and overseeing strategy implementation, developing succession plans for leadership roles, and ensuring regular and ongoing partner communication regarding the progress and performance of the market area's firms.

#### Constitution

- Members appointed by the PwC Market Area's Chief Executive Officer (SMA) or Regional Senior Partner (EMA and WMA)
- Eight scheduled meetings per annum
- Term of office: Four years

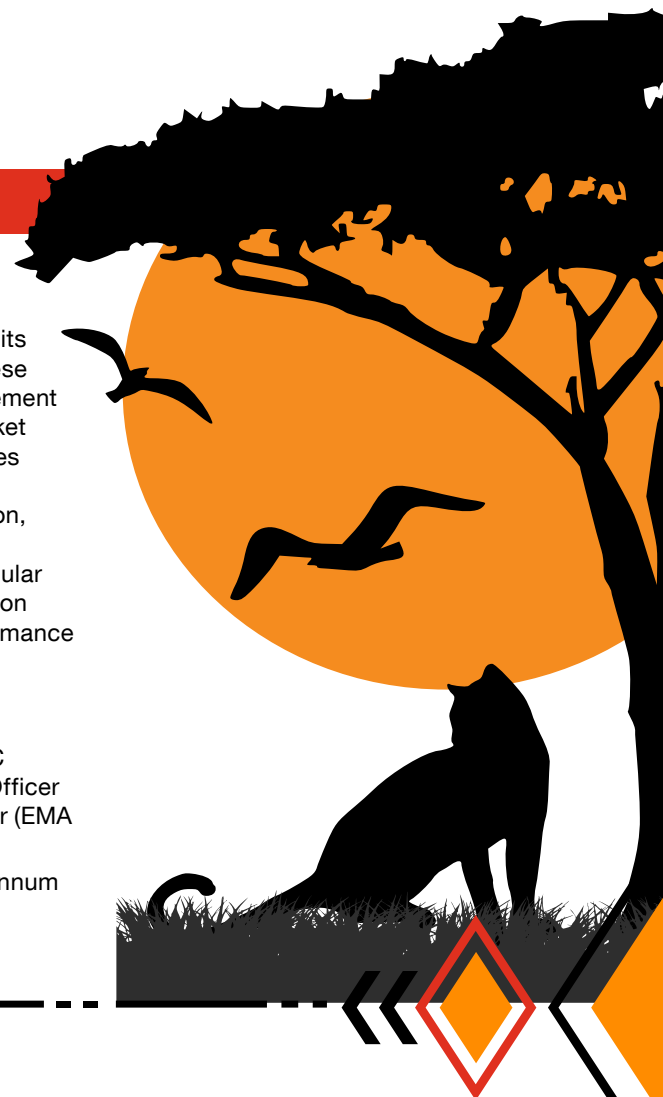
### Legal structure

'PwC' refers to the international PwC network and/or one or more of its member firms, each of which is a separate legal entity.

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

In many parts of the world, accounting firms are legally required to be locally owned and independent. Although regulatory attitudes on this issue are changing, PwC member firms do not and cannot currently operate as a corporate multinational. The PwC network is not a global partnership, a single firm or a multinational corporation.

In Central and Southern Africa, the individual member firms of 18 countries in the three market areas formed a joint venture, which we call PwC Africa. Each joint venture member remains a separate legal entity and contracts and delivers services as an independently owned separate legal entity.



## Risk management

### How we identify and manage key risks and engage with our stakeholders

At PwC, we understand that robust risk management is essential for sustaining the trust and confidence of our clients, regulators and stakeholders. We strive to maintain a strong and responsive enterprise risk management (ERM) framework. The framework is reviewed regularly to reflect the inherently dynamic nature of the risks we face as a business. The network's governance and oversight structure includes the following elements, all of which are geared toward effective risk management.

At PwC, the Africa Governance Board provides oversight, review and approval of our network's ERM approach and focus.

- The Africa Leadership Team provides strategic direction (including in the area of ERM).
- The Chief Risk Officer (CRO) is responsible for network risk management, including ERM.
- The PwC network and its member firms take a systematic approach to ERM.

The risks with the highest potential impact for the PwC network are reviewed on an annual basis.

- These Key Network Risks (KNRs) and their related significant mitigation plans are reviewed by the PwC Global Board.
- KNRs are risks which have the potential to either undermine the achievement of the network strategy and business objectives, or fundamentally damage the network and compromise its future.
- These global KNRs as well as local facts and circumstances are considered when determining the key risks for PwC Africa.

Key factors in our assessment include:

- Client and service quality, and the network's ability to fulfil its obligations to clients and regulators and to meet the expectations of other stakeholders.
- The trust of clients and other key stakeholders (including regulators and governments).
- Legal and regulatory compliance across the network.
- Achievement of the network and firm strategy, including its purpose.
- The ability of our individual member firms to recruit and retain key talent.
- Revenues across our individual member firms.



## PwC Africa's key network risks

### Building trust and delivering sustained outcomes

#### Geopolitical and macroeconomic conditions (including impact on sustainable financial results)

The risk of negative economic developments and headwinds coupled with geopolitical tensions in our markets of operation which may affect our ability to deliver on our strategy, achieve and maintain sustainable commercial success required to grow the business, invest in future talent and expand business operations.



#### Regulatory and policy changes impacting business

Failure to engage stakeholder groups which affects our ability to anticipate changes in regulation and public policy increases the risk of disruptive regulatory change to the business. Such change could impact our ability to deliver on our purpose and to operate in a sustainable way.



#### Climate resilience and ESG

Failure to consider the impact of climate change on the firm and to prepare for its implications, including the impact of physical risks and related disruption and to meet the network's commitment related to climate change.



#### Public perception and reputation

Risk related to loss of trust, insufficient market credibility and poor client and stakeholder experience resulting from adoption by individuals or groups, including alliance partners, and/or member firms, of values or behaviours which are inconsistent with the PwC values and purpose or are unethical in nature.



#### Physical security

Risks relating to the physical security of PwC staff and infrastructure wherever deployed.

### Delivering quality



#### Quality

A significant failure in evaluating the risks associated with accepting or continuing with a client or engagement or a significant service delivery quality failure could impact our reputation and lead to litigation and/or regulatory action.



#### People

Failure to attract, retain and develop a diverse and inclusive pool of skilled talent will impact our ability to deploy resources rapidly to realise opportunities, deliver quality, meet clients' changing needs and deliver on our strategy.

### Tech-powered



#### Technology enabled disruption

Failure to prepare for and respond to technology enabled disruptions such as genAI will impact our ability to bring new services and solutions to the market responsibly and with speed and agility.



#### Data management and security

Risk of not implementing appropriate controls and mitigations to manage data which prevents misuse, loss and unauthorised access.



#### Information security and cyber resilience

Failure to manage the cyber security of the firm resulting in reduced defences against ransomware attacks which will impact our reputation and cause legal and brand damage.

The most significant risks to our network stem from the nature of our business and external factors. We remain acutely aware of our impact on the world around us and the need to work with our stakeholders to manage those impacts more effectively.

## Material issues impacting stakeholders

We continuously assess and address the concerns of our key stakeholders as part of our process for identifying risks. This includes:

- The quality of work performed for clients and delivering sustained outcomes.
- Our compliance with applicable laws, regulations, professional standards, rules and internal policies. This includes our member firms' compliance with audit and assurance independence rules and regulations.
- Our ability to meet the evolving requirements of regulatory and public policy.
- Our member firms' compliance with applicable data management standards.
- Our member firms' ability to safeguard and manage data.
- The quality of our information and cybersecurity processes and procedures.
- The actions of our people and our member firms aligning with our values and societal expectations.
- The resilience of our member firms to withstand economic, regulatory and political shocks.
- The resilience of critical technology systems across our individual member firms.
- Our ability to attract, retain, train and deploy the right people to achieve high-quality delivery and innovation.
- The maintenance of the PwC brand and the confidence it gives in our work and deliverables.



## Engaging with our stakeholders

Our commitment to transparency extends to proactive engagement with stakeholders at both network and individual PwC firm levels.

Below are some examples of how we engage as a network. Although not exhaustive, these examples illustrate the various ways we actively interact with our stakeholders on important issues.

- **Our people** – We engage with our people across the world, both locally and network wide, in a variety of ways including global and local surveys.
- **Clients** – We work with clients across the continent, ranging from individuals to the world's largest corporations.
- **Standard setting bodies** – We actively participate in financial and nonfinancial reporting consultations
- **Regulators** – We work with our regulators across the world, particularly on efforts to enhance audit quality and support the effective operation of tax systems around the world.
- **Think tanks and NGOs** – We discuss key issues such as climate change and social inequality, which is a key part of our work to fulfil our purpose.
- **Investors** – We play a key role in the functioning of capital markets as one of the world's largest networks of audit firms.
- **Alumni** – Thousands of PwC alumni across the world remain an important part of the PwC community.

