

Global commitments

As one of the world largest professional services firms, PwC is particularly aware of its obligation to take a leadership role in promoting the concept and practice of corporate responsibility. One very visible example of how we do this is by participating in the United Nations Global Compact (UNGC). The UNGC provides a policy platform and practical framework for companies committed to responsible business practices, including ten principles defined by the UNGC in the areas of human rights, labor, the environment, and anti-corruption. PwC's participation in the UNGC is established through a written commitment to uphold the UNGC's ten principles. By participating in the Compact, PwC's global network of member firms actively support the UNGC's ten principles in their respective geographies.

The UNGC is the world's largest corporate citizenship and sustainability initiative and brings together more than 5,100 corporate participants and stakeholders from over 130 countries. First and foremost, the Compact is concerned with building and demonstrating the social legitimacy of business and markets.

In addition to its direct participation in the UNGC, PwC has also collaborated with a number of UN agencies to assist in activities and programs that further support the principles of the UNGC. These efforts include our work with the United Nations Convention against Corruption and United Nations Office on Drug and Crime in combating corruption; the United Nations Central Emergency Relief Fund to supply disaster relief; the United Nations High Commission for Refugees to provide refugee support; and the United Nations Environment Program to address the risks of climate change.

As a signatory to the UNGC, PwC also participates in the related Communication on Progress (COP) process, which obligates signatories to provide annual disclosure to stakeholders on progress made in implementing the UNGC's ten principles. In this way COP helps to instill accountability and drive continuous improvement among Compact participants, and, at the same time, builds a useful repository of responsible corporate practices. Throughout this website and our Global Annual Review, you will see how PwC is working to incorporate the ten principles of the UN Global Compact in the way we operate in the marketplace, treat our people, interact with our local communities, and protect the environment.

UN Global Compact Principles

Human rights

- ▶ Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- ▶ Principle 2: Make sure that they are not complicit in human rights abuses.

Labour standards

- ▶ Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- ▶ Principle 4: The elimination of all forms of forced and compulsory labour;
- ▶ Principle 5: The effective abolition of child labour; and
- ▶ Principle 6: The elimination of discrimination in respect of employment and occupation.

Contacts

Bronwyn Neeson
Global Corporate
Responsibility office

"Our signing of the Compact is important because it shows not only our commitment to the 10 principles, but also our willingness to commit our entire global network of member firms to these principles."



Dennis M. Nally
Chairman,
PricewaterhouseCoopers
International



Environment

- ▶ Principle 7: Businesses should support a precautionary approach to environmental challenges;
- ▶ Principle 8: Undertake initiatives to promote greater environmental responsibility; and
- ▶ Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- ▶ Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

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Corporate Responsibility Report

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◀ They have Corporate Responsibility in their genes: Roelf Kloen (on behalf of all fund raisers he handed over the proceeds of an international PwC campaign for Darfur to the United Nations High Commissioner for Refugees), Guus Dankers (decorated as Knight of the Order of Orange Nassau for his administrative work at the Bossche Reddingsbrigade and the Reddingsbrigade Nederland Dutch Life-Saving Society), Andre Stoop (Game Guide of the Year), Maaïke Doyer (responsible for the 'My Projects' within the CR Office) and Eric Woittiez (Young Leaders for Nature).

PwC strives for sustainable market leadership and is constantly seeking to increase its impact on society. Corporate Responsibility (CR) is strategically important in this effort. CR is about PwC's commitment to sustainable development and to the society in which we live and work. CR is a motivating philosophy and a modus operandi which we expect our people to follow. Finally, CR is a key asset in attracting and retaining talented people – people who are focussed not only on our clients but also on the world around them.

Our role in society

Our annual Corporate Responsibility (CR) Report sets out our corporate responsibility actions and achievements during the past year. The focus here is on actions and achievements which extend beyond the traditional financial and economic aspects of our organisation. As advisers and auditors we often act as a mediator between the business sector and society. By sharing knowledge, we contribute towards a more efficient working of the market. By providing assurance on information in our role as auditor, we contribute towards transparency in the market. Our services thus underpin stakeholders' trust in companies, which we believe is our most important contribution to society.

Our impact on society runs, first and foremost, through the marketplace. The most important factor is how we serve our clients. Clearly, our products and services, our professionals and our innovative capacity are key determinants of that impact. Our role in the marketplace is therefore the first of four priorities within our CR policy.

As 'thought leader' we also participate in the public debates on such wide-ranging issues as governance and transparency, reporting, taxation, fraud and corruption. Our industry specialists contribute to the development of the sectors they work in through, among other things, publications and the organisation of events. We further shape our role in society as a knowledge organisation through our pro bono CR projects and our employees' positions in community organisations.

The positive impact of CR is achieved mainly through the impact our people have in their work at clients, in their involvement in CR projects and through CR activities in their personal lives. We increase that impact by devoting a great deal of attention to talent management, management development and responsible leadership. Key aspects here are diversity, equality, safety, health, well-being and good working conditions, combined with an acceptable workload and respect for the personal lives of our people.

Though business service providers are not the biggest polluters, we have a large lease fleet and are frequent flyers. Other areas where we can reduce our impact on the environment are paper consumption, energy consumption and waste.

CR Policy and Approach

During the past five years PwC has worked steadily to build a CR programme and it now comprises many different areas of priority. Our CR projects have been expanding year on year. We achieved our objective of 20,000 CR hours for the first time in the period under review. We see that our commitment to CR is appreciated and helps boost our market position. The survey conducted for the CR Index (see box on page 78) identified a correlation between a high CR rating and respondents' choice of PwC as their service provider. In addition, we find that CR contributes to the personal development of our people. The results of the annual People Survey, which measures satisfaction among employees, confirm to the Board of Management that we are on the right path with our CR policy. CR has grown to become an integral element of our strategy – which is why our strategic choices in the field of CR have remained essentially unchanged. Furthermore, the Board of Management has decided to make no change to the CR budget for the coming year, while still aiming to increase our impact on society within the available budget, and in the coming year we will therefore continue to focus on proven projects and programmes.

