

Cyprus Annual Review 2020

September 2020



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Key Performance Indicators



Awards & Accreditations

Investors in People (IIP) Platinum



Gender Equality in the Working Environment



ICAEW Partner in Learning



ACCA Approved Employer - Platinum



Trainee Development - Platinum



Gold

ACCA Gold Approved Learning Partner



ISO 22301



Business Continuity Management System Certificate of Conformity

Green Office Certification



Green Offices

Environmental Management System Certificate of Conformity



ISO 14001





Financial Performance

€82.3m net revenues

€30,6m total contribution to government revenues including income tax, special contribution for defence, PAYE, VAT, GHS and social insurance contributions



Corporate Responsibility

€272.000

€125.000 worth of pro-bono and discounted services donated to community organisations and charitable institutions, **€74.000** were invested in our entrepreneurship initiatives, **€73.000** donated to non-profit organisations to support charitable institutions, **654** hours of volunteering



Our People

More than **1000** People, including **407** qualified accountants and **938** university graduates

2 Pancyprrian awards in the Association of Chartered Certified Accountants (ACCA) professional examinations

2 new Partners, **1** new Director

200 new recruits including **150** new University Graduates

52 newly qualified accountants

11 international secondments in other PwC firms around the world

26 Nationalities

People pulse survey 1, overall average satisfaction **4.40** out of 5

People pulse survey 2, overall average satisfaction **4.43** out of 5



Our Clients

9.00 Likelihood to recommend PwC to peers and colleagues

8.82 Overall satisfaction average

Out of a maximum score of 10

Figures based on an online Client Experience Survey carried out in July 2020



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CEO Message

It gives me great pleasure to present to you our Annual Review for the financial year which ended on 30 June 2020 (FY20) finding PwC Cyprus once again leading the professional services sector, achieving 2% growth and net revenues of €82.3m despite the adverse impact on our results of COVID-19 in the last quarter of FY20. Our total contribution to government revenues including income tax, special contribution for defence, PAYE, VAT, GHS and social insurance contributions was €30,6m.



The trust of our clients is important for everything we do and we aim at the best possible client experience we can provide. We are very pleased that in the annual Client Experience Survey, out of a possible maximum score of 10, clients gave us a score of 9 concerning the likelihood of recommending us and a score of 8.82 concerning their overall satisfaction. The survey was carried out in June and July 2020 reflecting our clients experience in continuing to service them seamlessly during the lockdown period.

At PwC Cyprus we care about our people who are the core of our organisation and the key driver of our success. Our team currently includes more than 1000 People, including 407 qualified accountants and 938 university graduates. We support them in order to achieve their goals and aspirations and we invest in their development with career development centres, leadership workshops and executive coaching.

In FY20 we continued to focus on upskilling our people in the context of the “New World New Skills” initiative. During the year 62% of our people participated in online digital upskilling courses and 25% of our people completed the Digital Academy curriculum attending nine face to face and 3 virtual events. This is on top of a learning & development curriculum covering highly specialised technical topics and people skills that are increasingly important in a technologically enabled world.

During FY20 we decided to admit 2 new Partners, we hired 1 Director and added 62 newly qualified accountants whilst our trainees achieved 2 Pancyprian awards in the Association of Chartered Certified Accountants (ACCA) professional examinations. We were also joined by 200 new recruits including 150 fresh University Graduates.

In dealing with the COVID-19 pandemic we focused on four priority areas: safeguarding the health & safety of our people, clients and associates; continuing to service clients seamlessly; supporting the business community & society and safeguarding our business. The Client Experience Survey results, the People pulse survey results and our market engagement with virtual events, media presence and thought leadership pieces are a testament of our success. This was the result of our investments in technology, in skills building, in industry expertise and primarily of cultivating a culture that supports an agile and adaptable operating model.

In PwC we are constantly seeking to increase our positive impact on society. Our strategy focuses on social relevance and is designed to underline this ambition.

We believe we can be part of the solution to the global challenges in two ways; by doing the right thing, which means playing our part on responsible business issues that are central to our business and by being a catalyst for change, which is about using our skills, voice and relationships to work with others and influence activities that make a difference, create change and have a lasting impact on the world around us. In FY20 we are proud of the Firm's Environmental Management System certification according to the international standard ISO 14001 and the “Green Offices” certification for our premises.

During FY20 €125.000 worth of pro-bono and discounted services were donated to community organisations and charitable institutions, whilst €74.000 were invested in our entrepreneurship initiatives and €73.000 were donated to non-profit organisations to support charitable institutions. Furthermore 33 people from our organisation volunteered spending 654 hours for various activities.

The driving forces behind our success are our clients and our people to whom I would like to express my greatest gratitude and appreciation for their trust. The achievements of FY20 under challenging conditions are the result of everyone's hard work and commitment.

Looking at the year ahead, we remain focused at providing quality services, leveraging our expertise to give solutions and to add value for clients. We will continue to focus on quality services, investing in new capabilities using our expertise to support businesses, the economy and our community. Staying true to our purpose, to build trust in society and solve important problems and grounded in our values.



Evgenios C Evgeniou
CEO

September 2020

Our purpose

is to build trust in society and solve important problems.

Our values

define who we are, what we stand for, and how we behave.



**Act
with integrity**



**Make
a difference**



We care



**Work
together**



**Reimagine
the possible**

A photograph of four business professionals (two men and two women) in a modern office hallway. They are standing near a glass railing, looking at a tablet held by one of the men. The hallway has large windows with colorful vertical accents (yellow, red, blue). The text "Our Services" is overlaid in white on a red rectangular background.

Our Services

Assurance



Yiangos A Kaponides
Head of Assurance

In these unprecedented times, organisational trust and transparency are more important than ever. Helping our clients navigate regulatory complexity and strengthen trust and transparency is a priority for us.

The COVID-19 pandemic has resulted in significant changes in assurance activities which are foundational to maintaining trust with stakeholders. Areas such as effective reporting, required disclosures and regulatory requirements remain dynamic and challenging.

The future of our profession depends on enhancing quality and establishing trust amongst

all stakeholders. That's why at PwC it is a priority to remain loyal to our purpose to build trust and solve important problems.

To win in our markets, in such a challenging and competitive environment, we continue to focus on our people and on digitalisation of Assurance practice in order to increase automation, simplification and standardisation in the way we deliver our services. During FY20 we have implemented a number of new Audit tools which help our teams to focus on what is important and relevant to clients and at the same time enhance efficiency and effectiveness of audits.

Our people's agility and technology allowed us to work seamlessly remotely and to help our clients navigate their own challenges during the period of lockdown.

Our Assurance practice offers the following services:

- **Financial Statement Audit**
- **Risk Assurance**
- **IFRS Reporting**
- **Initial Public Offering (IPO)**
- **Corporate Reporting**
- **Accounting Advisory Services**

During the period of lockdown we have completed the first year audit of Bank of Cyprus, one of the largest companies in Cyprus. Executing and completing a first year audit of this scale and complexity on a remote basis and at the highest quality was a great achievement. We are really proud for our people and the technology which supported them for this and many other projects.

Furthermore, we have made progress in our Risk Assurance services where we have managed to start winning work related to Trust and Transparency and are ready to offer credible and respected assurance reports over the processes, controls and reporting of companies. Given the COVID-19 pandemic the need for trust and reliance on third parties for outsourcing is growing and we will continue investing in this area in the future.

We are committed to help our clients navigate the challenges of the times utilising our smart professionals with a smart digital approach!

Advisory



Constantinos H Constantinou
Head of Advisory

Offering end-to end solutions, leveraging on the depth and breadth of our expertise.

Our Advisory service line offers multi-skilled solutions to business problems. We deliver value to our local and international clients, public and private companies by bringing together a diverse team of experts who work together to meet increasingly complex client needs, across a wide range of industries.