PwC participates in public policy development in a variety of ways intended to complement the PwC Purpose to build trust and solve important problems, for example:

- **Engaging with standard-setting bodies**, such as the International Ethics Standards Board for Accountants (IESBA) and the International Auditing and Assurance Standards Board (IAASB).
- Providing comments on draft regulations and guidance from **regulatory and other standard-setting bodies**.

- Participating in **multilateral organisations**, such as the Organisation for Economic Co-operation and Development (OECD).
- Contributing to **fora for issues of importance** to society such as the World Economic Forum.
- **Developing thought leadership** on critical issues like climate, tax, financial reporting, accounting and auditing, broader business issues, the future of work, sustainability reporting and assurance, independence, inclusion and diversity and use of emerging technologies.

All PwC firms are required to adhere to global policies on conduct and compliance related to public policy development or lobbying. For example, our network has a new Network Risk Management Policy that requires PwC firms to implement processes to manage the risks of conflicts of interest when partners and senior staff join PwC from a government, when they leave PwC to join a government or when secondment from PwC to a government are considered.

The aim of the policy is to raise awareness of the rules so that we minimise potential conflicts and prevent the misuse of confidential information for the advantage of a PwC firm. Having a policy that applies across the PwC network helps us take a consistent approach.

By adhering to this policy, PwC demonstrates its commitment to transparency, risk management and stakeholder engagement, enabling us to continue to build trust and deliver sustained outcomes in an increasingly complex world.

When we refer to government in this context, the term covers not only organisations regarded as strictly governmental, but also public sector entities and organisations that regulate or have public oversight of the professional services that we provide.

## PwC's approach to client acceptance

We have implemented global, cloud-based technologies to help manage client and engagement acceptance and continuance across our network. This helps PwC firms make better decisions about who they choose to work with and the services they agree to provide. It also helps us to manage the risks associated with potential conflicts, and, as a result, continue to foster trust with our stakeholders.

The PwC ethics and compliance standards and policies set out how our firms should mitigate the risk that they inadvertently become involved in actual or potential money-laundering activities, and these form an important part of our approach to client acceptance. As most legislation on anti-money laundering is based on the [Financial Action Task Force \(FATF\)](#) recommendations, the PwC standard is consistent with these recommendations. In addition to the PwC standards, PwC firms are required to comply with local laws and professional regulations.

The standards require each PwC firm to establish systems, policies and procedures to mitigate the risk of being directly or indirectly involved in money-laundering, terrorist financing or financial crime more broadly.

The standards also set out the core requirements and prohibitions for all PwC partners and people. They make clear that engaging in money-laundering practices is illegal and unacceptable behaviour, and partners and people have obligations to assist in the prevention of money laundering. Specifically, as part of client acceptance, PwC partners and people must:

- Establish their client's identity (including the identification of ultimate beneficial owners where required).
- Not provide any service, or enter any business relationship, that could constitute being directly or indirectly involved in money-laundering activities.

Our policy and guidance provide practical and detailed explanations that outline for example, what to look for. We have established reporting procedures whereby any partner or staff member can report any knowledge or suspicion of money laundering.

## Objectivity and independence

As auditors of financial statements and providers of other types of professional services, PwC firms and their partners and people are expected to comply with the fundamental principles of objectivity, integrity and professional behaviour. Independence underpins these requirements in our work with assurance clients. Compliance with these principles is essential to serving our clients and thereby instilling confidence in the capital markets.

The PwC Global Independence Policy is based on the IESBA International Independence Standards, supplemented by the independence requirements of the US Securities and Exchange Commission (SEC), the US Public Company Accounting Oversight Board (PCAOB), and the EU Audit Regulation of 16 April 2014. It contains minimum standards with which PwC firms have agreed to comply, including processes that are to be followed to maintain independence from assurance clients.

We have a designated partner (known as the Partner Responsible for Independence or PRI) with appropriate seniority and standing. This partner is responsible for implementing the PwC Global Independence Policy, including managing the related independence processes and providing support to the business. The partner is supported by a team of independence specialists.







## Independence policies and practices

The PwC Global Independence Policy covers the following areas, amongst others:

- Personal and firm independence including policies and guidance on the holding of financial interests and other financial arrangements, such as bank accounts and loans by partners, people, the firm and its pension schemes.
- Non-audit services and fee arrangements supported by Statements of Permitted Services, which provide practical guidance on the policy's application regarding the provision of non-audit services to audit clients and related entities.
- Business relationships including policies and guidance on joint business relationships (such as joint ventures and joint marketing) and on the purchasing of goods and services acquired in the normal course of business.
- Acceptance of new audit and assurance clients and the subsequent provision of non-assurance services for those clients.

In addition, we have a Network Risk Management Policy governing the independence requirements related to the rotation of key audit partners.

These policies and processes are designed to help us comply with relevant professional and regulatory standards of independence that apply to the provision of many assurance services. Policies and supporting guidance are reviewed and revised when changes arise, such as updates to laws and regulations, changes to the IESBA International Independence Standards, or changes in response to operational matters.

We have supplemented the PwC Global Independence Policy as required by local regulations in our individual member firms in cases where these requirements are more restrictive than the global policy.

## Independence-related systems, tools and processes

As a member of the PwC network, PwC Africa has access to systems and tools which support firms and their partners and people in executing and complying with our independence policies and procedures.

These include:

- Central Entity Service (CES), which contains information about corporate entities including all PwC audit clients and their related entities (including all public interest audit clients and SEC-restricted entities) as well as their related securities. The CES assists in determining the independence restriction status of clients of the PwC firm and those of other PwC firms before entering into a new non-audit service or business relationship. This system also feeds the 'Independence Checkpoint' and Authorisation for Services [detailed further below].
- Independence Checkpoint, which facilitates the pre-clearance of publicly traded securities by all partners and managerial practice people before acquisition and is used to record their subsequent purchases and disposals. When a PwC firm wins a new audit client, or a security otherwise becomes restricted (for example as the result of a corporate transaction), this system automatically informs any PwC partner or person holding securities in that client if they need to sell the security.
- Automated Investment Recording, a solution available to PwC firms that simplifies portfolio maintenance for PwC partners and people in the Independence Checkpoint by automatically recording security transactions using regular direct feeds from participating brokers.
- Authorisation for Services (AFS), a global system that facilitates communication regarding a proposed non-audit service between a non-audit services engagement leader and the audit engagement leader, documents the analysis of any potential independence threats created by the service and proposed safeguards (where deemed necessary), and acts as a record of the audit partner's conclusion on the permissibility of the service. In addition, independence specialist resources in our global SEC Centre of Excellence utilise AFS to support the approval process relating to the provision of non-audit services to SEC-restricted entities (see 'Controls over non-audit services' below).
- Global Breaches Reporting System, which is used to report any breaches of external auditor independence regulations (e.g. those set by regulation or professional requirements) where the breach has cross-border implications (e.g. where a breach occurs in one territory which affects an audit relationship in another territory). All breaches reported are evaluated and addressed.
- The Global Joint Business Relationship (JBR) system facilitates our compliance with JBR requirements. It assists the independence specialists in the JBR Center of Excellence in gathering information to assess, from an independence perspective, the permissibility of proposed joint business relationships and in monitoring the continued permissibility of previously approved existing joint business relationships.
- My Compliance Dashboard, which is a standardised compliance platform available to partners and people in all PwC firms. It is used by firms to issue, manage and report on confirmations obtained including the annual compliance confirmation and, where relevant, engagement independence confirmations.

We continue to invest at a network level in technologies to strengthen our independence-related systems and tools.



## Independence training and confirmations

Consultation with independence specialists by engagement teams on independence issues is central to the PwC culture. In addition to required consultations, teams are encouraged to consult with independence specialists whenever a matter is complex or if there is any doubt about what to do.

Our processes are supported by comprehensive training of all partners and people. PwC Africa provides all partners and people with annual or ongoing training in independence matters. This training is typically based around milestones related to onboarding, a change in position or role, changes in policy or external regulation, and, as relevant, provision of services. Partners and people receive computer-based training on independence policy and related topics. Additionally, training is delivered on an as-needed basis by independence specialists and risk and quality teams.

All partners and people are required to complete an annual confirmation of their compliance with relevant aspects of the member firm's independence policy, including their own personal independence. In addition, all partners confirm that all non-audit services and business relationships for which they are responsible comply with policy and that the required processes have been followed in accepting these engagements and relationships. These annual confirmations are supplemented by periodic and ad-hoc engagement-level confirmations for certain clients.

