

*United Nations Global  
Compact*

Communication on Progress:  
FY2014

March 2015

*part  
of it:*

## ***About this document***

This document is PwC's Communication on Progress (COP) for the UN Global Compact (UNGC). It outlines our plans, progress and achievements in the area of corporate responsibility (CR), aligned with the UNGC's ten principles.

As in FY13, this document has been integrated with our existing approach to corporate reporting. The relevant information can be found in our 2014 Global Annual Review, our global CR website and PwC firms' websites. To demonstrate our alignment with the principles we have provided links to examples of our policies, public commitments, and specific initiatives, including work with clients. This document also provides examples of the actions we have taken as endorsers of the **CEO Water Mandate** and as recent signatories to the **Women's Empowerment Principles**.

The UNGC Active level requires participants to meet, or have specific plans to meet, each of the UNGC principles. These may be met at a local level through the implementation of a variety of established or emerging best practices. We have met this requirement and implemented or plan to implement best practices across various PwC firms and where possible, the Network.

Firms in the PwC network have different priorities in relation to CR so our global CR strategy provides a common vision for leadership but allows for flexibility in the pace, prioritisation and localisation of activities. Similarly, some PwC firms are more advanced in their progress in implementing the UNGC principles.

This document includes a number of case studies which highlight initiatives from PwC firms that demonstrate how the principles are implemented. These examples are drawn primarily from larger PwC firms as these represent areas where we have the greatest impact. This document is not designed to be an exhaustive list of all the ways in which PwC firms have aligned to the principles.

Please note that throughout the report we refer to the global network of separate PwC member firms as 'the Network'. The terms 'PricewaterhouseCoopers', 'PwC', 'our' and 'we' are used to refer to the network of member firms of PricewaterhouseCoopers International Limited or, as the context requires, to one or more PwC member firms. The PwC member firms are separate legal entities. For more information, see <http://www.pwc.com/structure>

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## ***How PwC acts as a catalyst for change***

A key aspect of our CR strategic intent is to be a 'catalyst for change' by helping to solve some of the world's important problems through our work with clients, thought leadership and stimulating debate. Every year, PwC firms invest significant resources to help develop new standards and to stimulate the debate on important issues, many of which support the UNGC principles. Included below are several links containing our contributions to a wide range of issues and we have also included a few specific examples within each of the sections covering the UNGC principles.

- **Megatrends** - our leadership explores how global megatrends are impacting business  
<http://www.pwc.com/gx/en/issues/megatrends/index.jhtml> and  
<http://www.pwc.com/gx/en/issues/strategy/emerging-markets/africa/african-megatrends.jhtml>
- **Sustainability** - our services, research and insights -  
<http://www.pwc.com/gx/en/sustainability/index.jhtml> and  
<http://www.pwc.com/gx/en/issues/sustainability.jhtml>
- **Our contribution to the debate** - including results of our annual CEO survey and our leadership's point of view on the big issues <http://www.pwc.com/gx/en/about-pwc/contribution-to-debate/index.jhtml> and <http://www.pwc.com/gx/en/ceo-survey/index.jhtml>
- **World watch** - news and opinions on corporate reporting issues facing business today  
<http://www.pwc.com/gx/en/audit-services/corporate-reporting/publications/world-watch/index.jhtml>
- **Public Sector Research Centre (PSRC)** - through PSRC, we set out our opinions and ideas in public service areas where our professional skills, and our global reach, mean we can contribute our practical experience and insight to the debate. We enable a collaborative exchange of ideas which helps to inform the development and delivery of workable solutions to public sector challenges  
<http://www.pwc.com/gx/en/psrc/index.jhtml>

The following pages provide an overview of how PwC has implemented the UNGC principles by providing links to our policies, public commitments, examples of specific initiatives, our performance metrics and territory case studies. We have also highlighted examples of how we reflect the UNGC principles in our thought leadership and our work with clients.

## Meeting our UNGC commitments

Statement from Dennis Nally, our Global Chairman, outlining PwC's commitment to the UNGC

<http://www.pwc.com/gx/en/corporate-responsibility/global-cr-strategy/our-commitment-to-the-ungc.jhtml>

### Human rights and Labour rights principles: Principles 1 – 6

#### Assessment, policy & goals / Implementation

As stated in our Global Code of Conduct, PwC respects and supports fundamental human rights and we work to guard against complicity in human rights abuses. The PwC Global Code of Conduct and local employment policies capture the essence of our approach to human rights and to building a culture of respect and inclusion – by clearly setting out the way we expect PwC people to do business.

**Our Global Code of Conduct:** <http://www.pwc.com/gx/en/ethics-business-conduct/code-of-conduct.jhtml>

**Our core values:** <http://www.pwc.com/gx/en/ethics-business-conduct/our-values.jhtml>

**Child Labour:** PwC will only employ workers who meet the applicable minimum legal age requirements and comply with all other applicable child labour laws.

**Forced Labour:** PwC will not use any involuntary labour of any kind, such as prison, bonded or forced labour.

**Health, Safety and Hygiene:** PwC employees work in an environment that is both safe and healthy, in line with local firm health and safety policies, and in compliance with applicable laws and regulations regarding working conditions.