Our Deals team helps organisations execute successful transactions and create value through mergers, acquisitions, disposals and restructuring. During FY20 we have provided services to a number of clients interested in the acquisition of NPL portfolios from banks.

In addition, we have prepared business plans and carried out valuations for companies operating both in Cyprus and abroad while we have been involved in a number of transactions for companies having activities in different sectors of the economy including sell/buy side mandates, due diligences, negotiation support etc.

Our Business Consulting team is strongly positioned in the provision of the full spectrum of Business Transformation services. During FY20, we further enhanced our technology capabilities, which together with our capabilities in strategy, operations, people, cyber & privacy, data & analytics and sustainability, enabled us to provide solutions to our clients' problems utilising our BXT multidisciplinary approach (Business - eXperience - Technology). In addition, we further strengthened our Industry focus by investing in local expertise, as well as leveraging our PwC Network. The priority industries in FY20 in Business Consulting were:

- **Banking**
- **Retail & Consumer**
- **Health**
- **Hospitality & Leisure**
- **Public Sector**

High profile, flagship projects of National strategic significance include the determination of the National Digital Strategy as well as the commencement of the formulation of Cyprus' Long Term Economic Growth Strategy.

Our Risk, Compliance and Regulation team provides services to clients who want to effectively and efficiently manage risk and comply with complex regulatory requirements, whilst at the same time recalibrating business models and building customer trust. Our team includes a dedicated group of experts who actively engage in dialogue with supervisors and industry bodies, bringing our clients insights and keeping them up-to-date. Our experts operate within a tightly-knit international network of industry specialists and are ready to deliver local knowledge with global expertise to help turn regulatory challenges and emerging threats into opportunities.

During FY20, we assisted a large number of organisations (banks, investment firms, credit acquiring companies, insurers, funds, other local and international companies) to assess the impact of regulation on their business, as well as develop and implement strategic responses that empowered them to take control of the regulatory agenda and confidently navigate the evolving risk and compliance landscape.

Tax & Legal Services



Theo C Parperis
Head of Tax & Legal

PwC is the leading provider of Tax and Legal services (TLS) in Cyprus, in terms of reputation, expertise and size. Our TLS encompass the full range of services such as provision of expert advice on key tax and legal issues, compliance with regulations and filings, tax, legal and execution support in relation to mergers and acquisitions, as well as adding real value to our clients' business. We have specialised teams with the appropriate expertise to serve both local and international clients for their corporate and/or private business matters.

We offer our TLS services under the following key competencies:

- Tax
- Legal
- International Private Clients (IPC)
- Tax Reporting & Strategy (TRS)

We also offer Fund administration and Investment services via two separate and regulated PwC entities as well as specialised Wealth Management and pathfinder services.

During FY20, TLS continued to grow our revenues and up until March 2019 we were on track for another record year.

Managing tax, legal and regulatory challenges in today's ever-evolving global landscape requires experience and foresight. We aim at helping our clients make the best decisions to strategically move their business forward with confidence in the new tax and regulatory global environment. We therefore continuously monitor the domestic and international tax and legal developments, talk with regulators, listen to our clients, understand their needs and then adapt our services accordingly. One such example is the new EU tax reporting requirement, DAC6, for which during the year we have developed expertise and have built one of the strongest DAC6 teams in the PwC network.

We have also continued our business transformation journey by investing further into people and technology. We continued to introduce new robotics in order to automate processes and achieved further efficiencies and effectiveness in our dedicated compliance services across TLS.

We have also continued to invest in people with expert knowledge, in new areas such as Transfer Pricing, Funds and Investments. As well as in people with a technology background, in order to help our clients improve their efficiencies and automate their compliance functions.

The business environment will remain very challenging during FY21, due to COVID-19 and its unprecedented effect on the world economy. Nevertheless we remain well positioned to continue servicing our clients' needs, adding to them real value and, hence, we target for growth. The regulatory environment will also remain challenging, with the expected introduction of new regulations and reporting requirements for companies and professionals, hence we will continue to invest in enhancing our expertise and capabilities in order to support our clients to fully comply in all respects.

The quality of our service offering, our leading position in the market, our investment in technology and new services, our client centric approach and, above all, the quality of our people, make TLS well placed to continue providing our clients the highest quality of service and to seize the opportunities which will expect to arise during the new financial year.

A woman with blonde hair tied back, wearing glasses and a white button-down shirt, stands with her arms crossed, looking out a large window. The background features a vertical garden with green plants growing on a wooden lattice. The scene is brightly lit, suggesting a modern office or home environment.

Clients & Markets

Industries

Sharing our industry knowledge to help our clients solve important problems and create value

Our clients are operating in a complex and ever changing business environment in the fast moving digital and client experience space. Our industry focus enables us to help clients develop and execute the right industry specific strategy. We offer tailored solutions that address their business challenges and make the most of new opportunities. This is how we solve important problems and create value for our clients.

We continue to enhance our proven 'Business Accelerator' medium, accelerating growth through co-developing solutions with our clients in industry focused facilitated workshops.

We combine the Business, Experience and Technology lenses which when aligned drive innovation and industry disruption; we call this the BXT Philosophy. BXT is about standing out from the competition and being innovative.

We proactively focus on client issues by mobilising the firm's best industry subject matter experts that have the passion and rigour to help deliver the value our clients are looking for.

Our Industries:

- **Financial Services**
- **Banking**
- **Funds**
- **Real Estate & Construction**
- **Energy**
- **Retail & Consumer**
- **CySEC Regulated Investment Firms**
- **Insurance**
- **Communication & Technology**
- **Hospitality & Leisure**
- **Transportation & Logistics**
- **Public Sector**
- **Health**







International Markets

Our world is becoming more complex

Political and economic volatility, increased and complex regulation, US and EU sanctions, specific country tax reforms, BREXIT, 'trade - wars', 'populism' all increase the level of complexity for businesses operating across the globe.

The last 12 months have brought many expected and unexpected challenges for all of us with the COVID-19 changing our everyday lives. The fight against COVID-19 is clearly not over yet, but businesses have to adapt quickly and rebuild their business models, while creating a workforce of the future and finding new sources of capital in an uncertain economy.

Our international markets teams make it their priority to be in a position to provide the necessary support to our clients to enable them to operate in their markets using the appropriate technologies and tools.

In direct alignment with our purpose as a firm, we proactively take suggestions to relevant stakeholders in Cyprus for new laws, regulations and practices with the aim of enhancing and modernising Cyprus as an EU country which is an ideal place to do business from.

We actively promote Cyprus as an international business centre through targeted meetings, participation in conferences and other events either physically or virtually.



- China
- Greece
- India
- Israel
- Kazakhstan
- Middle East
- Russia
- South Africa
- Switzerland
- UK
- Ukraine
- USA





People

People



Anna G Loizou
Head of People

Our Culture is all about our People

During FY20 we continued to work on empowering our People to be the best they can be, so as to reach their full potential and deliver value added services to our clients.

Our commitment to continuous development of our People and our practices is reflected in the fact that we continue to hold the prestigious Investors in People Platinum Accreditation, the highest level of recognition.

During the unprecedented conditions brought about by the COVID-19 pandemic, our number



one priority was our people's health, safety and wellbeing whilst continuing servicing our clients. All our decisions and actions during this time have thus been true to our purpose "to build trust in society and solve important problems" and grounded in our values.

Early on, we asked our People to stay and work from home with the return to the office being gradual, taking all precautionary measures. Acknowledging the increased responsibilities and challenges faced by parents during these difficult times, we offered enhanced flexibility arrangements to all parents/guardians with children under 15 years old.