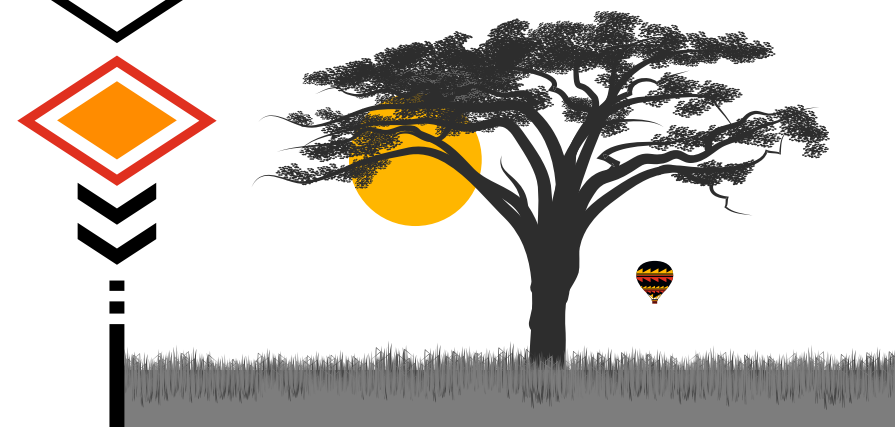
## Independence monitoring and disciplinary policy

Each PwC firm is responsible for monitoring the effectiveness of its quality management system in managing compliance with independence requirements. In addition to the confirmations described above, as part of this monitoring, firms perform:

- Compliance testing of independence controls and processes.
- Personal independence compliance testing of a random selection of partners and managerial practice people as a means of monitoring compliance with independence policies.
- An annual assessment of the firm's adherence to our network's standard on independence.

The results of monitoring and testing are reported to Africa Leadership Team on a regular basis.

PwC Africa has an Accountability Framework so that there is a consistent application of consequences for behaviour that is inconsistent with our policies and procedures that promotes compliance with independence policies and processes and requires any breaches of independence requirements to be reported and addressed. This includes a discussion with the client's audit committee regarding the nature of a breach, an evaluation of the breach's impact on the independence of the firm and the engagement team, and the need for actions or safeguards to maintain objectivity.



## Controls over non-audit services

Before providing non-audit services to entities that are subject to independence restrictions, all PwC firms are required to obtain authorisation from the group audit engagement partner responsible for services to that entity.

To promote understanding of the independence requirements that apply, the PwC network has developed a comprehensive set of policy and supplementary guidance documents that address the provision of non-audit services to audit clients and their related entities. These documents are based on the requirements of the IESBA International Independence Standards, as well as the rules and standards issued by other regulatory authorities. PwC Africa has supplemented this for any relevant local standards in our individual member firms.

When our firms are providing non-audit services to audit clients, they are allowed to provide only those non-audit services that are permissible under the applicable rules. In some instances, these non-audit services are required by law or regulations to be performed by the auditor. We have controls in place regarding the provision of non-audit services to audit clients and are also conscious of the threats to independence in appearance that can be created by providing non-audit services to our audit clients. We assess this potential threat as part of our acceptance processes. Engagement teams which provide certain non-audit services to SEC-restricted entities are required to obtain input from an independence specialist in our global SEC Centre of Excellence. The conduct of certain services to SEC issuer audit clients is closely assessed and monitored through extended processes, including (as applicable) review of audit committee pre-approval communications, independence review of initial engagement communications with the client such as proposal materials, pre-engagement independence coaching discussions for the service team and independence in-flight review of the engagement through the course of the service.

## Confidentiality and information security

### Cyber readiness plan

Our cyber readiness plan exemplifies The New Equation, reinforcing PwC's commitment to building client trust. This success is due to our strategic multi-year programmes, which have established a robust and secure environment. We are implementing a global strategy designed to minimise the impact of breaches now and in the future.

### Tools and monitoring

We have tools that give us visibility and control over our attack surface, supported by 24/7 monitoring and incident response teams. These are validated by industry experts, ensuring our clients can trust us to protect their data.

### Addressing AI threats

The rise of AI has introduced confusion and misinformation, with deepfakes posing significant threats. Our investment in ISO27001 and ISO27701, along with adopting the new ISO 27001:2022 standards, demonstrates our commitment to strengthening PwC's information security defences and protecting client data.

### Commitment to trust and security

We remain dedicated to these principles, ensuring our clients trust our technology and feel secure in entrusting their data to us. We are committed to protecting our clients' data and maintaining their trust by continuously enhancing our cyber readiness and security measures.

## Inspiring our people

‘Our Deal’ for our people supports our strategy of creating trust as we aspire to deliver sustained outcomes. It offers our people opportunities for growth, to be valued, to make a difference and to be empowered.

Our clients, people and communities need us to focus on the world’s most critical problems and build trust in all we do. We must evolve to keep pace with a rapidly changing world. To evolve, we need new skills, new ways of thinking and different behaviours, which will result in the evolution of the ‘PwC Professional’. Trusted leadership and distinctive outcomes are essential to how we live our purpose and strategy.

Delivering on our strategy are over 10,000 solvers across 15 countries. They are led by over 400 partners across the East, West and South Market Areas. Reinforcing the message, we are only half the story. We inspire our people to thrive as a community of solvers who deliver on The New Equation.

We value our people. Significant time has been invested in developing new skills at all levels as we introduced the concepts of trusted leadership and embedded the behaviours—inspire, evolve and empower. Partners, team leaders, new managers and future associates are all excited to change the firm with this fresh outlook on how we show up as we deliver on Our Deal and our firm strategy.

Our brand is our pride and has also grown. Our success at recruiting top talent shows the attractiveness of the profession and the firm. Creative university programmes across the continent that include coaching support, financial workshops, transition programmes, academic support, mentorship, campus takeover events and more, make PwC a household name as a future employer and increase our talent pipeline at all levels. Awards won by the firm and the large graduate intake of over 1,000 trainees across Africa make us one of the largest trainers of accounting students and shows our commitment to cultivating future talent. We have sourced and recruited over 1,800 experienced hires across PwC Africa in the past year.

## Global People Survey insights

Our annual Global People Survey empowers our people to share their feelings and help us understand and improve their work experience. The survey provides insights into our areas of success and potential improvement.

Metric	Details
Participation rate	90% participation rate for the second year in a row
Engagement score	80% engagement score
Priority areas of improvement	<ul style="list-style-type: none"> <li>• How our people work with us</li> <li>• How their personal lives are affected by their work</li> <li>• What impacts the quality of their work.</li> </ul>
Outcome	Data has guided strategies and initiatives at all levels, ensuring we continue to value and support our people

The importance of holistic well-being was supported by setting wellness goals for all our people. We support our people’s physical, mental, financial and emotional well-being through year-round well-being initiatives and bespoke employee assistance programmes. These initiatives encourage our people to take proactive steps towards their welfare and continuous personal development. We foster a culture of well-being where our people are empowered to manage their holistic well-being and contribute to the firm.

Our firm’s culture is deeply rooted in quality and ethics. We use systems and tools like our ethics hotline, awareness campaigns, quality behaviours and ethics champions to help us uphold these values. Consistent and fair employee relations practices ensure that our work environment remains transparent and equitable. This unwavering commitment to ethics has built a foundation of trust and integrity within the firm.



## Case study: 'Be well, work well'—mental health is an ongoing journey

We provide various opportunities for individuals, teams, leaders and firms to show how they integrate both work and life. Mental health issues are in the top five well-being problems raised among our people, similar to the industry average.

Initiative	Details
Green Light to Talk	<ul style="list-style-type: none"> <li>• 45 sessions over four weeks</li> <li>• 3,875 employees participated</li> <li>• Topics: Burnout, finances, managing chaos, time management, eating habits, coaching, poetry, comedy, games, exercises and more.</li> </ul>
Leadership engagement	<ul style="list-style-type: none"> <li>• A candid conversation between Africa Territory Senior Partner and Africa People Partner</li> <li>• Audience of 2,925 people</li> <li>• Now a quarterly conversation with different leaders.</li> </ul>

We are working towards a future where most of our people feel that it is possible to have a healthy lifestyle and be successful at PwC.





## Learning and development

During FY24, the firm rolled out a robust array of learning and development (L&D) activities to enhance the skills of our partners and staff to allow them to evolve as PwC Professionals.

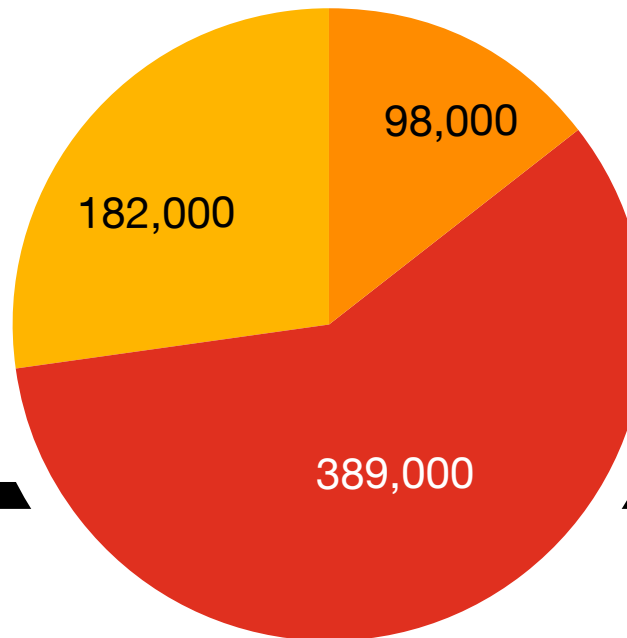
We focused on genAI in our digital upskilling initiatives, equipping partners and staff with cutting-edge knowledge to leverage these technologies effectively. Formal qualifications are available to interested staff through the LinkedIn Learning platform.

