



*connectedthinking

Global Compact*

Communication on progress 2009

Climate Change Program

Content:

I. CARBON FOOTPRINT.....	4
II. SUSTAINABLE PROCUREMENT CHARTER.....	7
III. MAKING EMPLOYEES AWARE OF THEIR ECOLOGICAL FOOTPRINT..	9
IV. PROGRESS UPDATE AND SUGGESTIONS FOR ADVANCEMENT.....	11

SUSTAINABLE DEVELOPMENT AT PRICEWATERHOUSECOOPERS FRANCE

in order to meet national and European-level sustainable development objectives, PricewaterhouseCoopers France has committed to implementing a major internal action plan, which includes:

- Optimizing greenhouse gas emissions with the aim of becoming carbon neutral as soon as possible
- Making employees and partners aware of their personal ecological footprint;
- encouraging responsible purchasing procedures through a sustainable procurement charter and performing all actions, worldwide, in accordance with the "three pillars" of social, environmental and economic sustainability

The action plan covers four main objectives, namely to:

1. Calculate the carbon footprint of all PwC offices in France,
2. Draw up and monitor the implementation of a sustainable procurement charter, with recommendations on potential actions,
3. Assess the ecological footprint of PwC France employees and partners and
4. Prepare a review of sustainable development initiatives already operational in PwC France, and a short-term action plan for the establishment of enhanced sustainable development policies.

The overall aim is to institute an effective internal action plan, ensure that it becomes operational immediately, monitor its progress and guarantee that it is followed up.

I. **Carbon footprint**

a. Methodology:

The major obstacle to calculating the carbon footprint of all PwC offices in France is the difficulty of gathering reliable data with which to create the necessary spreadsheet. The information exists, but it must first be located within the company and then crosschecked several times to ensure that it accurately reflects reality.

The major item to be calculated is "Employee travel", and the relevant information is held by the person responsible for travel within the "*Direction des Achats et de l'Immobilier*" (the procurement and infrastructure division – *DHAI*). The data is not exploitable in its current format, as it is formatted for use in the internal billing system. It has to be crosschecked to ensure that it is correct.

Information on the second item – "Consumption of paper and other materials" – is available directly from the person responsible for such purchases within the *DHAI* and can be entered "as is" in the spreadsheet.

The calculation of the third item – "Building maintenance" – is prorated on the basis of the amount square footage (total surface area of the offices and buildings occupied by PwC France). Maintenance is taken into account even if the offices are rented, which is in fact the case for all PwC sites in France. The applicable information is available from the person in charge of infrastructure within the *DHAI*.

Data regarding the fourth item – "Building energy" – can also be obtained directly from the relevant person in the *DHAI*.

Finally, the data required for the fifth item – "Transport of goods" – can also be obtained directly from the person responsible for such procurement within the *DHAI*.

- Carbon emissions calculator:

We use the calculator created by the environmental organization "GoodPlanet" within the scope of its "Action Carbone" (Carbon Assessment) program (<http://www.actioncarbone.org/en/index.php>). This program is based on the recommendations of ADEME, the French environment and energy management agency:

- Plane:

The emissions taken into account for air transportation are those related to fuel consumption and other altitude-related effects (vapour trails, NOx emissions, ozone generators, etc.), calculated with a Radiative Forcing Index of 2. This means: air transportation emissions = emissions associated with fuel combustion x 2.

- Cars and two-wheeled vehicles:

The emissions taken into account for road transportation are those related to fuel consumption alone. "Process emissions" associated with extraction, refining, and the transportation of fuel to the final client are not taken into account.

- Train:

The calculation of emissions generated by train transportation is based on data from the "eco-comparateur", a tool provided by French railway operator SNCF to help travellers calculate the price, length and environmental impact of their journey. The data includes the different power supply methods of railway networks.