As the engagement of our People is key, we launched a dedicated internal COVID-19 site to provide our people with the latest guidance, we organised virtual meetings to support and guide them and also ran Pulse Surveys to gather our People's thoughts and suggestions around how they are experiencing the current situation and how we can successfully navigate our firm and our People through these challenging times.

This section outlines how our human capital management activities empowered professional and personal growth.

People - Pulse Survey

Firm's response	Pulse Survey 1	Pulse Survey 2	
Communications from leadership relating to COVID-19 are helpful and informative	4,65	4,67	↑
Overall, I feel PwC is doing a good job preparing and responding to the COVID-19 situation	4,79	4,76	↓
Overall, I feel PwC is doing a good job in preparing and handling the transitioning back to the workplace	N/A	4,62	N/A
People related decisions announced under the current circumstances are fair, responsible and aligned with our values	N/A	4,43	N/A
The quality of the PwC technology I am currently working with, allows me to complete my work effectively while working remotely	4,67	4,74	↑
Day-to-day	Pulse Survey 1	Pulse Survey 2	
My team is finding ways to work together (e.g. online working sessions)	4,63	4,64	↑
I am getting the guidance and support I need from my Career Coach and/or Team Leader, to make the most of my remote working situation	4,43	4,41	↓
Wellbeing	Pulse Survey 1	Pulse Survey 2	
The day-to-day stress levels I am currently experiencing at my job are manageable	4,02	3,97	↓
I have sufficient flexibility to help me balance the current demands of my work and personal life	3,99	4,04	↑
How would you rate your overall well-being?	3,98	4,04	↑
Overall	Pulse Survey 1	Pulse Survey 2	
Overall Average	4,40	4,43	↑



An exceptional place to work

Our goal is to empower our People to be the best they can be, seeking to ensure they can all fulfil their potential, whatever their background. We implement leading People practices, aiming at supporting, developing and managing our people effectively. Testament to this, is the fact that PwC Cyprus continues to be an Investors in People Platinum employer, which is the highest level that can be achieved against the Investors in People Standard.

We value and practise equality, diversity and inclusion. We make sure that equal opportunities and inclusiveness are a key part of our business strategy, and are delighted to have renewed in FY20 the 'Gender Equality Employer Certification', awarded by the Department of Labour Relations of the Ministry of Labour, Welfare and Social Insurance, on the basis of our human capital policies and best practices on gender equality, equal career progression opportunities and equal pay between male and female professionals in the workplace.



Investors in People (IIP) Platinum



Gender Equality in the Working Environment



Transformation & Flexibility

FY20 has been an exceptional year in driving and embedding transformation in the People space.

Our “Everyday Flexibility” framework introduced in FY19 and our “Dress for the Occasion” policy introduced in FY20, which allows our People flexibility in where, how, and when they work, were paramount in enabling us to respond with agility during the COVID-19 pandemic. More specifically, very early on we asked our People to stay and work from home. Our leading edge technology and infrastructure, our working practices, our culture and primarily the commitment and agility of our People helped us to quickly and successfully transition to remote working.

At the same time, we acknowledged the challenges that parents and guardians of young children faced during the period that schools and nurseries remained closed. We thus offered enhanced flexibility arrangements to all parents/guardians with children under 15 years old during this period. More specifically, during the period that schools remained closed, we acknowledged the fact that our People may not have been able to work for the full working hours within a week. Therefore for any hours they could not work during the period that schools remained closed, we provided the flexibility to work these hours in the months after schools reopen, without affecting their salary or annual leave.

As part of our continuous improvement culture we are collecting our People’s feedback and the

lessons learned so that we reimagine our working practices in a way that best fits our People’s needs.

Recruitment

Attracting the right talent continues to be paramount to our business and we are genuinely committed to broadening access to a career in professional services whilst being a part of creating a diverse workforce for the future. Despite the uncertainty created by the COVID-19 pandemic, we are taking a long-term view when it comes to investing in attracting new talent and have continued our recruitment for our Professional Training Schemes and Summer Internship Programme. As of this year, we have enhanced our training scheme offering, introducing a training scheme for CFA in addition to the ACA and ACCA schemes.

In FY20 we received more than 1400 applications for employment and recruited 200 professionals across the organisation including 150 new University Graduates. Remaining steadfast in our commitment to attract talented people we have organised a dinner for Cypriot professionals working in London and held presentations in more than 15 Universities across the UK attracting an audience of more than 400 calibre graduates and professionals.

Moreover, through our popular Summer Internship Programme we received more than

340 applications and have given the opportunity to 89 high calibre University students from a diverse background to work with our professional teams as well as secure a position in one of our Professional Training Schemes. Responding to the COVID-19 situation, our first run of the Summer Internship Programme was redesigned and took place fully virtually with great success. Our summer interns for the second and third runs were able to join us in a blended scheme, engaging with our teams both in our offices as well as virtually.



People Engagement

Our People's engagement continued to be one of our Strategic Priorities for FY20.

Although it was decided that all PwC network firms will postpone the Global People Survey, which was running every year, in April, we ran shorter pulse surveys, to gather our People's feedback (see the Pulse Survey results on the previous page), the results of which demonstrated that our People were proud of how we have handled and continue to handle the COVID-19 situation both in terms of actions and communication and exhibited high levels of engagement and collaboration during this period.

During the year, we also provided opportunities for all our People to engage with leadership through the organisation of 'Business Unit Workshops' and 'People Meetings' with the Head of People.

For FY20, in recognition of our People's contribution and hard work, we paid a 'Performance Bonus' on the basis of the organisation's performance and People's individual performance to our Senior Associates 2, Managers, Senior Managers and Directors.

Mobility

With our strong international mobility programmes, we continue to build teams with diverse skills and backgrounds in order to solve important problems for our clients, while developing our People through international experience.

In FY20, 11 of our People secured secondments and international transfers to PwC UK, Bahrain, Greece, Italy, Russia and USA, while 15 of our people were seconded or internationally transferred to PwC Cyprus from PwC Ireland, South Africa, Lebanon, Kazakhstan and Armenia. In addition, a total of 21 of our People transferred to a different Line of Service within the organisation and 41 of our People were transferred to a different Business Unit within their Line of Service, in order to meet our client needs and get a diverse work experience.



Performance

We go out of our way to give our People the respect and recognition they deserve. During FY20, we offered stimulating work, invested in continuous professional development, ongoing coaching and constructive feedback, as well as maintained a fair and transparent performance evaluation and promotion process.

Meritocracy is at the heart of our performance management system and our aim has been to continuously build a culture, where People progress and are rewarded based on their contribution and their performance as well as behavioural impact.

Real-time top-down feedback is provided regularly throughout the year, which then forms the basis of our annual appraisal process. Agreed objectives and management level-related skills and capabilities are aligned to our 'PwC Professional' leadership framework that defines what it means to be a professional at PwC.

Moreover, a confidential and anonymous 'Upward & Peer Feedback' programmes is administered on an annual basis for all our Senior Associates 2, Managers, Senior Managers, Directors and Partners so as to help them in their personal development journey.

Promoting Talent

Our talent strategy is designed around helping our People reach their full potential by providing numerous opportunities for them to continuously develop their leadership skills, grow their career and consistently deliver high quality, value added services to our clients.

In FY20, we ran 'Reflect Development Centres' for Senior Associates 2, 'Career Development Centres' for Managers, Senior Managers and Directors and the 'Orion Executive Coaching Programme' for Senior Managers and Directors.

In the realm of 'Global Key Talent Programmes', 5 of our Senior Managers participated in the 'MyWay' programmes, a Global PwC Programme, which has won 3 awards in the prestigious 'Brandon Hall Human Capital Excellence Awards' as follows:

Gold : Best Results of a Learning Program

Silver: Best Advance in Leadership Development

Silver: Best Advance in Coaching and Mentoring

'MyWay' aims at developing future leaders through high-impact developmental interventions, personal coaching and networking with colleagues from other PwC territories.