Dialogue with stakeholders

In the past year, we again engaged in various dialogues with our stakeholders. In three separate sessions we addressed CR with clients, employees, partners and directors. During this dialogue we asked whether they approved of our strategic CR choices. The latter two groups indicated that extra attention should be devoted to internal communication to improve the integration of CR and increase employee involvement. Clients felt our strategic choices should be given more explicit expression, with a stronger focus on our added value as a knowledge organisation. The stakeholder dialogue confirmed the emphasis on our role in the market as a knowledge organisation and our aspiration to involve a larger number of our people in CR.

CR Index

Last year, as in the previous year, we commissioned an external research agency to carry out a study into the perception of PwC's impact on society as compared to that of its peers. A business panel of 300 respondents was asked what significance they attach to ten different CR aspects. In addition, the panel was invited to award the various professional service providers in our sector performance ratings for these aspects. The respondents were randomly selected and did not know who had commissioned the study. The results can be used to construct a CR index, which benchmarks the positive rating for each aspect to the sector average and also reflects a weighting of the relative importance of that aspect. Setting the average sector score at 100, PwC achieved a CR Index of 130. This figure indicates that, on average, PwC's impact on society is perceived to be 30% better than that of its sector peers. Last financial year our CR Index was 114.

Last year, we further encouraged involvement in this dialogue by offering an interactive e-learning course on our Code of Conduct. In June all partners and employees took part in this mandatory half-hour e-learning.

Centring on six everyday dilemmas, the course confronted participants with the question: Where must the line be drawn? Due partly to the start late in the financial year, we have not yet achieved our objective of getting all employees to complete the training.

Our management approach

PwC sees CR first and foremost as a line responsibility. For this reason our CR Office is not a corporate staff department. The CR Office consists of ten PwC people (three FTEs) who devote part of their time to these duties and play a policy-support role under the direction of the CR Officer. The CR Office coordinates projects and provides extensive support, including internal and external communication. The CR Office has its own budget and reports directly to the chairman of the Board of Management.

The CR Officer draws up an annual CR plan outlining objectives and concrete actions for approval by the Board of Management. The CR Officer provides periodic progress reports, including a number of CR KPIs. In order to further reinforce the involvement of the Board of Management, individual board members will this year be linked to specific objectives defined in the annual plan. We also aim to put the CR Office on a more professional footing and redefine its responsibilities. This reflects our aspiration to focus our CR programmes on activities that have the greatest impact on society.

Objectives for 2008/2009	Objectives for 2009/2010
<ul style="list-style-type: none"> ● Ensure that 99% of all PwC employees have completed the Code of Conduct e-learning course ● Further integrate CR into our services and into our organisational structure ● Step up the internal communication campaign with new materials ● Create a CR Community – via intranet and other channels – to strengthen our CR culture 	<ul style="list-style-type: none"> ● Ensure that 99% of all PwC employees have completed the Code of Conduct e-learning course ● Strengthen the CR culture by increasing awareness <ul style="list-style-type: none"> ● Develop and implement an internal communication plan aimed at increasing the awareness of strategic CR projects ● Expand the CR community to at least 500 PwC employees ● Further professionalise the embedding of CR within our organisation <ul style="list-style-type: none"> ● Develop and implement KPIs for monitoring the progress of the CR strategy ● Provide Business Units with management information on CR projects and hours spent

Strategic partnerships

In the past we broke our CR projects down into 'My Projects' and centrally coordinated CR Projects. Last year we added 'Our Projects' to the break down; these are initiated by a department or (sub)industry and carried out pro bono. We see 'Our Projects' as a useful way of further integrating CR into our organisation.

'My Projects' are developed by individual PwC employees who are given time and resources to carry them out. The minimum requirement is that a partner or director be involved and that the project harnesses the 'synergy' of the organisation. The activities for a 'My Project' are linked to our core competencies and are no different from the regular engagements we carry out for our clients, except that no invoice is involved.

In 2008/2009, a total of 9,398 hours were spent on 'My Projects' and 59 of the 98 projects were completed, with 39 still ongoing.

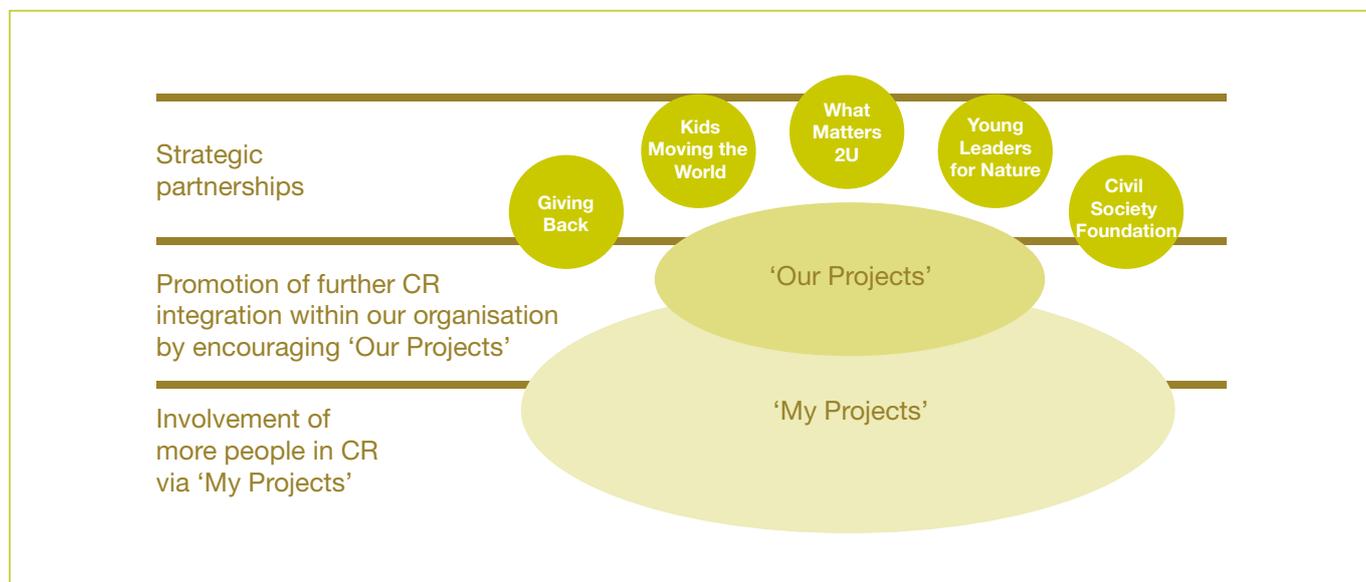
In the past year we met our objective of increasing participation in CR projects by 25%, with 607 employees involved (2007/2008: 488). In addition, our annual People