To promote personalised and self-paced learning, the firm used various learning platforms to enhance the technology skills required in specific teams. Along with LinkedIn Learning, these platforms include Kubicle, Udemy and Udacity.

Leadership development remains an important focus to ensure that our leaders of tomorrow have the right skills to lead the firm in the future. Milestone programmes were delivered to new managers and senior managers, and we also shifted focus to specific leadership development needs in teams by delivering tailor-made learning journeys to address skills gaps.

Technical skills development is a key focus across all lines of service to ensure that we deliver quality in everything we do. Significant time investments were made:

Total learning hours



EMA SMA WMA

## Our societal impact

Guided by the premise of The New Equation, which is to help clients and stakeholders build trust and deliver sustained outcomes, PwC Africa's key focus is on 'Our Humanity' and how we can make a greater impact on the continent. At the heart of Our Humanity is Ubuntu, the African philosophy that emphasises the interconnectedness of all people and the importance of community, interdependence and working together.

For PwC Africa, ubuntu is brought to life through our [societal purpose](#).

Our societal purpose is built on three pillars:

- **Firm pillar:** By harnessing our collective expertise and capabilities, we lead by example in driving positive change.
- **Client pillar:** We partner with clients, using our insights and experience to help them navigate complex challenges and unlock sustainable growth opportunities.
- **Community pillar:** We embrace our role as active citizens, channelling our resources into transformative corporate sustainability initiatives that uplift the communities around us.

Our societal purpose comprises intentional actions embedded in our culture—it is part of who we are as an organisation and guides our decisions and how we operate. We also inspire our clients and communities to do the same. Collectively, we can make a significant impact in driving positive change for now and for future generations. Our societal purpose is aligned to several of the United Nations (UN) Sustainable Development Goals (SDGs):



## Transformation, diversity and inclusion

### A vision for a more inclusive future

At PwC Africa, we are not just embracing change; we are driving it. Our vision is to become a beacon of inclusion and belonging, setting the standard for how organisations engage with their people, clients and stakeholders. This vision is the cornerstone of our network's Transformation, inclusion and diversity (I&D) strategy, aligned with The New Equation.

### Our commitment to gender equality

We are dedicated to advancing gender equality as part of our societal purpose. By creating opportunities and driving meaningful change, we aim to empower individuals across the continent, ensuring everyone has the chance to succeed.

### Our commitment to disability awareness

We believe in the diverse abilities of our staff through various communications. By demonstrating that everyone, regardless of their abilities, can thrive at PwC, we foster an environment of acceptance and support.

## Transformation: The catalyst for growth

In South Africa, transformation is more than a goal—it is a fundamental factor for growth and development. By addressing historical inequalities and promoting economic inclusion, we ensure that all citizens can participate and benefit from the economy.

### Enterprise and supplier development

Our Enterprise and Supplier Development (ESD) programme in South Africa exemplifies our commitment to transformation. This initiative empowers small, medium and micro enterprises (SMMEs) by providing crucial technical and financial support. In FY 23/2024, we supported 33 SMMEs. Of the businesses supported by this programme, 57% are women-owned. Additionally, PwC South Africa actively procures from 144 black women-owned businesses, representing 20% of verified procurement from such enterprises. This initiative aligns with the following SDGs: Decent work and economic growth, Gender equality, Quality education, Climate action, Good health and well-being and Reduce inequalities.

## Fostering diversity and inclusion

### Gender inclusion

#### Women in Leadership Circles

Recognising the critical importance of gender equality in Africa's development, we've implemented Women in Leadership Circles across South Africa, Ghana, Kenya, Nigeria and Tanzania. This programme addresses substantial barriers to advancement for women and confronts ongoing challenges such as bias and inequality. The programme connects aspiring women leaders with high-profile mentors, providing guidance, storytelling and mentorship for career advancement. By helping participants redefine their personal brands and align them with their expertise, we're creating a more diverse and dynamic leadership landscape across the continent. This initiative is aligned with the following SDGs: Gender equality and Reduce inequalities.

#### International Women's Forum South Africa (IWFSa)

The International Women's Forum South Africa (IWFSa) connects over 7,800 women leaders worldwide, advancing women's leadership and equality while building significant relationships between C-level women across countries and industries. The forum offers executive development and middle management development programmes. PwC has enrolled 30 African, Coloured and Indian female employees in the IWFSa FASSET Women's Legacy programme. This programme aims to develop 1,000 women in the financial sector over three years. Our SMA Regional Senior Partner, Shirley Machaba, is the sponsor of the PwC women cohort participating in this programme and serves as a Board Member and Deputy Chair for IWFSa Leadership Development Committee. It is aligned with the following SDGs: Gender equality, Quality education, Reduce inequalities and Decent work and economic growth.

#### Supporting women in business

Our firms in Nigeria and Ghana run women in leadership development programmes and support external organisations in building capacity to support female entrepreneurs and SMEs. These initiatives align with the following SDGs: Decent work and economic growth, Gender equality, Good health and well-being and Reduce inequalities.

#### Faranani Rural Women Training

The Faranani Rural Women Training Initiative empowers women in South Africa's rural areas by fostering entrepreneurship. The programme provides business skills training in marketing, pricing, financial management and business planning. To date, 4,350 women have graduated from the programme. The women who graduated from this programme have managed to run profitable businesses, created sustainable jobs and eventually contributed to the SA economy.

### Disability inclusion

#### Skills Panda Youth Development Initiative

We've made significant strides in empowering individuals with disabilities through the Skills Panda Youth Development Initiative in South Africa. Since 2019, PwC has invested R31.9m in furthering the education and skills of 330 disabled students. This 12-month learnership programme focuses on scarce skills areas, aiming to introduce young black South Africans into the mainstream economy through formal employment or entrepreneurship. This initiative aligns with the following SDGs: Reduce inequalities and Quality education.

#### Disability Inclusion Hackathon

PwC Ghana co-sponsored the 2023 Disability Inclusion Hackathon (DI Hack), an annual event promoting digital inclusion for vulnerable groups. This initiative aligns with our commitment to support and promote disability inclusion across the continent, fostering innovation in accessibility and digital solutions. The initiative aligns with the following SDGs: Reduce inequalities and Quality education.

### Multicultural and ethnic inclusion

We celebrate cultural diversity through various events across our African offices, such as Iftar nights during Ramadan in Tanzania and heritage days across our firms like South Africa, Nigeria and other countries in our network, bringing together partners and employees to embrace our diverse cultures and values. These gatherings serve as a powerful demonstration of our commitment to fostering unity and inclusivity within our organisation, creating an environment where all cultural backgrounds are respected and celebrated. These initiatives align with the following SDGs: Gender equality and Reduce inequalities.

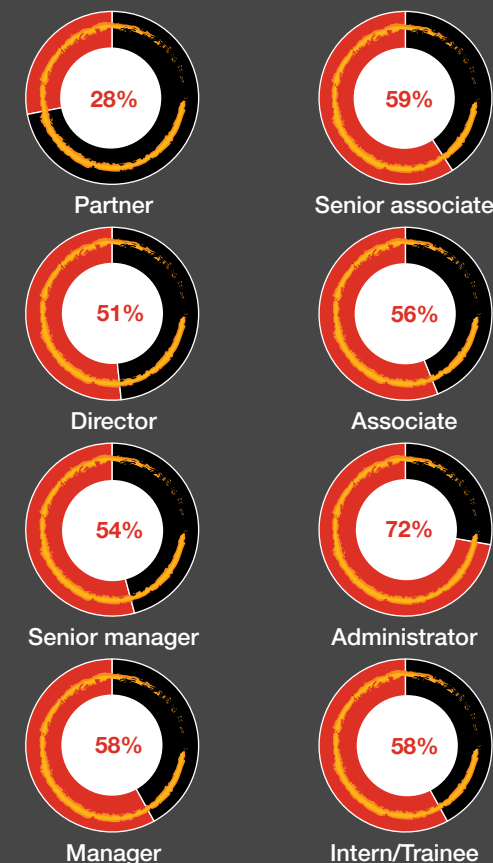
## Building a future of inclusion

At PwC, we are not just adapting to change—we are leading it, ensuring that diversity and inclusion remain at the forefront of our mission to build trust and deliver sustained outcomes across the continent.

## Africa gender statistics

(30 June 2024)

### Percentage of females in each grade



## Beyond words: Assessing the real-world impact of our initiatives

### How we measure impact

At PwC, we believe in rigorously evaluating our societal impact to ensure we're driving meaningful, positive change. Our approach goes beyond traditional metrics, delving deep into the economic and social fabric of the communities where we operate.

We employ a comprehensive analysis framework that encompasses:

- 1 Economic impact assessment:**  
 We carefully evaluate the broader effect of our investments, such as our bursary scheme and operational expenditures, on local and national economies.
- 2 Programme-specific impact mapping:**  
 We create detailed impact pathways for our skills development initiatives and other targeted programmes. This allows us to trace the journey from our initial input to the final outcomes in communities.
- 3 Holistic benefit tracking:**  
 Our analysis doesn't stop at immediate results. We track long-term, multifaceted benefits, including job creation, community empowerment and sustainable development indicators.