Progression

During FY20 our focus continued to be on developing our People to become the next generation leaders. Despite the challenges posed by the global pandemic, we have committed to financially and substantially support our People, safeguarding their jobs and remuneration and ensuring that they also continue to have great career opportunities.

We are delighted to announce the admission of two new partners as of 1 January 2021.

Our promotions for this year to levels up to Director level will be decided during the last quarter of 2020 and will be effective as of 1 January 2021.

Our new Partners as of 1 January 2021



Andreas Andronicou
Tax



Martha Lambrou
Tax

Our New Director as of 1 April 2020



Omiros Pissarides
Managing Director of
PwC Investment Services
(Cyprus) Limited

Learning & Development

- In order to continue delivering value to our clients, our People need to be skilled across a wide range of topics. As a result of COVID-19, this need for continuous upskilling has been accelerated. Through our upskilling efforts, we ensure that our People have up-to-date skills and continue to drive forward new ways of working, ongoing efficiencies and quality, as well as new services for our clients.
- We provide leading-edge technical, business and personal development skills programmes, tailored to the needs of the business and the individual, which are fully integrated with real time on the job coaching and practical application to the workplace, aiming to develop our People to deliver at the highest level.
- Our Blended Learning Curriculum enables business skills learning, combining interactive sessions, virtual learning, self-space and on the job elements on the topics of leadership, client relationships, coaching, business and global acumen. During COVID-19, we quickly adapted by changing the delivery method of our learning to virtual, through digital platforms and tools, as well as e-learning. Our focus was to support our People with challenges we are all facing today by offering programmes on hot topics such as resilience building, leading remote teams, pricing and negotiations and business development with a virtual angle.
- Our digital upskilling programmes continue to equip our People with a set of core skills, enabling them to use technology-based tools and techniques to innovate solutions, enhance efficiency, drive client engagement and experience and leverage data-driven analytics to deliver important insights.
- We launched our Executive Coaching initiative, giving the opportunity to colleagues to build a professional relationship with a PwC accredited coach through one-to-one confidential sessions, to help them remain effective and resilient during challenging times or significant changes in their career.
- We continue to leverage learning technology tools and platforms to provide our people with development opportunities, relevant to them and in a way that best works for them, empowering them to take ownership of their own learning and development.
- We utilise data dashboards to better understand what and how learning is taking place, keep track of the learning impact and drive decisions around the areas in which we need to invest further.

Partner Development

- Our Partners are developed through engaging and powerful learning experiences which are flexible, personal and tailored to their needs and cover a range of technical, business and digital skills.

For the 3rd year, we continue our Executive Development Program which includes a series of modules, covering areas which are critical to the present and future success of our business, such as Strategic Thinking, Leadership, Collaboration and Digital Transformation, delivered by internationally renowned business professors.





PwC's Academy

PwC's Academy continued to provide tuition and support to our Trainee Accountants under the ICAEW and ACCA schemes. Our trainees' professional examination results in FY20 were outstanding, with pass rates nearing 100% and well above the worldwide averages.

Moreover, we have been awarded once again with the "Gold Approved Learning Partner" status by the ACCA.

We delivered 1 full ICAEW course overseas, 15 Continuous Professional Development (CPD) seminars approved by the ICAEW and ACCA, 5 of which were approved by the Human Resource Development Authority (Cy-HRDA) and 3 were virtual live seminars, and 26 in-house seminars to local organisations. We also delivered 13 pro bono seminars.



Professional Examination Award Winners

ACCA Pancyprian Awards

- First place in Cyprus (20th worldwide) in paper Advanced Performance Management (APM) - Dmytro Shynkarenko
- First place in Cyprus (10th worldwide) in paper Strategic Business Reporting (SBR) - Yevheniia Deniak



Alumni

Our 'PwC Alumni Programme' invests in maintaining a strong relationship with our former colleagues, by helping them connect to PwC friends, mentors, resources and business opportunities whilst providing access to exclusive services and benefits through the company.

1370+

Active alumni

90+

Industries PwC alumni work

650+

Organisations PwC alumni work

60+

Alumni in C-Suite positions

280+

Alumni in senior positions

Diversity & Inclusion (D&I)



Cleo A Papadopoulou
In charge of Diversity & Inclusion

**"Diversity is being invited to the party;
inclusion is being asked to dance."**

Verna Myers, D&I expert

At PwC, we believe that to have impact and serve our society, our stakeholders and our clients, we need diverse talent. To solve the problems our clients are facing, we need diverse talent. To build trust across different points of view, we need diverse talent. Thus, it's imperative for us to attract, retain and develop diverse professionals to spur innovation, drive growth and sustain competitive advantage in the marketplace.

- Aim for Equity rather than Equality**
We recognise and value differences and aim to give everyone what they need to be successful, rather than treating everyone the same. Circles of empowerment, aiming to support and empower female talent, is one of the various initiatives that run during the year.
- No leadership commitment, no accountability = no progress**
Our D&I leader has a voice in Human Capital and the Management Board and reports directly to the CEO. This strengthens our ability to align the D&I strategy with that of our business and to have increased leadership commitment when it comes to our annual D&I action plan.
- Embed D&I in our Organisational DNA**
A D&I lens is applied to every People and business process: publications, proposals, panels, team selection, trainings, performance appraisals and promotions.
- Keep an open mind**
It is evident that we all have unconscious biases, which sometimes prevent us from fostering an even more inclusive environment. To address this, we have focused on reinforcing the behavioural changes required to make our People be more aware of and mitigate their blind spots.
- Use Data Analytics**
It's common that 'whatever gets measured, gets managed'. To make real progress, it's fundamental that we identify and track robust, relevant KPIs to measure the success of any D&I intervention we initiate. The Global Inclusion Index and the analysis of Predictive Analytics, Pay equity calculations, and Leavers & Joiners survey results provide a clear picture of our current diversity reality, our annual diversity progress, and where we should be focusing future action. This year, we circulated the Shine (our LGBT+ Community) Survey, which helped us to understand the experiences of LGBT+ People in our workplace, to get the vibe from all our People on LGBT+ issues and as a result, to act on suggestions in improving the psychological safety of our workplace, so that People can simply be themselves.

Diversity and Inclusion is simply about providing an inclusive environment for diverse People to be themselves and bring their true self to work. Because as Anna Quindlen said "Nothing important, or meaningful, or beautiful, or interesting, or great, ever came out of imitations".



New World, New Skills

New world, New skills

The “New World, New Skills” programme is part of the PwC international network’s commitment to deal with the growing mismatch between existing skills and those required in the digital world. It focuses on three main pillars: upgrading the skills of PwC’s people, supporting the organisation’s clients to deal with the challenges brought on by radical technological advancement and automation as well as the cooperation with various bodies to support multiple social groups so that they can improve their knowledge and skills in the digital era.

Through this global initiative, PwC invests in enhancing the skills and capabilities of its more than 276,000 people around the world. Over the next four years, the global network of PwC will invest three billion dollars in training its people but also in the development of new technologies, with a view to provide better support to its clients and the communities in which it operates.

On a local level, PwC Cyprus is committed to invest €2m over the next four years in actions and initiatives that aim to spread digital knowledge and strengthen the skills that are required in the digital era. Within this context, PwC Cyprus is cooperating with the Youth Board of Cyprus, focusing on the organisation and promotion of actions to educate youths on issues of digital education, training, employment, career management, innovation and entrepreneurship. More specifically, PwC Cyprus will invest 500 hours per year over three years of teaching and

training in youth development in areas such as; digital education, training, employment, career management, innovation and entrepreneurship.