- Greater Paris region:

The emissions taken into account for travel in the greater Paris region are, for road transport, those related to fuel consumption and, for rail transport, those related to the energy consumption of the region's railway networks. Distances are based on average mileage within Paris and the greater Paris region. For car-pooling, an average occupancy rate is considered to be 2.17 passengers.

b. Results and interpretations

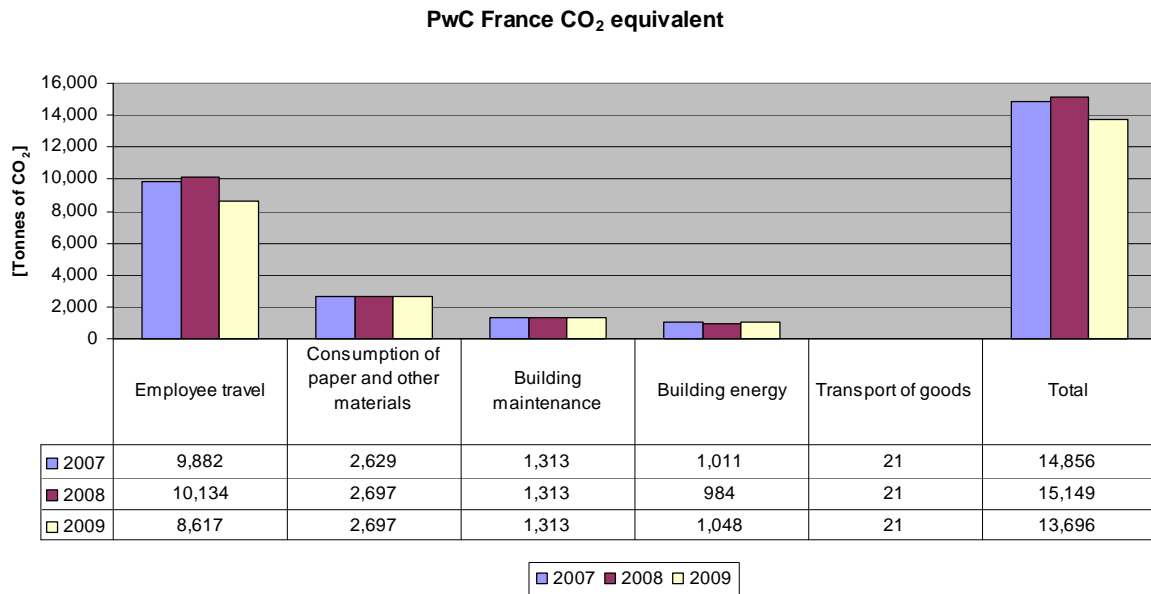


Diagram 1: PwC France Carbon Assessment 2007-2008-2009

The above chart shows that, as expected, the bulk of PwC France's CO₂ equivalent emissions are generated by employee travel, which accounts for 70% of our overall total emissions. The home/work commute accounts for approximately 20% of overall employee travel (14% of total emissions).