Survey shows a growing appreciation among our employees for our CR activities, with more than half expressing satisfaction with our approach to the environment, up 10% on last year. In addition, 22% of our people indicated a willingness to contribute to CR projects.

Alongside the 'My Projects' and 'Our Projects', we have evaluated the centrally coordinated projects and have decided to focus in the coming years on five strategic partnerships. These involve parties dedicated to promoting the interests of a specific target group within Dutch society where PwC can make a valuable contribution on the strength of our core activities and competencies.

Last year we entered into a partnership with Giving Back, a foundation dedicated to assisting ambitious students and schoolchildren, mainly from ethnic minority groups. Acting as mentors, PwC employees take a pupil under their wing and act as role model to help give them a better start in society.

Kids Moving the World is a foundation that aims to make primary school children aware of the huge problems in the world, including hunger, poverty and climate change. The foundation has developed several professional teaching kits that are offered free of charge to primary schools.



The teaching kits include an interactive board game that is played under the supervision of PwC volunteers acting as game guides. In the past year 80 PwC employees helped out as game guides. Together with Kids Moving the World, our aim this year is to expand the programme to 1,000 participating primary schools.

During the year under review, we decided to set up a new initiative: 'What Matters 2U'. This fund, which donates small grants to good causes that PwC employees support in their free time, will be developed further in the coming financial year. In fact, many of our people are active in society outside PwC and, in an effort to bring them within our CR policy, PwC will provide support for this type of community engagement.

An active group of Young Leaders for Nature has evolved within PwC. Each year this group submits a plan to the Board of Management as part of the annual CR plan. The aim is to increase awareness of CR within PwC by organising events and activities that highlight the environment. Young Leaders for Nature is an initiative of the World Conservation Union (IUCN), a global network of national initiatives for sustainable development.

The most important activity in our partnership with the Civil Society Foundation is the presentation of the Transparency Award for the best annual report of a charitable organisation. Every year a large group of PwC employees evaluates the annual reports, after which an independent jury chaired by the chairman of the 'Social and Economic Council', Alexander Rinnooy Kan, selects the winners (see also: www.transparantprijs.nl).

Giving Back

Twenty-five PwC employees have signed on as mentors for the Giving Back programme, which is currently active in Rotterdam, The Hague, Utrecht and Amsterdam. The mentors share their knowledge, experience and network to help and support their mentees in various areas. The role of mentor provides the PwC people with an opportunity to individually contribute to society by using and developing their coaching and soft skills. This is also an effective way for mentors to further their personal development, as they are taken outside their comfort zone and are required to act in unfamiliar surroundings and circumstances. PwC has made 20 internships available for those participating in the programme, so they can also develop their practical skills while studying.

To stress the importance the Board of Management attaches to Giving Back, one of its members will mentor a student at the start of his or her career in the coming two years.

Objectives for 2008/2009	Objectives for 2009/2010
<ul style="list-style-type: none"> ● Expand Kids Moving the World as part of our focus on education by increasing the number of participating schools to 20% and deploying at least 80 game guides ● Set up the 'What Matters 2U' Fund 	<p>Increase the impact of CR projects in our communities</p> <ul style="list-style-type: none"> • Expand Kids Moving the World programme (more sponsoring of partners, schools and 'game guides'), so that 14% of all primary schools in the Netherlands (1,000 schools) take part in the 2009/2010 school year, <p>Make more PwC employees aware of our CR policy</p> <ul style="list-style-type: none"> • Implement 'What Matters 2U' by setting up the PwC Foundation and awarding at least 20 'small grants' • 25% increase on 2008/2009 in PwC employee involvement

Our impact in the market

As an adviser and auditor PwC is closely associated, in the market, with values such as integrity and independence. We have strict procedures for ensuring that we accept engagements only from bona fide companies and organisations. All new client engagements undergo an acceptance and approval process while ongoing engagements are periodically reviewed. We assess whether engagements expose our reputation for responsibility and integrity to the risk of damage, and this is taken into account in the decision to accept or reject a particular engagement.

Our ambition is to make CR an integral part of our basic modus operandi. This means that we must also carefully address topical CR themes in performing our client engagements and help our clients address them. As an auditor and adviser we maintain a regular dialogue with many executives of Dutch corporations. This provides us with an opportunity to raise CR issues. We want these discussions to be meaningful and purposeful, as we believe this is an area where we can have a considerable impact on society.

Last year PwC intended to set up a training programme for partners (the 'Forward Thinking Programme') in cooperation with Cambridge University. However, this plan was abandoned as the Board of Management decided that the required investment outweighed the potential benefits.

Sustainability advice

Alongside our other services, we also offer specialist knowledge in the field of CR and sustainability. Sustainability remains as high as ever on the agendas of

both government and business. Research shows that only a small element of companies is not moving forward on their sustainability policies. Nevertheless, budgets are under pressure in this area too and projects are increasingly being carried out by in-house staff or are being deferred. As a result, the revenue of our Sustainability Group fell some 11% relative to last year – in sharp contrast with the strong growth (33%) achieved in 2007/2008.