These analytical tools give us actionable insights into how our presence translates into tangible societal improvements. This data-driven approach not only validates our efforts but also guides our future strategies, ensuring we continually enhance our role as a catalyst for positive societal transformation.

### Our methodology

By evaluating the economic impact of PwC's initiatives and mapping the pathways of selected skills development and other programmes, we can better understand how our operations and investments translate into tangible benefits like job creation and community empowerment. This approach aligns with our commitment to sustainable development and positive societal change, reinforcing our role as a responsible corporate citizen.




**Contribution to economic growth**

This included your direct, indirect and induced GVA contributions to the economy and each industry or sector.



**Contribution to employment creation**

This included direct employment created, drawing on your HR reporting system, as well as indirect employment created through inputs purchased from suppliers.



**Contribution to public finance**

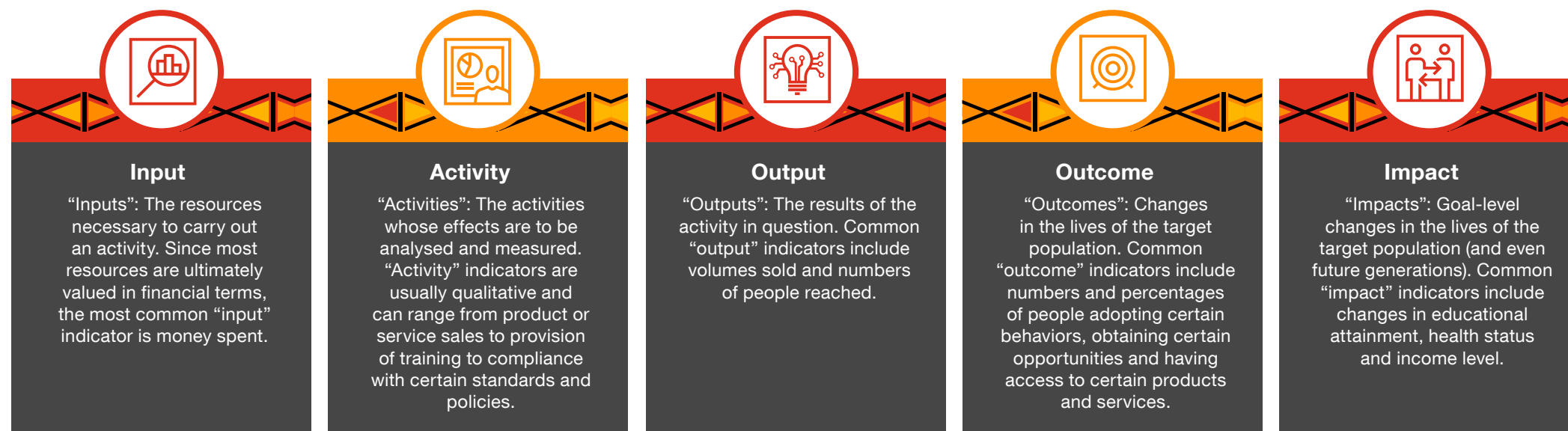
Your impact on public finances is the sum of the direct tax and non-tax contributions. In addition, your indirect contribution to public finance is included in this analysis.



**Contribution to low-income households**

The impact your investments and operations have on low-income households.

To effectively measure and understand the impact of our initiatives, we employ a comprehensive methodology that tracks the progression from resources invested to the ultimate changes in the lives of our target population. This approach involves several stages: inputs, activities, outputs, outcomes and impacts.



The Economic Impact Assessment (EIA) methodology uses the Social Accounting Matrix (SAM) framework and is guided by Global Reporting Initiative (GRI) standards.

## Our analyses included:

### Conducting an Economic Impact Assessment (EIA)

- To do this we analysed PwC's revenue, operating expenses and employment numbers for the 2023 financial year.
- We also analysed the impact of salaries paid to PwC bursary holders.
- Our EIA helps explain the direct, indirect and induced contributions of PwC on economic indicators, including contribution to:
  - Economic growth
  - Employment creation
  - Poverty alleviation (through additional household income)
  - Taxes

*Note that we did not look at PwC's Net Zero strategy as part of this analysis.*

### Impact pathways mapping

- PwC teams across market areas identified key Corporate Social Investment (CSI) and Socio-Economic Development (SED) initiatives for social impact assessment.
- Using the Theory of Change (ToC) principles, impact mapping was completed for each programme, showing:
  - Key stakeholders
  - Input
  - Activity
  - Output
  - Outcome
  - Impacts

Economic linkages illustrate a given expenditure's direct, indirect and induced effects. The multiplier quantifies these knock-on effects, with the total impact being the sum of direct, indirect and induced impacts.



## Impact analysis

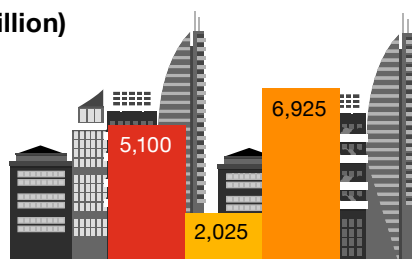
### PwC South Africa's operational impact

We measured the economic impact of our operations as part of our societal purpose of building trust and delivering sustained outcomes. We show PwC's estimated contribution through our day-to-day operations and their knock-on effects.

#### Estimated economic activity created

##### GDP impact (R billion)

■ Direct impact  
■ Indirect impact  
■ Induced impact

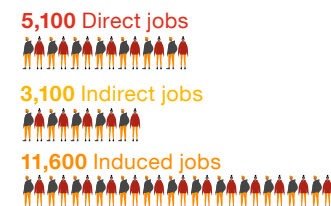


Every R1 of revenue generated by PwC has potentially contributed R1.92 to the SA economy

The estimated economic activity created in South Africa was around R14bn in 2023, equating to 0.3% of the nation's GDP. Only 36% of this impact was direct, highlighting the importance of the multiplier effect, as nearly two-thirds came from indirect and induced downstream impacts.

#### Our analyses included:

##### Total jobs impact



Revenue generated by PwC has potentially resulted in three jobs for every R1m revenue generated

It is estimated that PwC's daily operations sustained about 19,700 jobs during the year, representing 0.2% of South Africa's formal employment. Of these, 5,100 were direct jobs, 3,100 were sustained indirectly in supply sectors, and 11,600 were induced through wages paid across supply chains.

South African households are estimated to have received job opportunities, resulting in an increased income of around R8.8bn.

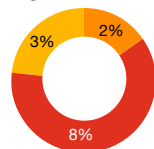
Total government revenue is also estimated to have increased.

#### Estimated impact on household income

##### R8.8bn impact on household income



Low income  
Medium income  
High income



Total impact on household income

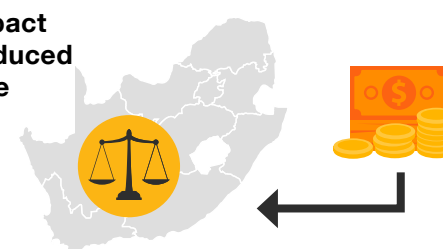
Income Level	Impact (Rbn)
Low-income	R0.2bn
Medium-income	R2.2bn
High-income	R6.4bn
<b>Total income</b>	<b>R8.8bn</b>

Revenue generated by PwC has potentially contributed to poverty alleviation in SA, with income flowing to low-income households

Households received an estimated R8.8bn in income, with R0.2bn going to low-income households, representing 0.4% of the total amount that SA low-income households receive annually. PwC's spending has thus contributed to economic development, aiding in poverty and unemployment reduction in South Africa.

#### Estimated impact through tax revenue

##### R2.6bn impact through induced tax revenue

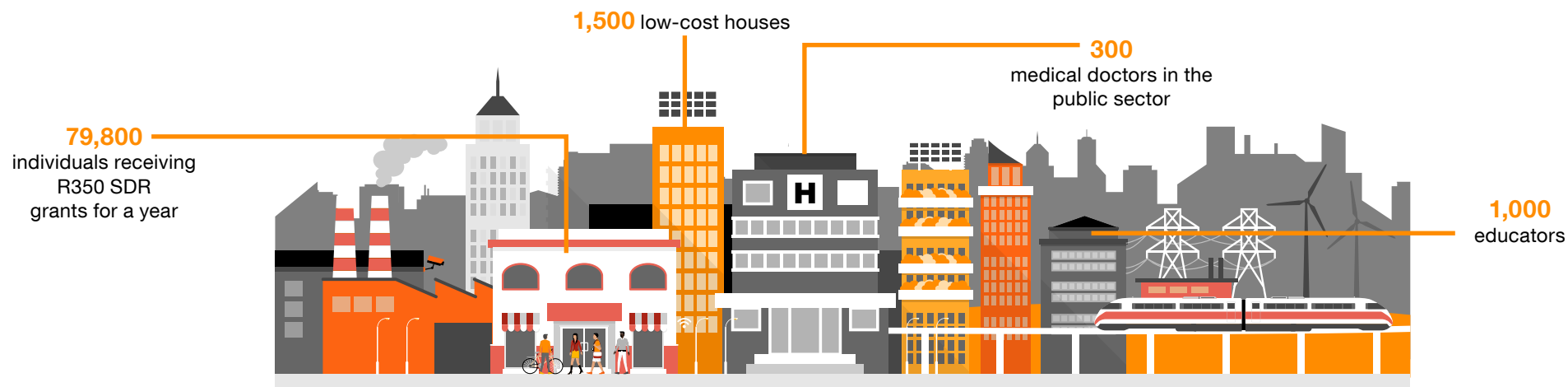


Every R1 of revenue generated through the day-to-day operations by PwC has potentially contributed 36 cents to national government revenue

Total government revenue increased by an estimated R2.6bn through tax contributions, generated from direct and indirect taxes tied to PwC's operational spending in South Africa.