Digital upskilling programs for our People

In PwC, we have developed a comprehensive workforce upskilling strategy to build the “digital fitness” of all of our people, equipping them with a broad base of knowledge across a variety of domains that we believe are critical for all business people today. This digital upskilling strategy is a core business priority. We empower our people to use digital tools and resources but also to invest the time to apply that learnings. We focus on building a growth mindset culture and at the same time we commit to leaving nobody behind-as long as they choose not to be left behind. Being committed to lifelong learning is simply table stakes in a digital and data-driven world.

Digitising the Network Program Key metrics

- **62% (662) from our people** participated in the Online Courses
- **39% (415) from our people** completed 100% of the Online Courses
- **25% from our people** completed the Digital Academy
- **38 Completed Projects** 9 F-t-F and 3 Virtual Innovation Academy Events
- **9 F-t-F and 3 Virtual** Innovation Academy Events

A close-up photograph of a person's hands held out, palms up, in a gesture of openness or responsibility. The hands are positioned in the center of the frame, with fingers slightly spread. The background is blurred, showing what appears to be a person in a light-colored shirt. A red horizontal bar is overlaid across the middle of the image, containing the text "Corporate Responsibility" in white serif font.

Corporate Responsibility

Corporate Responsibility



Cleo A Papadopoulou
In charge of Corporate Responsibility

As a professional services organisation, we have a responsibility to many stakeholders, including the local community in which we operate. We aim to empower communities by solving important problems and building trust in society, in line with our purpose, through sharing our professional skills and talent. Our portfolio of support includes volunteering, fundraising, pro-bono services and financial contributions. This mix offers our people a variety of ways to contribute and to benefit from the opportunities available. Our ambition is to create a better society for tomorrow.

Even though COVID-19 was a challenge for our business, it gave our purpose an even greater importance. Recognising the important responsibility we bear as professional advisors to the business community, the Cyprus government and the society, our values came to life during the lockdown. We implemented a number of activities during the lockdown and after, to make the difference and support our country and our people. We financially supported the Red Cross Society, we supported the business community with thought leadership material, webcasts and surveys and we also released our Digital Fitness app to the world, supporting people as they work from home and homeschool family members.



In addition we manage our footprint and go even beyond that. By being smart with the resources we use and making small changes (using less energy, printing less, recycling more etc.), we are making a big impact on the environment, which we measure and monitor.

Business needs to be part of the solution. We're making change that starts with us while helping to evolve economies to once again deliver for society.

Community Engagement

Through community investments PwC can share its greatest asset - the skills, knowledge and talent of our people - to help create communities where people and business can thrive. We've already had an impact through our community investments. As we move forward, our focus will continue to be on sharing our professional skills to help solve societal challenges in our communities, with a focus on sharing digital, technology and the supporting skills people will need to participate and thrive in the digital world. We do this by investing in education, entrepreneurship and by supporting families in need.

• Education

We sponsor awards to top performing students of the University of Cyprus and other educational institutes in Cyprus.

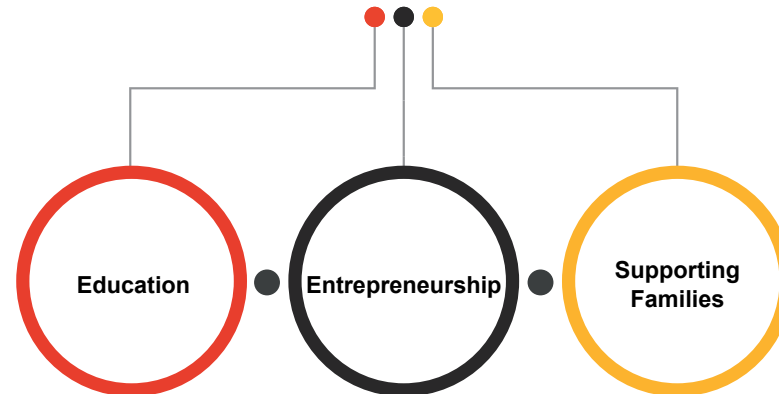
• Entrepreneurship

We encourage entrepreneurship and innovation by building strategic collaborations with educational and business organisations like the Junior Achievement, Chrysalis LEAP, the University of Cyprus and RISE. By supporting them financially and providing free consultative services, volunteer action as well as technical and other assistance, PwC supports a number of programmes and initiatives that promote entrepreneurship.

• Supporting Families

Through various initiatives organised throughout the year, charitable giving and volunteering actions we support families and children to overcome the challenges they face.

Community Engagement

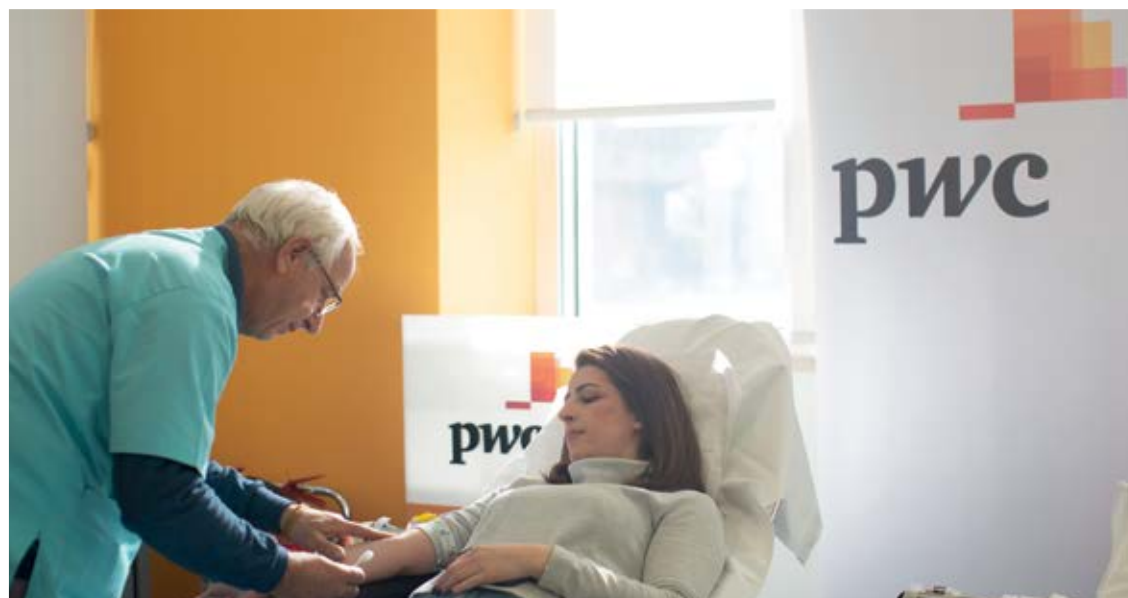


Responsible Business

At PwC, being a responsible business is all about realising opportunities for positive impact through our behaviours and actions, our people, the work we do for our clients and the way we interact with suppliers and associates. In a nutshell, it's about what we do every day.







Environmental stewardship



At PwC Cyprus, we recognise our environmental responsibility and choose to be part of the solution. In a continuous effort to improve our environmental performance, we assess our environmental impacts and focus on actions to minimise our environmental footprint. Having our corporate purpose and values at heart we strive to do the right thing for our planet and make a difference as PwC and as individuals. Our environmental action plan aims at conserving natural resources, saving energy, minimising greenhouse gas emissions and engaging our people in environmental awareness activities.