During the past year we have worked on a number of sector-specific CR programmes. One example is the Make Sustainability Your Business study carried out by our specialists in the Retail & Consumer sector. This study polled over 2,000 Dutch consumers regarding their knowledge and preferences in the areas of the environment and animal-friendly products. Of the 1,100 respondents, 22% can be classified as 'sustainability-conscious consumers'.

Responsible sourcing

In addition to our services as auditor and adviser, we naturally also have a role in the market as a purchaser of products and services. In the past year we continued to develop our sustainable procurement policy and requested our 200 largest suppliers to sign a specific Suppliers Code of Conduct. So far, 43% have complied, which means we have not yet fully achieved our objective. We have started discussions with several companies regarding our mutual expectations in the area of CR. In the coming year we will also follow up with a number of smaller suppliers, and we will incorporate our sustainable procurement policy into our general procurement conditions.

Objectives for 2008/2009	Objectives for 2009/2010
<ul style="list-style-type: none"> ● Make CR promotion an integral part of our basic modus operandi ● Develop the 'Forward Thinking Programme' ● Develop sector-specific action programmes ● Have at least 50% of our major suppliers signed up to our Suppliers Code of Conduct 	<p>Integrate CR into our regular services</p> <ul style="list-style-type: none"> ● Work with the LoS Boards in defining measures that each LoS can use to strengthen CR as part of its standard services ● Develop X-LoS CR thought leadership programmes within at least two industry Groups <p>Involve suppliers in our CR policy</p> <ul style="list-style-type: none"> ● Have at least 70% of our major suppliers signed up to our Suppliers Code of Conduct

Total Tax Contribution (TTC)

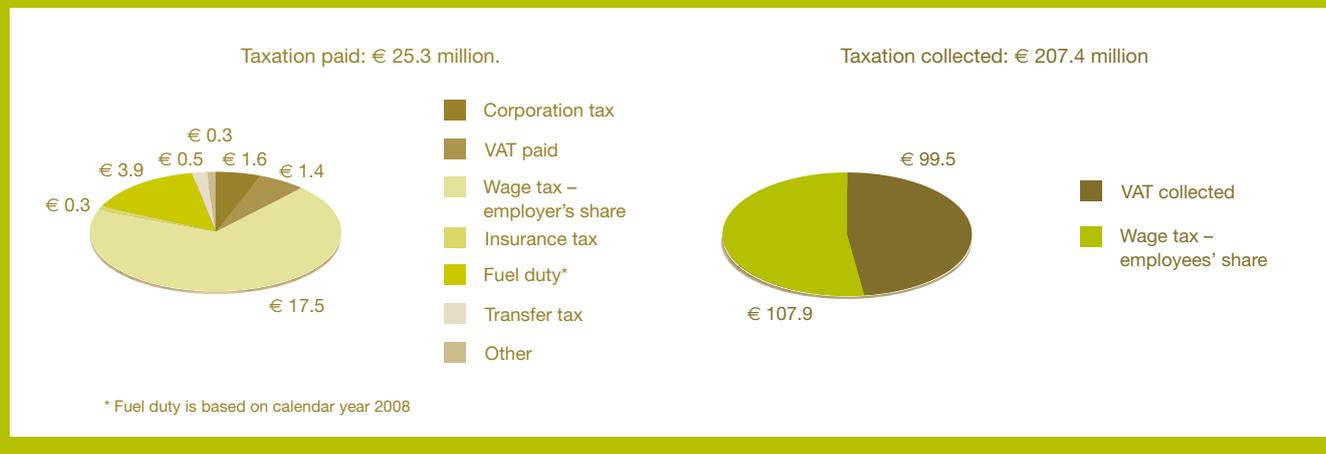
The past years have seen growing calls from politicians and society for transparency as regards taxation, and conduct in the area of taxation has become a topical issue for companies. Paying taxes and corporate responsibility are closely inter-related as the amount of taxes a company pays provides an accurate picture of its economic contribution to society. We are convinced that companies will be increasingly required to provide insight into the overall economic contribution they make to society in the form of tax payments.

In order to make this information more easily accessible, PwC has developed the Total Tax Contribution Framework (TTC). Traditionally, the tax charge item in the income statement exclusively related to corporation tax. Contrary to regular reporting standards for taxation, the TTC provides insight into a company's total contribution to the national treasury. Consequently, TTC can serve as an international basis for dialogue between stakeholders and company. TTC includes all forms of taxation – not just corporation tax, but also wage taxes, VAT, transfer tax and local levies.

In addition, TTC distinguishes between taxes that are a cost item for the company (for instance corporation tax and insurance tax, hereinafter 'taxation paid') and taxes which the company basically collects on behalf of the Tax Authorities (such as VAT and wage tax, hereinafter 'taxation collected').

As in the previous financial year, we have also calculated our own TTC for 2008/2009 to give an indication of our total economic tax contribution to the Dutch treasury. During the reporting year PricewaterhouseCoopers B.V. paid various forms of company taxation totalling € 25.3 million (2007/2008: € 21.9 million). The largest element of this was the employer's portion of wage taxes amounting to € 17.5 million. We also collected a total of € 207.4 million (2007/2008: € 181.1 million) for the treasury. The largest element of this 'taxation collected' was the employees' portion of wage taxes amounting to € 107.9 million.

By far the largest part of the corporation tax on profits is borne directly by the members of Coöperatie PricewaterhouseCoopers Nederland U.A., and is therefore not included in these amounts.



Our impact on society

PwC plays a wide-ranging role in society, and our contribution includes developing and giving access to new knowledge and insights. Our aim is to contribute to the public debate in fields where we have the relevant experience and expertise. At the same time we wish to be actively engaged in the communities in which we live and work. We have therefore developed policies that enable our people to contribute to our communities in a manner appropriate to PwC as a knowledge organisation, namely by deploying our knowledge and expertise for the benefit of our communities.

In the past year we committed a total of 23,680 hours to CR projects, an increase of about 25% on 2007/2008, reflecting the growth in the number of people involved in CR projects. In the coming year we aim to achieve a further increase in the number of people involved.