PwC contributed an estimated R2.6 billion through induced tax revenue contributions.

### Illustrative example of social benefits if National Treasury allocates the induced tax contribution of R2.6 billion based on the 2024/25 Budget Speech allocation



The results of the EIA show that PwC, through its operational expenditure, contributed positively to the South African economy.

This included contributions through greater economic growth and employment levels, reduced poverty, reduced income inequality, and increased public services and infrastructure funding.

#### Contribution to economic growth

Economic activity is estimated to have increased by R14bn, which could potentially lead to:

- Greater economic growth.
- Higher employment levels.
- Improved standards of living.
- Increased investment opportunities.
- Stronger global competitiveness.
- Reduced poverty and income inequality.

#### Contribution to employment creation

Employment levels are estimated to have increased by 19,700 jobs, which could potentially lead to:

- Reduced poverty and income inequality.
- Improved standards of living.
- Increased consumer spending.
- Increased GDP.
- Reduced unemployment benefits.
- Improved mental and physical health.

#### Contribution to low-income households

Total income estimated to have been received by households is R8.8bn, which could potentially lead to:

- Improved ability to purchase nutritious food, improving housing conditions and increasing the ability to send children to school.
- Reduced income inequality.
- Potential for increased life satisfaction and well-being.
- Increased savings and access to loans.

#### Contribution to public finance

Total government revenue is estimated to have increased by R2.6bn, which could potentially lead to:

- Increased funding for public services and infrastructure.
- Potential for further economic growth.
- Ability to reduce debt levels.
- Potential to lower tax rates in the long run.

These estimates emphasise the significant role that PwC plays in moulding South Africa's economic environment, highlighting the interconnectedness between its operations and the country's economic metrics.

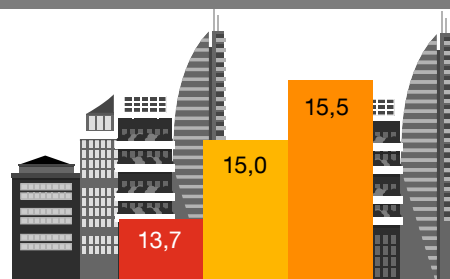
## PwC South Africa bursaries

PwC bursary holders who started their articles in 2024 will earn R31.1m in salaries by the end of the year. During the year, they will spend these salaries on various goods and services, contributing to the South African economy.

### Estimated economic activity created

#### GDP impact (R billion)

- Direct impact
- Indirect impact
- Induced impact



The estimated economic activity that will potentially be created in South Africa will be around R44.2m during the year, contributing towards the nation's GDP. Only 31% of this impact is expected to be direct, highlighting the importance of the multiplier effect, as over two-thirds could come from indirect and induced downstream impacts.

### Estimated jobs created

#### Total jobs impact

130 Direct jobs



30 Indirect jobs



30 Induced jobs



It is estimated that spending by PwC bursary holders will potentially sustain about 190 jobs during the year, contributing towards job creation in South Africa. Of these, 130 could be direct jobs, 30 could be sustained indirectly in supply sectors, and 30 could be induced through wages paid across supply chains.

Spending by PwC bursary holders will positively impact the household incomes of other individuals in South Africa. Simultaneously, government tax revenue is expected to increase because of increased tax revenue during 2024.

### Estimated impact on household income

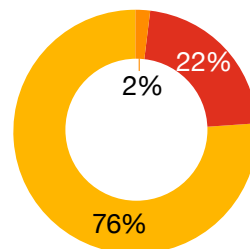
#### R19.6m impact on household income

Total impact on household income

Low-income	Medium-income	High-income	Total income
R0.5m	R4.2m	R14.9m	R19.9m



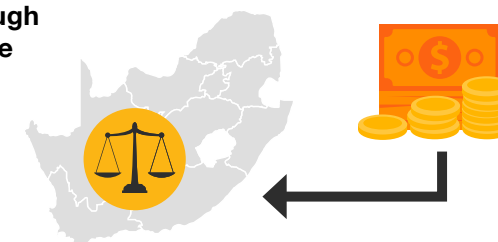
Low income  
Medium income  
High income



Households are estimated to receive R19.6m in potential income during 2024, with R0.5m going to low-income households. Potential spending by PwC bursary holders is thus expected to contribute to economic development, aiding in poverty and unemployment reduction in South Africa.

### Estimated impact through tax revenue

#### R8.4m impact through induced tax revenue

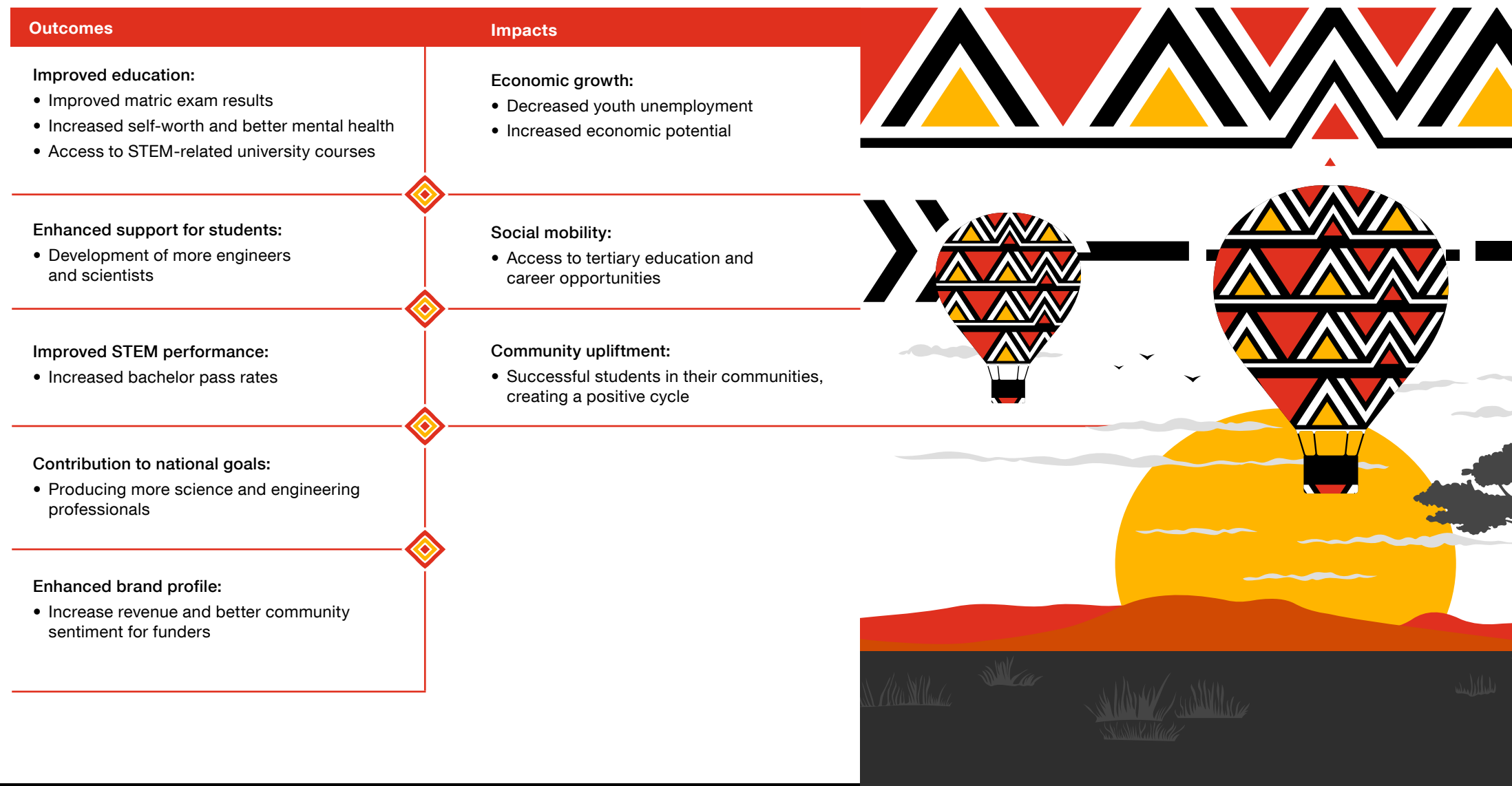


Total government revenue could potentially increase by an estimated R8.4m during the year through tax contributions, generated from direct and indirect taxes tied to spending by PwC bursary holders in South Africa.