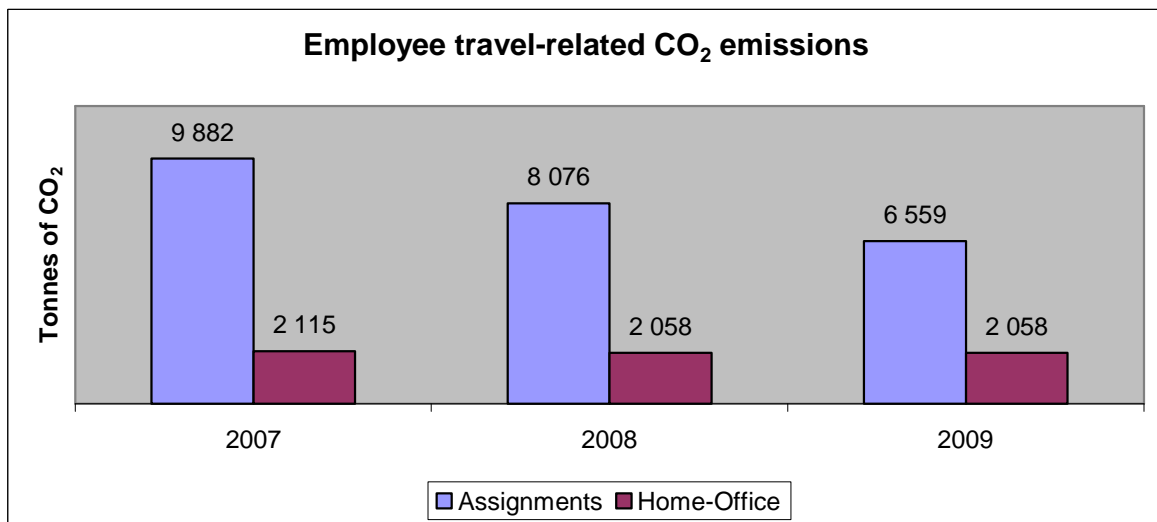


Diagram 2: PwC France employee travel 2007-2008-2009

These figures are unsurprising for a consulting firm of approximately 3,900 employees, many of whom travel to see their clients, who are often located abroad. When possible, these employees take the train, but air travel is necessary for longer distances. The daily home/office commute of each employee must also be taken into account.

Consumption of paper and other materials is next in line as regards CO₂ emissions. The figures include 200 tons of paper, ink, and stationery supplies, which can be justified by the number of service proposals and business documents we generate.

The data concerning building maintenance, in third place, does not change from year to year, as it is calculated on the basis of the total surface area of each office. The concrete coefficient was used in the calculation, as opposed to the steel coefficient, which was used in PwC's internal carbon assessment in 2007. This is because concrete is more widespread in the construction of our offices and buildings than steel.

Energy, which is used to heat, cool and light our buildings and to run electrical equipment, is our fourth-highest generator of CO₂. Eighty percent of the energy used in PwC is electric. In turn, 80% of the electricity used in France is provided by nuclear power. This means only a small amount of CO₂ equivalent emissions, but a significant amount of radioactive waste.

The heating and hot water supply at our Crystal Park headquarters are gas-fuelled.

Trailing in with just 21 tons of CO₂ equivalent is transport of goods.

This item includes any trips made to transport goods in relation to PwC France's business needs. It is defined in tons/km and represents approximately 17,000 tons/km per year.

II. Sustainable Procurement Charter

Already considered a mainstay of trust and transparency in the financial world, PwC France is steadily asserting its position as a responsible, committed contributor to society.

This commitment is reflected, firstly, in the way the firm deals with its staff and suppliers and, secondly, in its pro-active role in building tomorrow's society, through numerous acts of corporate sponsorship and solidarity.

The sustainable procurement policy has an important place in such a commitment, which is why, in the words of Pascal Benoit, PwC France Procurement, Real Estate & Infrastructure Director, *"PwC is currently looking into the implementation of a sustainable procurement charter for the firm in France."*

It is with this in mind that we are considering setting up a code of conduct that would apply to both our suppliers and ourselves. The aim of such a code would be to ensure that PwC France and its suppliers are acting responsibly.

Thus, in the event that certain suppliers did not agree with our sustainable procurement charter, we would have a vehicle for encouraging them to improve their services with respect to environmental, social and ethical criteria.

- *Through the application of the sustainable procurement charter, PwC would commit to:*
 - Appointing a person responsible for ensuring the charter's application and setting up a supervisory committee to report to management
 - Assessing and controlling the charter's application
 - Reviewing and revising the charter on a yearly basis
 - Carrying out an environmental audit of our main suppliers
 - Working with suppliers to improve standards
 - Respecting the confidentiality of the sustainable development information entrusted to us
 - Acknowledging the principles of sustainable development adhered to by our suppliers, when they closely resemble those of our own charter
 - Informing all employees involved in the procurement process of the principles of the charter
 - Ensuring that any staff sent by suppliers to work on our premises are treated in the same way as our own employees as regards safety and diversity in the workplace
 - Selecting our suppliers on the basis of transparent and objective criteria, with a close eye on their sustainable development performance
 - Encouraging our suppliers to be as committed as possible to the ongoing improvement of their sustainable development performance
 - Defending sustainable procurement practices in our business sector
 - Ensuring that our suppliers comply with the laws in force in the countries in which they work, as well as with the conventions of the International Labour Organization (ILO) (see attached)
 - Ensuring that our suppliers inform their employees and their own suppliers of our sustainable procurement charter so that they too can comply with it.