Alongside pro bono CR projects, we also have an impact on society in our role as knowledge supplier. Because of the nature of our organisation – and our size, profile and client base – we are uniquely positioned to contribute to the public debate in a wide number of areas. In some cases we voice our opinions publicly in the media and in other cases we speak directly with policymakers within government and other sectors. We publish articles, reports and books which identify trends and developments and set out our vision.

Social Round Table

In partnership with the Civil Society Foundation, PwC aims to make a structural contribution to the public debate in the Netherlands on issues pertaining to the philanthropic sector. In this connection we held the first Social Round Table (SRT) on 16 April in The Hague for groups representing society in the broadest sense of the word.

The participants consisted of executive and supervisory directors from the philanthropic sector (both fund-raising institutions and special purpose funds) and representatives from the business sector, the SER (Social and Economic Council) and the Netherlands Institute for Social Research (SCP). The SRT has been set up as a recurring annual event and also serves as a 'pre-event' for the annual Civil Society Congress in June and for the presentation of the Transparency Prize in October. In summary, the purpose of the SRT is to create a platform in which representatives of society, the market, politics and science can join in a debate on social issues. More specifically, the SRT served as a source of inspiration for the 2010 Philanthropy Agenda 'Doing Good Better', which has now been broadly adopted.

Objectives for 2008/2009	Objectives for 2009/2010
<ul style="list-style-type: none"> ● Carry out at least two central 'thought leadership' projects on specific social issues ● Initiate more CR projects aimed at local community themes ● Communicate our vision on social themes by means of external communications ● Intensify cooperation with the Civil Society Foundation ● Dedicate 20,000 hours to CR projects ● Increase the number of employees involved in CR projects by 25% compared to 2007/2008 	<p>Play a more prominent role in the public debates on social issues</p> <ul style="list-style-type: none"> ● Carry out at least two central 'thought leadership' projects on specific social issues ● Communicate our vision regarding social themes by means of external communications ● Encourage employees to take on positions in community organisations, for instance by setting up a knowledge database to support this ● Develop external communication messages aimed at playing a tangible role in (furthering) the debate on social issues (resulting in a CR Index of at least 130) <p>Dedicate 20,000 hours to CR projects</p> <p>Increase the number of employees involved in CR projects by 25% compared to 2008/2009</p>

Our impact on people

Responsible leadership

Responsible leadership is a way of thinking and acting that seeks to build meaningful relationships and stimulate accountability. It is the recurring thread in our management development programmes, and our approach to management development focuses on striking an optimal balance between standardised programmes and customisation - both inside and outside PwC. The development of our people is a key success factor for our organisation, and our development programme devotes great attention to personal choice and circumstances in the advancement of our employees' careers.

CR and responsible leadership are closely inter-related. The development of a broad perspective on society is therefore an integral part of the management development programme, and CR has been integrated into the 'Personal Leadership' module for managers and into the 'Responsible Leadership' module for senior managers. A 'My Project' is also an optional element. Managers and senior managers learn to increase their impact on their environment, both inside and outside the organisation, partly by gaining practical leadership experience in a civil society organisation. Another area that overlaps with CR is participation in the Giving Back programme (see box on page 80). As a Giving Back mentor, participants in the management development programme are offered a chance to broaden their personal development and strengthen their coaching skills.

Health Management

The rate of absenteeism within PwC has fallen for the fifth consecutive year, reflecting the fact that our employees' health is a focal point within our organisation. We aspire to an integrated health policy, which entails devoting attention to a good working climate with healthy labour relations and scope for personal work-life balance choices. In March, PwC received the 'Model of Good Practice Health Management' certificate from the Institute for Health Management and Quality (IHMQ), marking the successful completion of our efforts to formalise our health policy during the past year. The multidisciplinary Health Management steering group that led the certification process will remain in place to continue to safeguard the ongoing quality of our health policy.

People Survey

We attach great importance to what our employees think of PwC as an employer. We therefore hold a survey annually which allows employees to express their views on what we are doing well and where we can improve. The results of this People Survey serve as input for our Human Capital policy.

The results showed a slight improvement on the previous year. The first noteworthy result is that the people engagement index again received a very high score, namely 80%. This indicates that employees see PwC as a very attractive learning environment that offers ample opportunities for personal growth and development. Other strikingly strong results can be seen in the field of CR, talent management and remuneration.

Less impressive scores were achieved as regards involving employees in decision-making on direct work-related matters. The social safety to speak your mind openly and honestly is also still not at the desired level. Though our diversity policy is being pursued very seriously, women within the Lines of Service still feel that they have fewer career opportunities than men and that they receive less support in their development. In short, we will need to step up our efforts concerning the part of our strategy relating to our human-scale ambitions.

Our work involves long and frequent computer use, both at the office and also often at home. Each year we survey the screen-based working hours and workload of our employees. Last year our computer use averaged 3.39 active screen-based working hours per day, representing another slight increase on the previous year (2007/2008: 3.31 hours). Work-related complaints are prevented at an early stage by providing information, workplace analyses and ergonomic advice. Employees with such complaints can consult the company physiotherapists who are available at a large number of our locations.

In the reporting year all employees of Advisory and Tax & HRS were given an opportunity to participate in the PwC Vitality Scan, and 61% of those invited took part. The scan consists of a mental and physical check-up. Immediately after the check-up the doctor discusses the results with the employee based on a report, and gives practical health improvement tips and suggestions. The overall findings at group level were reported to PwC. The results will be used to further improve working conditions.

Diversity and inclusion

Diversity remains a strategic theme at PwC - based on the premise that diversity promotes quality and enhances our performance as an organisation. Awareness was again one of the most important themes during the past year. So far, 230 partners and 115 directors have attended our diversity awareness training sessions. In addition to this training programme, over 50 female senior/principal managers attended the female leadership training course, in which authenticity and recognition of masculine values are central subjects. Diversity was also embedded as a subject in our management development programme and a number of working parents attended the 'Kids and Career' sessions to facilitate an exchange of ideas on combining work and parenting.