## Youth Start programme (eduCate)

The Youth Start programme (eduCate) aims to improve education outcomes in South Africa, particularly in STEM (science, technology, engineering and mathematics) fields. The programme involves multiple stakeholders, including Primestars, PwC, students, teachers, schools, government departments and numerous other organisations.

Some of the key estimated outcomes and impacts identified through our assessment include:



## PwC Mauritius M-Kids Aquaponics

The PwC Mauritius M-Kids Aquaponics project is designed to empower vulnerable children in Port Louis by establishing an aquaponic garden. This initiative aims to provide sustainable agricultural skills, improve community health and promote environmental awareness. The project involves multiple stakeholders, including PwC, M-Kids, youth participants, surrounding communities and suppliers.

Some of the key estimated outcomes and impacts identified through our assessment include:

Outcomes	Impacts
<b>Enhance employee skills:</b> <ul style="list-style-type: none"> <li>• Project management, communication and problem-solving</li> <li>• Fulfilment of corporate social investment (CSI) mandate</li> <li>• Improved corporate image</li> </ul>	<b>Economic:</b> <ul style="list-style-type: none"> <li>• Increased revenue for suppliers</li> </ul>
<b>Empowerment of vulnerable children:</b> <ul style="list-style-type: none"> <li>• Achievement of M-kids goal</li> <li>• Creation of sustainability and environmental awareness</li> </ul>	<b>Social:</b> <ul style="list-style-type: none"> <li>• Empowerment of youth</li> <li>• Improved community health</li> <li>• Sustainability awareness</li> </ul>
<b>Agricultural skills development:</b> <ul style="list-style-type: none"> <li>• Acquisition of agricultural skills</li> <li>• Increased sense of responsibility</li> <li>• Better preparation for a career in agriculture</li> </ul>	<b>Environmental:</b> <ul style="list-style-type: none"> <li>• Promotion of sustainable agricultural practices</li> </ul>
<b>Community health improvement:</b> <ul style="list-style-type: none"> <li>• Access to fresh produce</li> <li>• Improved nutrition</li> <li>• Overall community health</li> </ul>	





## PwC Nigeria Chess4Change

The PwC Nigeria Chess4Change project aims to empower students by introducing them to chess, providing mentorship and enhancing their academic and leadership skills. The initiative involves multiple stakeholders, including PwC, Media Vision Limited, mentors, students, schools, and various educational and sports authorities.

Some of the key estimated outcomes and impacts identified through our assessment include:

Outcomes	Impacts
<b>CSI responsibility:</b> <ul style="list-style-type: none"> <li>• Fulfilment of CSI mandate</li> <li>• Enhanced brand awareness</li> <li>• Improved community sentiment</li> </ul>	<b>Economic:</b> <ul style="list-style-type: none"> <li>• Increased revenue for stakeholders</li> </ul>
<b>Programme management:</b> <ul style="list-style-type: none"> <li>• Increased income and professional fees</li> <li>• Enhanced brand awareness for implementer</li> </ul>	<b>Social:</b> <ul style="list-style-type: none"> <li>• Empowerment of students</li> <li>• Improved academic and leadership skills</li> <li>• Better community engagement</li> </ul>
<b>Participant fulfilment:</b> <ul style="list-style-type: none"> <li>• Sense of fulfilment from equipping participants with knowledge and skills</li> </ul>	<b>Educational:</b> <ul style="list-style-type: none"> <li>• Creating a pipeline of future professionals in Nigeria</li> <li>• Enhanced academic performance</li> <li>• Increased interest in chess and related activities</li> </ul>
<b>Academic and leadership development:</b> <ul style="list-style-type: none"> <li>• Improved academic performance</li> <li>• Acquisition of life and leadership skills</li> <li>• Exposure to new careers</li> <li>• Participation in chess competitions</li> </ul>	
<b>Sports participation:</b> <ul style="list-style-type: none"> <li>• Increase participation in sports</li> <li>• Enhance academic performance and leadership skills</li> </ul>	



## Success stories

### Measuring socio-economic impact with Gradesmatch

As part of our enterprise supplier development (ESD) programme, we partnered with Gradesmatch to measure the socio-economic impact of their educational initiatives in South Africa. This collaboration aims to address multifaceted education challenges and contribute to achieving SDGs.

#### Scope of the project

##### Task 1: Impact pathways

- **Quantify micro-level socio-economic impacts:** Evaluate the direct effects of Gradesmatch's initiatives on individual beneficiaries
- **Assess impact effectiveness and outcomes:** Determine the success and areas for improvement in the initiatives
- **Identify improvements and corrective actions:** Propose actionable steps to enhance the impact
- **Identify material impact pathways:** Focus on the most significant channels through which the initiatives affect socio-economic conditions
- **Workshop and stakeholder mapping:** Conduct workshops to understand current initiatives and data availability, and map stakeholders affected by the impacts.

##### Task 2: Socio-economic impact assessment (SEIA)

- **Conduct SEIA:** Assess the income impact on beneficiaries
- **Use Social Accounting Matrix (SAM):** Utilise SAM for South Africa to quantify the economic impact of increased income
- **Measure contributions:** Evaluate contributions to economic growth, job creation, poverty reduction and tax revenues
- **Assess broader economic impact:** Analyse the multiplier effects of education spending on the economy.

#### SDGs impacted

- Quality education
- Decent work and economic growth
- Reduced inequalities.



#### Gradesmatch strategic changes

- **Sustainable education investment:** Focus on long-term educational funding
- **Improved access to education:** Enhance accessibility for underserved communities
- **Collaboration with employers:** Align educational programmes with market needs
- **Equitable distribution of opportunities:** Ensure fair access to educational resources
- **Community engagement initiatives:** Foster community involvement in educational projects
- **Integration of social impact management:** Incorporate social impact considerations into strategic planning.

#### PwC insights

- **Reliable and consistent education support:** Provide dependable educational assistance
- **Comprehensive socio-economic impact model:** Develop a robust model to measure socio-economic impacts
- **Enabled stakeholder engagement:** Facilitate engagement with stakeholders for future funding opportunities
- **Impact-driven investment strategy:** Promote investments that drive significant social impact
- **Long-term monitoring and evaluation:** Establish systems for ongoing impact assessment and improvement.

The collaboration between PwC and Gradesmatch has led to significant advancements in measuring and enhancing the socio-economic impact of educational initiatives in South Africa. By focusing on sustainable investment, improved access and strategic alignment with market needs, this project supports achieving key SDGs and fosters long-term socio-economic growth.



## Nigerian government recycling initiative and single-use plastic tax reforms

Nigeria faces a significant environmental crisis due to plastic waste. This is exacerbated by inadequate recycling systems and the proliferation of single-use plastics. In response, the Nigerian government has implemented tax reforms targeting single-use plastics in the drinks industry. These reforms are part of a broader strategy to improve recycling practices, report on industry status and propose legal changes to enhance plastic circularity.

The government introduced taxes on single-use plastics within the drinks industry to address these issues. This initiative aims to:

- Encourage better recycling practices
- Evaluate current industry practices
- Propose necessary legal changes for improved recycling.

### Impact

Our firm played a crucial role in supporting these reforms by leveraging our past advocacy successes and combining expertise from various units. We focused on the Non-Alcoholic Drink sector to promote plastic circularity through several key actions:

- **Roadmap preparation:** We assisted in developing a phased industry commitment implementation roadmap.
- **Value chain evaluation:** We analysed the industry's value chain to identify opportunities for improvement.
- **Government engagement:** We facilitated discussions between the industry and government to ensure alignment on goals and strategies.

### Key success metrics

- **Phased industry commitment implementation roadmap:** We suggested a structured approach for the industry to adopt circular practices gradually.
- **Economic impact:** We highlighted the industry's contributions to job creation, taxes paid and self-regulation initiatives as producer responsibility organisations (PROs).
- **Client trust:** We successfully gained clients' trust, enabling us to continue driving advocacy engagements and support the industry's transition towards better recycling practices.

### SDGs impacted

- Climate action

The Nigerian government's recycling initiative and single-use plastic tax reforms represent a significant step towards addressing the country's plastic waste crisis. By collaborating with the industry and leveraging our firm's expertise, we have contributed to developing a sustainable roadmap for plastics circularity. This project not only supports environmental sustainability but also fosters economic growth and strengthens industry-government relationships.

## Global Fund's work in Africa

The Global Fund is a global partnership aimed at defeating HIV, TB and malaria, raising over \$5bn annually to fight these diseases and strengthen health systems in more than 100 countries. Since 2002, it has saved 65m lives by uniting leaders, communities and the private sector to find and scale impactful solutions.