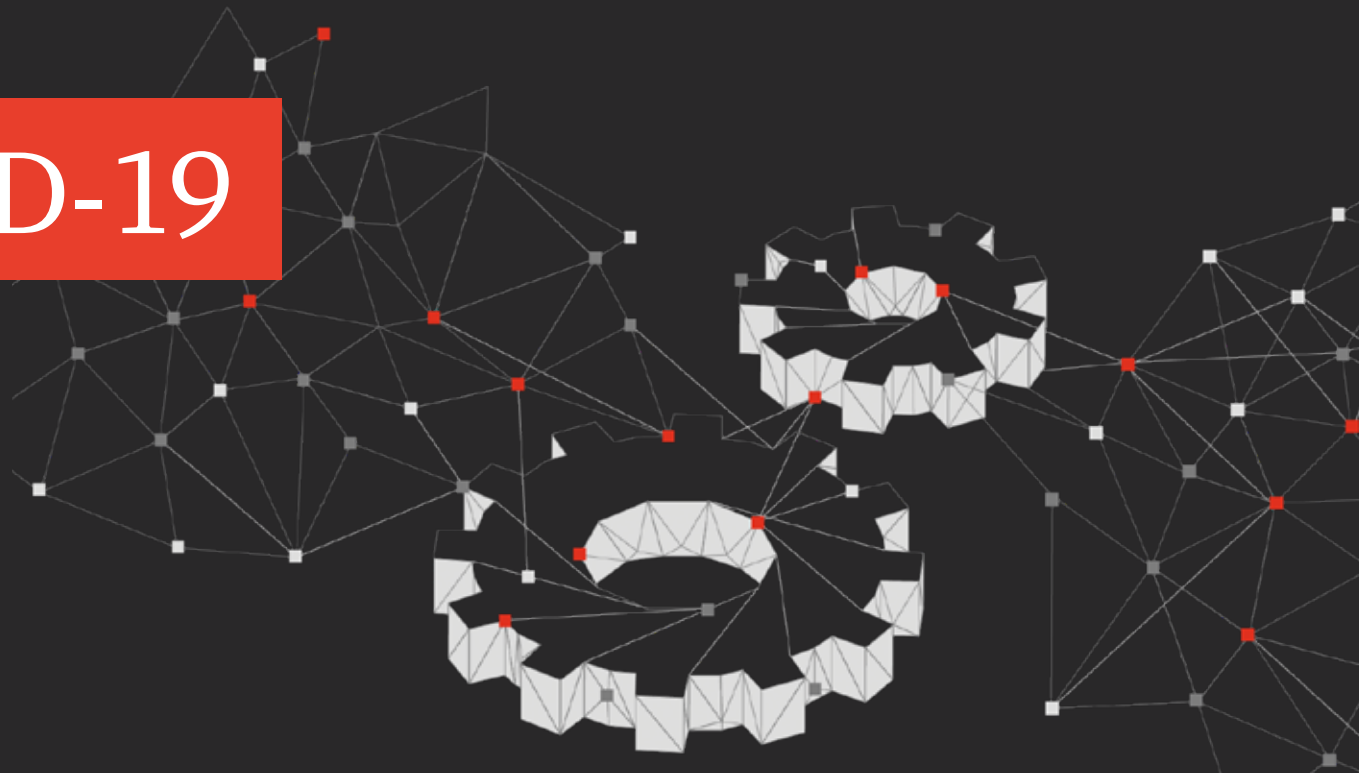
This year we had two successful certifications, one of the Firm's Environmental Management System according to the international standard ISO 14001 and one of our premises as "Green Offices". Our electricity consumption and overall carbon footprint have shown a significant decrease, mostly due to the "lockdown" implemented as a result of the COVID-19 pandemic. Nevertheless, reducing our impact to the extent possible is a target we continuously aim to achieve, primarily through the implementation of actions related to business travel and energy consumption at our buildings.



In FY20, we concentrated our efforts in reducing one use items and implementing circular economy practises into our daily business operations. Therefore, we provided reusable mugs, drinking bottles and stainless steel straws to our people aiming at minimising waste and enhancing environmental culture within the workplace. At the same time, we continue to segregate and recycle multiple waste streams and apply environmental criteria in the procurement of goods and services.

Engaging our staff in environmental activities is considered a top priority in effectively managing our environmental impacts and promoting sustainability. This year we used our technology tools and tried something different, embarking on an "Environmental Gamification" journey. Our people had the opportunity to enhance their knowledge on environmental matters by entering into a gameful experience and participating in challenges with the chance to win environmentally friendly prizes. Additionally, we organised a tree planting activity selecting to plant native tree species for two very important reasons: enhance the local biodiversity and minimise water needs. Our team of volunteers gathered together and planted 250 trees, making Tochni village greener!

COVID-19



COVID-19



“Our people, clients and associates are our top priority and therefore, we took from the very beginning all necessary measures to ensure their safety and well-being. We were closely monitoring all developments and we were in constant communication with them providing all the support they needed during the difficult times. By adhering to relevant guidelines, working together and adopting a positive approach we managed to overcome the challenges.”

Evgenios C Evgeniou
CEO, PwC Cyprus

We all experienced a truly unprecedented situation during the past months. The COVID-19 global pandemic affected every aspect of our lives, from how we work to how we contact our daily lives at home with our families. In this extraordinary period, our focus was and still is on keeping our people, clients and associates safe while maintaining our business continuity so that we can help our clients keep theirs.

Our people

Aiming to prevent the spread of COVID-19, the people of PwC have been working from home since Monday, 16 March 2020, prior to the government lockdown. This was a responsible decision taken from the leadership of the organisation to protect our people and our community without disrupting the delivery of our services and support to our clients. We took advantage of the strong technological infrastructure we have as PwC as well as the modern work practices we adopted in recent years and adjusted well to the new working environment. So, our employees had the ability to choose the most suitable way, for them, to work from home while they were empowered with



digital tools and our technology to continue to do their jobs, collaborate and support one another and engage with our clients to drive the best outcomes possible.

At the same time though the organisation's offices continued to operate offering technical support. As an additional measure to protect PwC's people, clients and associates, we immediately postponed all scheduled events until further notice and banned all trips while preventing all meetings that required physical presence.

It is worth noting that PwC Cyprus holds the Business Continuity Management System

Certificate of Conformity from the Cyprus Certification Company and in this context, from the very beginning it has successfully implemented its business continuity plan. Communication was and still is very important to PwC. Effective communication is helping us to foster a good working relationship between our people which can in turn improve their morale and efficiency, while at the same time ensures that we can control our messages and updates to our clients and associates. And of course this is imperative in a time of crisis.

During the pandemic lockdown we used emails, live webcasts, chats, internal websites and



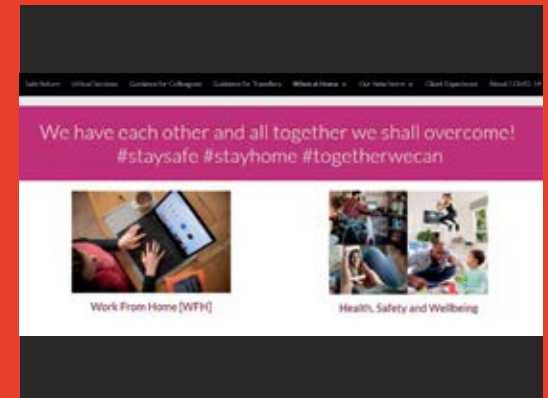
google forms in which anyone could post his/her question to play a part and enhance this interactive communication.

Right after our first email communication to our people to inform them upon our decision to work from home, we created a special google site, providing them with ongoing guidance and advice on COVID-19. Our internal google site was updated almost daily and apart from the useful information our people could find there, they could also participate in webinars with an experienced psychologist and they could book an appointment with our psychologist, nutritionist and physiotherapist. In addition, they could find tips on how to best work at home and share

their experiences, funny pictures and videos.