Furthermore, several new conditions of employment came into force. These included paternity leave for domestic partners – which 176 parents made use of – and the day care scheme (90% salary for 80% employment), with 128 parents participating. We also support the 'LOF, voor moeders met ambitie' (a magazine for mothers with ambition) aimed particularly at working parents (a father's edition appears once a year). Last year LOF ranked PwC ninth among companies offering schemes for working parents.

In addition, a survey was carried out into ethnic diversity. The conclusions of this survey are currently being incorporated into our processes. Our performance appraisals for instance, are being made 'culture-free'. Furthermore, two brainstorming sessions were held with colleagues from a multicultural background. As with our gender diversity policy, we intend to embed ethnicity as a theme in our diversity approach in the coming financial year.

Our diversity policy was further extended by making our Gay & Lesbian network a member of the Company Pride Platform, with which such companies as Philips, TNT and ING are also affiliated. In addition, last year the 649 women who form part of the four women's networks undertook initiatives in the fields of networking, profile-raising and dilemma-solving, the high point being the Finance, Fashion, Food Event attended by a large number of prominent businesswomen.

Objectives for 2008/2009	Objectives for 2009/2010
<ul style="list-style-type: none"> ● Make our values and CR a more integral part of our project assessments ● Increase the number of female partners from 5% to 10% by 2011 ● Embed diversity in all our processes, such as recruitment and selection, communication, Learning & Development, assessments and promotions ● Achieve 65% participation in the PwC Vitality Scan ● Achieve the IHMQ 'Model of Good Practice Health Management' Certificate ● Develop an information brochure on home workplace design 	<p>Promote further integration of CR and diversity into talent management and management development</p> <ul style="list-style-type: none"> ● Make our values and CR a more integral part of our project assessments ● Increase the number of female partners from 5% to 10% by 2011 ● Embed diversity in all our processes, such as recruitment and selection, communication, Learning & Development, assessments and promotions ● Implement Giving Back activities with active involvement of at least 30 PwC employees <p>Achieve 65% participation in the PwC Vitality Scan</p>

Our impact on the environment

Since 2005 PwC has pursued an active environmental policy. The introduction of our climate-neutral lease scheme marked a clear step forward in reducing our CO₂ emissions. Since the start of this scheme, both standard and actual fuel consumption have fallen year-on-year, and this downward trend continued during the past year. In 2008/2009 our lease cars were 2.5% more fuel-efficient (standard consumption) than in 2007/2008, and actual fuel consumption decreased by 1.2% compared to 2007/2008. The year-end settlement based on our bonus-penalty system shows that, in 2008/2009, 75% of our lease drivers remained within the set bandwidth in terms of actual fuel consumption (2007/2008: 75%). A total of 463 employees received a bonus for driving more economically than expected on the basis of the standard consumption, while 143 employees incurred a penalty. To ensure that our car scheme continues to incentivise employees in the future, we have decided to evaluate the scheme and review the averages used for determining the bonus-penalty.

In 2008/2009 we saw a slight decrease in our CO₂ footprint, mainly due to a considerable reduction in air travel, partly as a result of cost-saving measures. In 2008/2009 we flew over 22 million kilometres, down from almost 32 million kilometres in 2007/2008. We measure our own energy consumption wherever possible. Where no actual consumption figures are available, we make an estimate based on extrapolation. This year our total energy consumption was 103.3 terrajoules.

Climate neutral

Since 2007/2008 PwC's business activities have been climate neutral because we buy CO₂ credits that compensate the CO₂ emissions of our car usage and air travel and of our energy consumption. We do this by investing in renewable energy projects certified according to the Gold standard. This standard was developed by the environmental movement and imposes strict sustainability requirements.

Objectives for 2008/2009	Objectives for 2009/2010
<ul style="list-style-type: none"> ● Reduce our 2008 CO₂ emissions by 10% by 2011 ● Further reduce our paper consumption per FTE ● Draw up a CO₂ reduction plan as part of the Young Leaders for Nature Project ● Create an Ambassadors Network of Young Leaders for Nature within PwC 	<ul style="list-style-type: none"> ● Reduce our 2008 CO₂ emissions by 10% by 2011 ● YLfN organisation (in cooperation with others) of the Forum 2010 at PwC ● Take stock of green ICT opportunities in terms of CO₂ reduction and cost reductions

Activities of Young Leaders for Nature

The environment is not the area in which PwC has its greatest impact on society. Therefore, the main purpose of our focus on the environment is to heighten our employees' awareness of CR in a broad sense. One initiative that had a positive impact in the past year was the work of the PwC Young Leaders for Nature (YLfN). This is a group of young PwC employees who are keen to support CR and who submit ideas and initiate activities to draw this issue to the attention of all our employees in a way that is constructive and fun.

In the past year YLfN undertook various initiatives. This growing network started out by organising a 'tire pressure check' during the PwC Management Day on 14 November 2008. Of the 696 cars checked, no less than 71% had at least one under-inflated tire. Inflating these tires to the right pressure saved 17.2 tonnes of CO₂. YLfN wishes to organise more of these initiatives to increase awareness of CR.

Another major focus for YLfN involved the creation of a 'CR Community' for colleagues who are interested in this issue. Members of the CR Community can share CR information, discuss CR issues and sign up for CR activity alerts. On 30 June 2009 there were 110 CR Community members. Colleagues can register voluntarily and are kept informed via newsletters and an intranet site. On this site, named Me@World, YLfN has set up a system that analyzes PwC's CO₂ emissions down to the individual employee level.

About our Corporate Responsibility Report

PwC reports annually on the corporate responsibility issues that we – in dialogue with our stakeholders – believe to be the most relevant to our company. This Corporate Responsibility Report is identical to last year's report in terms of scope and extent. The definitions and reporting criteria have remained largely unchanged. Those changes that have taken place are identified and explained. The quantitative information is accompanied by comparative figures from previous years.

The information in this report is confined to PwC's activities in the Netherlands. For extensive information on the corporate responsibility activities of our international organisation, we refer to the website www.pwc.com/globalcommunities. As in the other sections of this Annual Report, the qualitative and quantitative data in the Corporate Responsibility Report relate to the past financial year (1 July 2008 - 30 June 2009).