### Collaboration with PwC

PwC serves as the Local Fund Agent (LFA) for the Global Fund in 72 countries, including 38 in Africa. As the LFA, PwC provides assurance and advisory services, playing a pivotal role in the Global Fund's risk management and performance-based funding model. PwC's responsibilities include:

- Conducting grant reviews and readiness assessments
- Monitoring financial flows and programme results
- Verifying data quality and implementation effectiveness
- Identifying risks and recommending improvements.

### Impact and results

The Global Fund partnership has:

- Saved an estimate of 65 million lives
- Reduced the death rate from AIDS, TB, and malaria by 61%
- Increased life expectancy in low- and middle-income countries
- Used its investments to strengthen health systems and support universal health coverage (UHC), generating health gains valued at \$1.2tn and productivity gains of \$400bn from \$63bn in disbursements since 2002.

### SDGs impacted

- Good health and well-being
- Reduced inequalities

## Empowering women entrepreneurs through PwC's Faranani Rural Women Training Initiative

The Faranani Rural Women Training Initiative was inspired by the high unemployment rate, poverty and inequality in South Africa. The main aim is to provide business training to women from rural areas who are either already in business or interested in owning a business. Annually, this initiative makes a notable difference in the lives of many women, empowering them to generate their own income and become meaningful contributors to the South African economy.

### Positive impact/outcomes

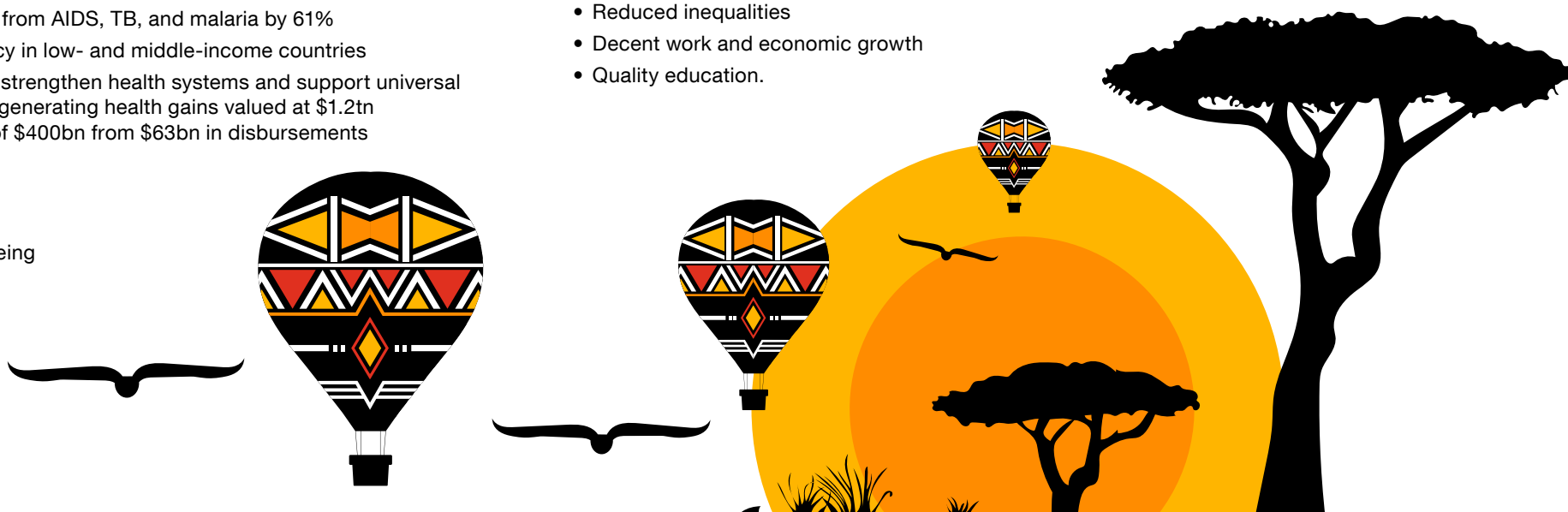
- Thousands of sustainable jobs created
- Positive contribution to the South African economy
- Improved skills in marketing, pricing, costing, business planning and financial management for participants

### Impact measurement

- Since its inception, over 4,350 women have graduated from the programme.

### SDGs impacted

- Good health and well-being
- Gender equality
- Reduced inequalities
- Decent work and economic growth
- Quality education.



## We are only half the story: Voices of our Faranani participants

Thulile Mbuyane is the founder of a beverage company. After completing school in Mamelodi, she enrolled at university but dropped out as finances were a constraint, and she was eager to start working. Thulile had gone on to have several jobs, and after the birth of her son, she decided not to return to her employer.

“Growing up with a business mindset was influenced by several family members who had small businesses. After facing challenges due to load-shedding, I expanded my business to supply backup power solutions. The Faranani training helped me unlearn and relearn new strategies, increasing my revenue by 20% every month consistently for the past three months. Today, my ginger beer is sold in three flavours at three big malls.

Thembelihle Ntshobane is a businesswoman who grew up in Kagiso. Her road to becoming an entrepreneur was quite different. She spent most of her career working at some of the country's biggest telecommunications companies as an SAP consultant and IT and transmission engineer. After enjoying a solid period of employment, she was unexpectedly retrenched in 2017.

“After being retrenched, I struggled to provide for my family. I started a pest control company, Sithebo Enterprise, despite facing many challenges. The Faranani course helped me improve my business skills and transform into a businesswoman. I received incredible support through Faranani and learned that there are people who want to help me succeed.

Nthatisi Makotoko, a graduate of the Faranani Training Initiative, started a marketing company in 2009, but it wasn't long after that that she faced struggles due to routine load-shedding. After finding a solution for her business, she decided to expand her company's service offering to supply backup power solutions for homes and small businesses—an idea which took off well in 2017.

“As I saw the unemployment numbers go up each year, I thought it's very important to consider building my own business and going for the Faranani training, to be able to sustain my business, employ people who will be able to sustain their families, and at the same time be able to contribute to the country's economy.

Mapule Moabelo enrolled in PwC's Faranani Rural Women Training Initiative at the end of 2021. Her journey highlights the significant impact of the training initiative on her business growth and her aspirations for the future. She shares how her approach to running her business has transformed:

“I enrolled in the business management course because I wanted to understand what it truly means to run a business. Before, I was just managing it from inside my head. After completing the course, I learned an incredible amount—how to cost items, break-even, market my business, and most importantly, how to go out and get sales, which is a key factor in running a business. Now, my sales have grown tremendously, and my goal is to expand into a fully-fledged bakery and increase my sales to buy the equipment I need.

Helen Ntobela runs a branding and printing company in the bustling Tembisa township. After struggling with her company finances for some time, her uncle recommended she enrol in the course—an opportunity she is so grateful to have had.

“The most important thing I learned was how to draft my own business plan. The course taught me the importance of pricing my products, understanding my finances, and how to market my business.

Helen is determined to grow her business into a multimillion-rand company that she can one day relocate from the township to the city.

“Now that I've gained these skills, I have knowledge and believe that in the future, I will employ more people and change their lives too.

PwC remains committed to uplifting women in South Africa, building trust in society and solving important problems. In its 18th year, the Faranani Rural Women Training Initiative continues to make significant strides in empowering women entrepreneurs, contributing to an equal and prosperous environment for everyone.



# Glossary

AI	Artificial intelligence
C&RS	Consulting and Risk Services
CDE	Connected Deals Experience
CMAAS	Capital Markets and Accounting Advisory Services
CSI	Corporate social investment
DFI	Development finance institution
DI Hack	Disability Hackathon
EIA	Economic Impact Assessment
EMA	East Market Area
ESD	Enterprise and Supplier Development
ESG	Environmental, social and governance
FASSET	Finance and Accounting Services Sector Education and Training Authority
GenAI	Generative AI
GPT-4	Generative Pre-trained Transformer series version 4
GRI	Global Reporting Initiative
IPP	Independent power producer
IWFSA	International Women's Forum South Africa
L&D	Learning and development
LFA	Local Fund Agent
M&A	Mergers and acquisitions
PPAs	Purchase power agreements
PRO	Producer responsibility organisation

RFI	Request for information
SAM	Social Accounting Matrix
SATIC	South Africa Technology and Innovation Centre
SBT	Science-based target
SDGs	Sustainable Development Goals
SDG 3	Good health and well-being
SDG 4	Quality education
SDG 5	Gender equality
SDG 7	Affordable and clean energy
SDG 8	Decent work and economic growth
SDG 10	Reduced inequalities
SDG 13	Climate action
SEIA	Socio-economic impact assessment
SMA	South Market Area
SMME	Small, medium, and micro enterprise
SPA	Share purchase agreement
SPDC	Shell Petroleum Development Company of Nigeria Limited
STEM	Science, technology, engineering and mathematics
TLS	Tax and Legal Services
UHC	Universal health coverage
UN	United Nations
WMA	West Market Area

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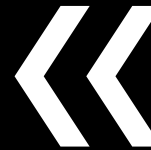
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