When the situation with COVID-19 evolved and the Republic of Cyprus imposed additional measures restricting movement on the entire population to fight COVID-19 and slow its accelerating spread we decided to close our offices until further notice, for the best of our people. The solidarity and discipline of our people was exceptional!

Our aim was to keep updating our people on all the latest developments while giving them a strong message of reassurance. We continued to actively communicate with our people, arranging a number of virtual meetings



giving clarity and certainty on matters that affected them directly. At the same time we were motivating them and appraising them as they continued focusing on servicing our clients with the best possible way. Our people and clients are our highest priority and their good psychology was and is very important to us. Our people, clients and stakeholders needed us more than ever. We had to show them that they were not alone. That we are all together in this. And all together, as one team, we could overcome anything. This is why our main focus was, is and will always be our people. Our people make PwC such a distinctive organisation.

Supporting society

PwC actively supports Cypriot businesses and society at large and in this context we felt that we have to support our community and country with all our efforts.

We announced our financial support to the Cyprus Red Cross Society and contributed in its initiative to help the elderly and vulnerable people by buying and delivering them their groceries and medicines during the COVID-19 crisis.

Being next to our clients

Faithful to our commitment to support our clients and the entire business community, so that we can all overcome the new challenges together, we invested in thought leadership material, surveys and services that could support our clients to respond to this crisis.

We created informative newsletters for the business community as well as a dedicated local webpage to show our response to COVID-19 with our services, advice and updates, including our two webcasts. At the same time, in collaboration with our global network we host on our local website the PwC's COVID-19 Navigator, a tool which anybody can use to take the diagnostic to

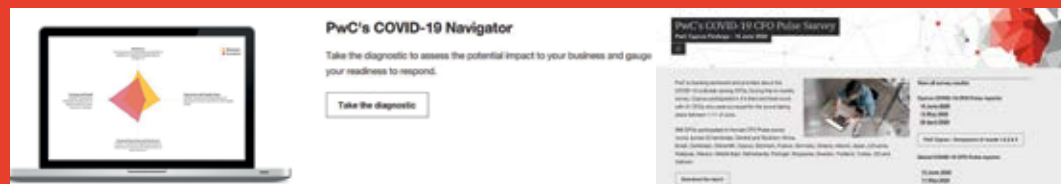
Take Care

#stayhome
#μένουμεσπίτι



Pro-bono Advisory Services

11 People, 250 hours



assess the potential impact to their business and gauge their readiness to respond.

In addition one could find the latest COVID-19 tax, legal and economic response by territory in 100 countries, so as to have an overview of the situation globally.

Locally, we published two new and in-depth publications on the impact of COVID-19 on businesses and the wider economy and on how to restart and move forward. The "Impact of the pandemic on the Cyprus Economy" is a comprehensive assessment of the economic impact that the crisis of the COVID-19 pandemic is expected to have in our country and was

conducted with the support of a special team of our economic consultants from PwC UK.

The "Restart Cyprus" study includes a series of specific proposals to the state and the business community that are based on three areas of action: the economy, society and health. Our aim was for these studies to contribute to the fast-track of the much needed reforms and to the recovery of the economy of Cyprus.

In addition we participated in the bi-weekly COVID-19 CFO Pulse survey, a global initiative for CFOs to get fact-based insights on the COVID-19 impact on businesses, as well as their expectations going forward. Many CFOs



from Cyprus embraced the survey and participated in the 3 rounds taking place between April and June 2020.

The two publications and the CFO survey results were presented in the live webcast we organised with the title “COVID-19 Impact and the day after. Restart & Beyond”. The webcast which was conducted in English was recorded and is available on our website.

Our dependence on technology has increased over the past months as it plays a vital role in the new environment. In this context, we announced the launch of a free version of our Digital Fitness app (DFA), including additional



resources to help navigate our new reality. The Digital Fitness App is a PwC service, offering an extensive content-rich library with learning pathways and assessments, informing and helping users gain an in-depth understanding of contemporary tech trends, so that they can adapt to the new digital world and become digitally fit. The DFA which currently ranks at #3 in the CyprusApp Store (Education) is part of PwC’s “New World, New Skills” initiative aiming to improve the skills of our people, customers and partners and prepare them for the future world of work.

It is worth mentioning that apart from our own PwC activities, our CEO participated in the very

Live webcast

**COVID-19 Impact & the day
Restart & beyond**
20 May 2020 at 17:00



first and successful online economic summit in Cyprus, organised by IMH. The Cyprus Economic Summit COVID-19 that attracted more than 1300 online participants, focused on the impact of COVID-19 on the Cyprus’ economy and businesses.

When the government began easing restrictive measures and local economic activity restarted, we prepared a thorough, phased plan for our people’s gradual return, to our offices adhering to all safety measures issued by the Ministry of Health and our Network safety standards.



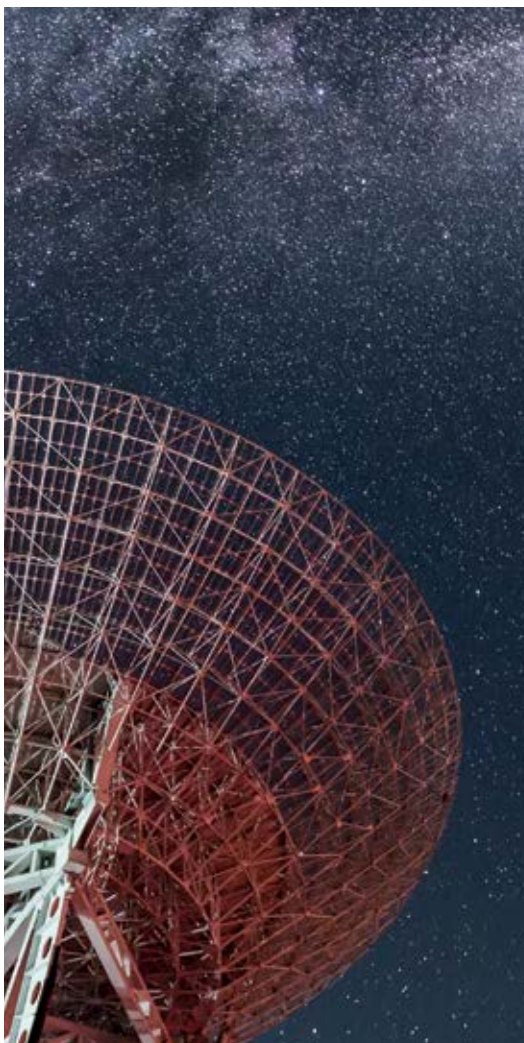
Firm

Firm Legal & Organisational Structure

PricewaterhouseCoopers Limited (PwC Cyprus) is a limited liability private company, that is wholly owned by professional practitioners working with the firm, commonly referred to as 'Partners', who are in their majority members of the board of directors of the company.

Subsidiary undertaking	Principal activity
PricewaterhouseCoopers (Marketing & Communications) Limited	Professional services
PricewaterhouseCoopers Associates Limited	Professional services
PricewaterhouseCoopers Professional Training Limited	Professional training programmes
PricewaterhouseCoopers Investment Services (Cyprus) Limited	Professional services
PricewaterhouseCoopers Fund Services Limited	Professional services

These entities are all member firms of the PwC network by being members of the PricewaterhouseCoopers International Limited (PwCIL).



Global Network

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms, which are separate legal entities, form the PwC network. 'PwC' is often used to refer either to individual firms within the PwC network or to several or all of them collectively.

Other PwC network member firms in Cyprus

S.A. Evangelou & Co LLC and its wholly owned subsidiary undertaking, namely PricewaterhouseCoopers Corporate Secretarial Services Limited, are wholly owned by Spyros Evangelou. Both entities are member firms of PricewaterhouseCoopers International Limited (PwCIL) and part of PwC's Tax and Legal Services Network providing Legal Services in Cyprus.