Each chapter summarises our objectives in a table, with different colours indicating how satisfied we are with the progress made and results achieved in the past year. Green stands for objectives achieved. Orange indicates that we are not dissatisfied, though the objective was not wholly achieved. Red means that we are dissatisfied with the progress made.

All quantitative information in this report is based on measurements, unless otherwise indicated. We have no automated system for CR, but we periodically collect the related information using a standardised questionnaire that is completed by the relevant departments.

In addition, we make use of data from our central systems, including our financial systems.

CO₂ emissions are calculated with the aid of publicly available conversion factors.

The information on energy is based on extrapolation as energy data are not available for all office buildings. This is explained in the text where applicable.

CO₂ emissions were calculated using the conversion factors given below, which differ slightly from last year because we have used more recent conversion factors. These are largely taken from the 'Greenhouse Gas Protocol', supplemented with a number of national CO₂ emission factors.

- Diesel = 0.17 kg CO₂/ km
- Petrol = 0.18 kg CO₂/ km
- LPG = 1.61 kg CO₂/ liter
- Short-haul flight = (< 1,000 km one way) = 0.18 kg CO₂/ km
- Long-haul flight = (> 1,000 km one way) = 0.11 kg CO₂/ km
- Train = 0.04 kg CO₂/ km
- Gas consumption = 1.79 kg CO₂/ m³
- Electricity consumption = 0.39 CO₂/ kWh



We apply the Global Reporting Initiative (GRI) G3 guideline to the extent that it is applicable to our organisation. The GRI Table in the appendix shows which indicators we consider particularly relevant to our stakeholders. The table refers the reader to the page containing the information about each indicator. G3 distinguishes different levels of application. This report is based on the B+ application level, which means that it contains information on all issues that the GRI requires to qualify for the B level. The '+' indicates that external assurance was obtained for the report.

We have requested that our external auditor provide reasonable assurance on the data (and notes) reported in the sections entitled 'Our impact on society', 'Our impact on people', 'Our impact on the environment' and 'Key CR figures'. As regards the other information in the Corporate Responsibility Report, we have requested limited assurance. The auditor's assurance report, which includes an account of the work performed, is on page 92 of this report.

Key CR Indicators

	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
Culture, ethics and values					
Number of complaints and reports ¹	1	3	1	3	2
Market: Client Service Delivery					
Number of CR-related client engagements	69	73	64	NM	NM
Increase/decrease in CR-related revenue (percentage) ²	-11.1	33.2	NM	NM	NM
Market: Supply Chain Responsibility					
Electricity from renewable sources (%) ³	54.5	70.1	14.2	0	0
Society: Public Debate					
CR Index 'contribution to the public debate'	135	128	NM	NM	NM
Society: CR Projects					
Number of staff engaged in CR (per 100 FTEs)	13.0	10.9	9.2	8.1	3.0
Number of completed CR projects ⁴	61	54	37	28	7
- Strategic partnerships	N/A	3	1	1	1
- 'My Projects'	59	51	36	27	6
- 'Our Projects'	2				
Number of hours spent on CR projects ⁴	23,680	19,020	15,506	12,375	4,230
- Strategic partnerships	7,191	7,377	5,224	3,624	1,148
- 'My Projects'	9,398	7,439	6,906	6,531	1,865
- 'Our Projects'	2,466				
- Internal projects and general coordination	4,625	4,204	3,376	2,220	1,217
People: Responsible Leadership					
Number of participants in Responsible Leadership programmes ⁵	57	37	11	NM	NM
Number of hours spent on Learning & Development (per FTE)	120	129	129	121	118
Diversity (percentage of women)	41.1	41.0	40.3	39.7	39.9
- Support staff	69.6	70.9	67.6	68.7	69.1
- Professional staff	34.5	34.0	33.4	32.7	32.4
- Partners	6.7	5.3	4.0	3.7	3.0
Impact on our employees					
Number of staff per job category	4,938	4,870	4,671	4,526	4,341
- Support staff	1,144	1,126	1,098	1,080	1,086
- Professional staff	3,524	3,481	3,325	3,203	3,020
- Partners	270	263	248	243	235
Number of staff per Line of Service					
- Assurance	2,355	2,414	2,390	2,318	2,210
- Tax & HRS	1,392	1,341	1,274	1,255	1,228
- Advisory	614	554	463	401	354
- Firm Services	577	561	544	552	549
Number of staff in a positive frame of mind (percentage)					

1) Handled by the Business Conduct Committee or Complaints Committee.

2) Definition has changed. Growth for 2007/2008 adjusted.

3) Percentage consumption for 2007/2008 adjusted.

4) Definition has changed. Centrally coordinated projects are now classified as 'Our Projects' or as continuing strategic partnerships.

5) This relates to the international PwC Leadership Programmes Genesis Park, Ulysses and My Way (two-year).