- Supplier evaluation:

It is difficult to be 100% certain of a supplier's environmental principles. It is impossible to check everything, and it is therefore extremely important that a relationship of trust be fostered between the client and the service provider.

One possibility is to ask suppliers to respond to a questionnaire and to provide, where necessary, proof of their environmental and social policy. Being able to ask the right questions and analyze the responses with respect to one's own objectives is an intricate task. We have no doubt, however, that it is a task that is accomplishable by all buyers.

PwC will seek to ensure that future suppliers of goods and services comply with the working conditions set out by the ILO and the Universal Declaration of Human Rights.

- Suppliers will have to:

- Minimize the use of energy, water and raw materials whenever possible
- Maximize use of renewable and recyclable materials, including with respect to energy, whenever possible
- Make staff aware of their responsibilities regarding waste production and put in place procedures to limit excess waste, and
- Avoid pollution and ensure that, at the very least, any ground, water, air, noise or odour pollution complies with French standards in this respect

III. Making employees aware of their ecological footprint

All of our efforts and objectives in the domain of sustainable development will be entirely fruitless without the support of our employees. Everyone is concerned and everyone must get involved.

Nowadays, almost everyone is aware of the considerable changes that must be made to lifestyles if we are to envisage a more sustainable future and avoid certain threats. These changes are every bit as important as more complex measures that will only be effective in relation to large scales of time and space.

The difficulties arise, however, in the execution: protecting the environment and overhauling methods of production and consumption means an immediate cost for some to ensure an eventual benefit for all.

Adopting a sustainable lifestyle takes time and a profound change in thinking, which sometimes goes against recent drivers of human development, such as the domination of nature, productivity, goods consumption, and free competition.

We offer our employees several tools to calculate their ecological footprint. By choosing the tool that is right for them, employees can seek to lessen their personal impact on the environment for the benefit of society as a whole.

TOOLS PROPOSED

- **TOOL 1: PWC UK CARBON FOOTPRINT CALCULATOR**

The first tool proposed is the internal PwC UK calculator, which determines the CO₂ emissions of an individual or a family.

The number of persons residing in the family home is also taken into account.

The UK tool was originally created using JavaScript and FlashPlayer and is therefore much more user-friendly than a traditional spreadsheet.

- **TOOL 2: INDIVIDUAL CARBON ASSESSMENT**

French environmentalist Jean-Marc Jancovici has developed a tool that enables individuals to estimate the average amount of greenhouse gas emitted each year as a direct result of their lifestyle.

- **TOOL 3: PASSERELLE ECO**

The third tool is inspired by the French online review “*Passerelle Eco*” (Eco gateway) (www.passerelleco.info), which offers readers a questionnaire, in the form of a quiz, which they can fill out and use to estimate their footprint (http://www.passerelleco.info/IMG/pdf/Test_Empreinte_Ecologique.pdf – in French only).

IV. Progress update and suggestions for advancement

NB: There follows a breakdown of completed actions, actions in progress and actions under consideration

1. Employee travel (completed)

The results of the Carbon Assessment® show that the main area for improvement is employee travel, which accounts for 70% of PwC's CO₂ emissions (business travel: 56%; home/office commute: 14%).

A travel policy has already been put in place and may be enhanced through use of green or "greener" suppliers at all levels:

- *The following restrictive measures have been put in place on an internal level:*
 - Before a business trip is taken, we examine whether it is really necessary (in line with 48% of companies)
 - We have curbed the number of employees authorized to travel (in line with 41% of companies)
 - We have reduced the number of trips taken (in line with 36% of companies)

- *This travel policy was put in place in 2008 and the results were soon clear to see:*
 - **At least 15% less CO₂ equivalent in 2009 than in 2008, due to:**
 - A move from travel by plane to travel by train, when possible
 - Moving from business class to the less carbon-hungry economy class

2. Consumption of paper and stationery (completed)

The second energy-guzzling item, or major emitter of greenhouse gas, is consumption of paper and other materials, which represents 18% of all PwC France's emissions.