Governance

The governance structure of PwC Cyprus is made up of three main bodies: the Board of Directors, the Management Board and the Oversight Board.

PwC Cyprus governance structure

A. Board of Directors

Responsible for undertaking statutory duties of the firm. The Chief Executive Officer (CEO) is the Chairman of the Board of Directors.

B. Management Board

Responsible to assist the CEO in the implementation of strategic priorities, Network obligations and an effective quality control system.

C. Oversight Board

Responsible to oversee the activities of the Management Board, hold management accountable to partners, monitor its decisions and actions and provide advice where necessary.



Marios Andreou
Head of Tax Advisory



Nicos Chimarides
Head of International
Private Clients



Evgenios Evgeniou
Chairman & Senior Partner



Constantinos Constantinou
Head of Advisory



Yiangos Kaponides
Head of Assurance

Management Board



Stavros Kattamis
Head of Finance &
Operations



Anna Loizou
Head of People



Theo Parperis
Head of Tax & Legal
Services



Petros Petrakis
Head of Risk & Quality



Vassos Vrachimis
Head of Technology &
Transformation



George Lambrou
In charge of Investment
Firms



Varnavas Nicolaou
Tax Reporting &
Strategy

Oversight Board



Aram Tavitian
Tax Reporting &
Strategy



Nicos Theodoulou
In charge of Communication
& Technology

Focus on Quality

The quality of our work is at the heart of our organisation and we invest significant and increasing resources in its continuous enhancement across all of our businesses. This investment is targeted into many different areas, including training (technical, ethical and behavioural), methodologies, adding resources in key areas and exploring new ways of delivering our work. Each investment reflects a common determination to understand the factors that drive quality and identify opportunities for enhancement. We are also investing heavily in new technology to drive continuous improvement in the capabilities and effectiveness of all of our services.

Code of Conduct

Our Code of Conduct is based on the PwC Purpose to build trust in society and solve important problems and on a core set of shared values. The Code sets out a common framework around how we are expected to behave, do business and to do the right thing. This includes Speaking Up if we come across a situation that is inconsistent with the Code or our values.

Our confidential Ethics Helpline is available to any partner or member of staff who observes inappropriate business conduct or unethical behaviour that cannot be resolved through the normal consultation processes. In addition, third parties who have a concern about the conduct or behaviour of PwC partners or staff may also use the helpline.

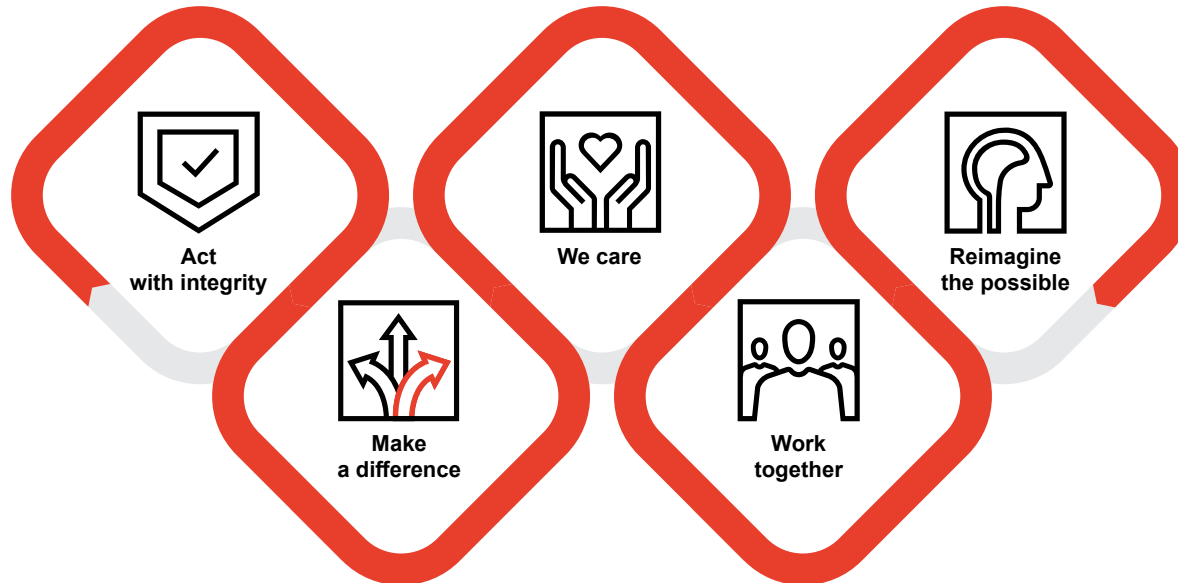
The Quality Management Process

This quality management process includes:

- Identifying risks to achieving the quality objectives
- Designing and implementing responses to the assessed quality risks
- Monitoring the design and operating effectiveness of the policies and procedures through the use of process - integrated monitoring activities such as real-time assurance as well as appropriate quality indicators
- Continuously improving the system of quality management when areas for improvement are identified by performing root cause analyses and implementing remedial actions; and
- Establishing a quality-related recognition and accountability framework to be used in appraisals, remuneration, and career progression decisions



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



Our Values help us work towards our Purpose of building trust in society and solving important problems. The trust that our clients, communities and our people place in PwC, and our high standards of ethical behaviour, are fundamental to everything we do. Our values underpin our Code of Conduct which is our frame of reference for the decisions we make every day.

It's how we do business.

Financials

A close-up photograph of a person's hand touching a tablet screen. The screen displays a financial dashboard with various charts and graphs. A prominent yellow circular gauge in the center shows a value of 75% and is labeled 'Target to sell'. To the right, there is a colorful bar chart. The background is blurred, showing a desk with papers and a pen. A red rectangular box is overlaid on the left side of the image, containing the word 'Financials' in white serif font.

€82.3m net revenues



Assurance

FY20

€22.2m

FY19

€20.8m



Advisory

FY20

€9.1m

FY19

€9.1m



Tax & Legal Services

FY20

€51.0m

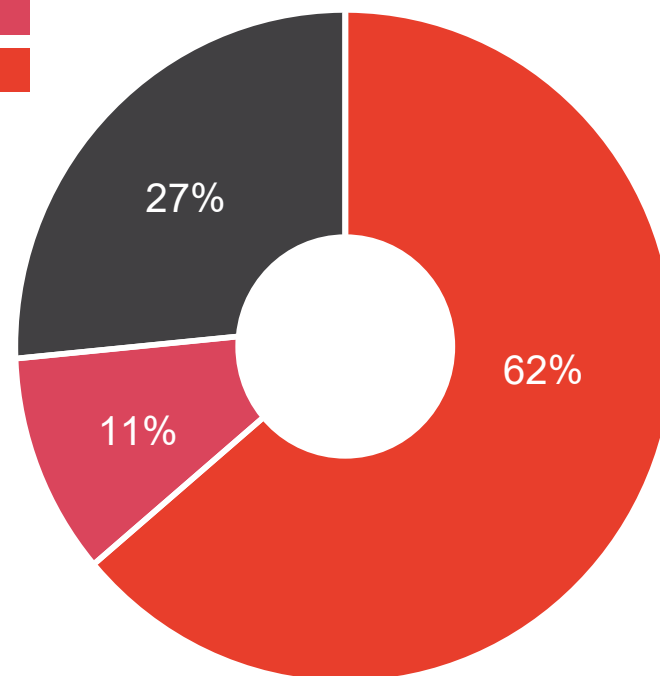
FY19

€51.1m

Financials



Net Revenues



PwC offices in Cyprus



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Fax: +357 - 26 555 296/7

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Please see www.pwc.com/structure for further details.





www.pwc.com.cy