	2008/2009	2007/2008	2006/2007	2005/2006	2004/2005
- Would recommend PwC as an attractive employer	79	79	86	83	86
- Are proud to work for PwC	83	83	85	82	86
- Believe PwC offers good opportunities for personal growth	84	84	88	87	86
Absenteeism (percentage)	3.5	3.7	3.9	4.1	4.5
Recruitment and attrition (number of staff)					
- Voluntary attrition	471	556	596	545	493
- Non-voluntary attrition (incl. retirement)	234	140	167	163	181
- New recruits	779	923	949	898	786
- Seconded from PwC	44	48	49	55	32
- Seconded to PwC	37	62	49	56	42
Average employee age	33.4	33.2	33.1	32.9	32.9
Service years					
- For male employees	7.0	6.9	7.0	7.2	7.5
- For female employees	6.4	6.2	6.2	6.4	6.5
Part-time work					
- Percentage of men working part-time	11.0	10.8	10.1	9.5	8.2
- Percentage of women working part-time	43.2	41.6	41.4	41.5	43.0
Workload (in hours)					
- Average number of screen-based working hours per day	3.39	3.31	3.30	3.27	3.20
Impact on the environment					
Paper (in kg per FTE)					
- Purchased printer and copier paper	72	95	96	78	81
- Recycled paper, cardboard and printed matter	59	71	70	NM	NM
Car ⁶					
- Number of business kilometres (per FTE)	13,074	13,926	13,643	13,832	14,196
- Average standard consumption ⁷	6.6	6.8	7.0	7.3	NA
- Average actual consumption ⁷	7.7	7.8	7.9	8.6	NA
- Number of bonuses awarded under the climate-neutral car scheme	463	496	561	0	0
- Number of penalties issued under the climate-neutral car scheme	143	97	131	0	0
Air travel					
- Number of kilometres flown (per FTE)	4,760	7,135	5,497	5,657	4,429
Train					
- Number of business kilometres (per FTE)	238	202	107	NM	NM
- Number of journeys (per FTE)	1.9	1.5	0.8	NM	NM
CO ₂ emissions (in tons)	18,396	18,531	21,127	21,133	19,987
- Cars	10,810	11,005	10,573	10,414	10,494
- Air	2,689	3,982	3,000	2,919	2,248
- Train	45	31	16	NM	NM
- Electricity ⁸	2,800	1,414	5,595	6,398	5,742
- Gas ⁸	1,464	1,349	1,283	1,402	1,504
- District heating	587	750	659	NM	NM
CO ₂ compensation (in tons)	18,396	18,531	21,127	11,304	0

6) Excluding partners.

NA: Not available NM: Not measured

7) Based on calendar years.

8) Extrapolated on the basis of actual measurements.

Assurance

External Assurance

We consider it important that we also obtain external assurance on our Corporate Responsibility Report. In our engagement to KPMG we requested reasonable assurance on the most important sections of our Corporate Responsibility Report and limited assurance on the other sections. The difference between the two lies in the scope and extent of the assurance procedures and consequently the amount of evidence obtained to substantiate the conclusions. For the future we intend to move towards reasonable assurance for the entire Corporate Responsibility Report.

In addition to their conclusions on the reliability of the information in the report, KPMG also gave us recommendations, which we will give serious consideration in the preparation of our next Corporate Responsibility Report. Our annual CR plan consists of actions aimed at achieving the objectives contained in this report. In our next report we will provide an update on the progress made in respect of our objectives and ambitions based on the results of these actions.

Assurance report

To the readers of the Corporate Responsibility Report 2008/2009 of PricewaterhouseCoopers B.V.

Introduction

The Board of Management of PricewaterhouseCoopers B.V. (further referred to as: PwC) has asked us to provide assurance on the information in the Corporate Responsibility Report 2008/2009 (further referred to as: the Report). The Report, including the identification of issues to be reported, is the responsibility of the Board of Management of PwC. Our responsibility is to issue an assurance report on the information in the Report.

Context and scope

In the Report PwC describes its efforts and results in the field of corporate responsibility (CR).

Our engagement was designed to:

- Provide reasonable assurance as to whether the data for the financial year 2008/2009 and accompanying notes on the following subjects are reliable:
 - PwC's impact on society in the section entitled 'Our impact on society';
 - PwC's responsibility as employer in the section entitled 'Our impact on people';
 - PwC's impact on the environment in the section entitled 'Our impact on the environment';
 - PwC's results in the section entitled 'Key CR figures'.
- Provide limited assurance as to whether the other information in the Report is fairly stated. The procedures performed to obtain limited assurance are aimed at determining the plausibility of information and are less extensive than those performed to obtain reasonable assurance.

Standards and criteria

We conducted our engagement in accordance with Standard COS3410N. This Standard requires, among other things, that the members of the assurance team possess the specific knowledge, skills and professional competencies needed to understand and review the information in the Report, and that they comply with the requirements of the IFAC Code of Ethics for Professional Accountants to ensure their independence.

There are no generally accepted standards for reporting corporate responsibility performance. PwC applies the Sustainability Reporting Guidelines (G3) of the Global Reporting Initiative (GRI) for drawing up the Report.

Work undertaken

With regard to the reliability of the data for the 2008/2009 financial year and the accompanying notes on the subjects listed in 'Context and scope', we performed the following activities:

- Assessment and testing of the operation of the systems and processes used for information registration, collection and management for the reported data and accompanying notes, including calculations and consolidation of results;
- Auditing of internal and external documents to determine whether the information in the Report is supported by sufficient evidence;
- Analysis of the reported data and accompanying notes;
- Auditing the application of the internal policies for information management and the internal controls used in drawing up the reported data and accompanying notes;
- Interviews with staff responsible for the analysis and reporting of the data and accompanying notes for these indicators.

With regard to the other information in the Report, we carried out the following activities:

- A review of the results of the stakeholder dialogue;
- A review of the systems and processes for information management, internal control and processing of the other information;
- A review of the internal and external documents to determine whether the information in the Report is supported by sufficient evidence;
- Interviews with staff responsible for the analysis and reporting of the data in relation to these indicators;
- A review of the application level according to the GRI G3 Guidelines.

Conclusions

Based on our work, we conclude that the data for the financial year 2008/2009 and accompanying notes are reliable for the subjects 'Our impact on society', 'Our impact on people', 'Our impact on the environment' and 'Key CR Indicators, on the basis of the reporting principles as set out on page 88.

Based on our work, the other information in the Report does not appear to be unfairly stated, on the basis of the reporting principles as set out on page 88.

Recommendations

Our review led to recommendations for improving the Report. Without affecting the conclusions presented above, we would like to draw the readers' attention to the following:

In the Report, PwC has explained the activities and objectives in relation to the selected strategy. In order to strengthen the Report's focus on the CR achievements and results, we recommend PwC in next year's Report to place more emphasis on the short and medium term objectives and to evaluate the activities and progress more explicitly in the light of the medium term objectives.

Amstelveen, 18 September 2009

KPMG Sustainability
W.J. Bartels