- Ongoing efforts are in place to decrease expenses related to this item and therefore reduce emissions. These include:
 - An obligation to "badge-in" when printing, photocopying, faxing, scanning, etc., which cuts down on waste and misuse
 - Replacing 80g/m² paper with 75g/m²
 - Changing the default setting of printers and photocopiers to black & white, recto-verso, and draft quality

These efforts have resulted in savings in money, weight, transport, and machine maintenance, which have in turn led to a reduction in CO₂ emissions.

- Other actions in the pipeline are:
 - Recycled paper
 - Use of an "Ecofont", which would mean 20% less ink
 - Working with "green" suppliers, requiring suppliers to have the necessary "ecolabels", and complying with ISO standards (see section 2 – Sustainable Procurement).

3. Building maintenance

The third item, building maintenance, accounts for roughly 9% of total emissions (including a high uncertainty coefficient of 50%).

- This is an area that is difficult to impact, except at the time of building construction, an office move, or the renewal of a lease, when we can move towards buildings that incorporate *HQE*¹ and *HPE*² recommendations.

¹ *HQE* : Haute Qualité Environnementale – High environmental quality

² *HPE* : Haute Performance Economique – high energy performance

4. Building energy (in progress)

The fourth culprit in the production of greenhouse gas at PwC comes in the form of the energy needed to run our heating and air-conditioning systems, light our offices and work our electrical equipment such as computers, desk lamps, and information systems.

- Several initiatives are already underway in this sphere:

- Most lights are automatically switched off at night and weekends
- Traditional light bulbs have been replaced by energy efficient bulbs
- Printers, photocopiers and certain servers now come in a multifunction format
- Users are obliged to badge-in when using printers, photocopiers, etc.

- These initiatives may soon be extended to include:

- Automatic switch-off of electric outlets at night and weekends, to avoid unnecessary use of standby mode (every little bit helps)
- Automatic switch-off of PCs at a certain hour at night and weekends
- Gradual replacement of PCs with “zero-energy standby mode” PCs
- Optimized use of air-conditioning (automation)
- Negotiation of green energy with our energy supplier (zero CO₂ emissions)

5. Transport (under consideration)

The fifth and last item, transport of goods, takes into account internal freight, namely all the short trips within France in vehicles weighing an average of 3.5 tons. Most of these trips are made by service providers, and we can put in place initiatives such as, for example, requesting that they provide us with “eco certificates”: promoting a variety of initiatives so as to favour eco-friendly suppliers. This would encourage soft mobility and reduce the number of empty return trips.



Global Compact*

Communication for progress 2009

Addendum

In addition of this report entirely dedicated to our enable climate change program and according to the new COP policy of April 2009, let us add the following information:

1. **“Anti-corruption” area:**

In 2009, we published an annual report on fraud within French companies:

You may download this report on our website:

<http://www.pwc.fr/fraude-en-entreprise.html>

This report describes the reality of fraud within companies and how fraud is disclosed.

It also explains the main facts of fraud and corruption and gives many comparisons according to the size of the companies.

It also presents the various profiles of swindlers.

This survey was widely commented by the French media.

2. **Labour:**

In 2009, through the intervention of our “PwC French Foundation for Culture and Solidarity”, we decided to support a main project of the “National Council of Disabled Persons”.

So, we financially supported a national tour of disabled artists called “the 8th Note”.

They are currently giving performances in a series of French cities.

Two others Sponsors of theses Tour are HSBC France and “La Française des Jeux”.

So, we intended to demonstrate our real commitment in favour of integration of disabled persons within our society.

3. **Human rights: We continue to promote diversity**

For the 3rd year, PwC France coordinates the “Operation Phenix” (See the COP report of 2008) which contributes to develop a diversified recruitment for big companies.

Today, 8 companies and 5 universities, coordinated by our company, are committed in this program with precise targets to integrate art students who generally in France have important difficulties to join industrial and financial sectors.

Contacts

Global Compact:

Yves Medina

PwC France Partner

✉: yves.medina@fr.pwc.com

☎: +33 1 56 57 6091

Procurement Real Estate & Infrastructure:

Pascal Benoît

PwC France Director

✉: pascal.benoit@fr.pwc.com

☎: +33 1 56 57 1740