**Freedom of Association:** We recognise that all our people have the right to form and join organisations of their own choosing, subject to local laws and regulations, as long as this activity does not contravene the local firm's external appointments policy, which seeks to ensure our independence, in line with the regulatory requirements of our business.

#### Embracing Diversity & Inclusion at PwC:

- Global Annual Review: Diversity & Inclusion: <http://www.pwc.com/gx/en/annual-review/network/diversity-inclusion.jhtml>
- Global Diversity & Inclusion website: <http://www.pwc.com/gx/en/diversity-inclusion/index.jhtml>
- Global Diversity week 2014: <http://www.pwc.com/gx/en/diversity-inclusion/assets/pwc-global-diversity-week-march-2014.pdf>
- Global Annual Review: Our People: <http://www.pwc.com/gx/en/annual-review/network/people/index.jhtml>

FY15 has seen significant developments in the Network's Diversity & Inclusion activities:

- PwC is a founding IMPACT member of the UN Heforshe gender equality initiative: <http://www.heforshe.org/>
- PwC is a signatory to the UN Women's Empowerment Principles: <http://weprinciples.org/Site/>

**Global Diversity Week and PwC Diversity & Inclusion Strategy:** [http://www.pwc.com/en\\_GX/gx/diversity-inclusion/assets/pwc-global-diversity-week-march-2014.pdf](http://www.pwc.com/en_GX/gx/diversity-inclusion/assets/pwc-global-diversity-week-march-2014.pdf)

**Global CR strategy:** <http://www.pwc.com/gx/en/corporate-responsibility/strategy.jhtml>

**Public global CR commitments FY2014 – FY 2016:** <http://www.pwc.com/gx/en/corporate-responsibility/global-cr-strategy/our-cr-commitments.jhtml>

**How we engage with key stakeholders, including our people:** <http://www.pwc.com/gx/en/corporate-responsibility/stakeholder-engagement.jhtml>

**Ethics and business conduct whistle-blowing facility:** <http://www.pwc.com/gx/en/ethics-business-conduct/global-ethics-contact-us.jhtml>

**Standards and internal quality control measures (including data privacy)** - all PwC firms must adhere to network standards and there are measures to monitor compliance: <http://www.pwc.com/gx/en/global-annual-review/committed-to-transparency.jhtml>

**Protecting our people:** For additional information on our approach to Network security please see Appendix A for information on PwC's approach to Network Integrated Security (NIS).

## **Measurement of outcomes**

**PwC firms recognised for best practices in Diversity & Inclusion:** <http://www.pwc.com/gx/en/diversity-inclusion/best-practices/pwc-global-awards.jhtml>

**Measuring our people's engagement and listening to their feedback - Global People Survey:** <http://www.pwc.com/gx/en/global-annual-review/our-people-proud-to-be-at-pwc/index.jhtml>

**Public global CR commitments - Progress against our CR commitments:** <http://www.pwc.com/gx/en/corporate-responsibility/our-performance/cr-commitments.jhtml>

## **Territory examples**

### **PwC UK**

- Corporate sustainability document download centre: <http://www.pwc.co.uk/corporate-sustainability/downloads.jhtml>
  - Code of conduct
  - Health and safety policy
  - Human rights policy
  - Procurement policy
- Paying the London Living Wage: <http://www.pwc.co.uk/corporate-sustainability/supply-chain.jhtml>
- Promoting employee wellbeing: <http://www.pwc.co.uk/corporate-sustainability/promoting-wellbeing.jhtml>
- Diversity & Inclusion open mind e-learning: <http://www.pwc.co.uk/corporate-sustainability/opening-minds-diversity-case-study.jhtml>

### **PwC US**

- Demonstrating integrity: <http://www.pwc.com/us/en/about-us/corporate-responsibility/corporate-responsibility-report-2013/building-trust/demonstrating-integrity/index.jhtml>
- PwC US' commitment to diversity: <http://www.pwc.com/us/en/about-us/diversity/pwc-diversity-commitment.jhtml>

### **Local codes of conduct:**

- PwC Australia: <http://www.pwc.com.au/about-us/code-of-conduct.htm>
- PwC China / Hong Kong: [http://www.pwchk.com/home/eng/code\\_of\\_conduct.html](http://www.pwchk.com/home/eng/code_of_conduct.html)

**PwC Central and Eastern Europe's commitment to privacy:** <http://www.pwc.com/c1/en/site-information/privacy-statement.jhtml>

**PwC South Africa's approach to Diversity & Inclusion:** <http://www.pwc.co.za/en/about-us/diversity-and-inclusion.jhtml>

## **Examples of our work with clients which support UNGC's principles**

**Helping our clients to manage their people:** <http://www.pwc.com/gx/en/hr-management-services/index.jhtml>

### **Stimulating debate and sharing best practice on issues including human rights:**

- <http://www.pwc.com/gx/en/audit-services/corporate-reporting/publications/world-watch/articles/spotlight-on-human-rights-reporting.jhtml>
- [http://pwc.blogs.com/the\\_people\\_agenda/](http://pwc.blogs.com/the_people_agenda/)

**Support for humanitarian relief and disaster resilience -** PwC firms contribute to humanitarian relief in many ways, below are just two examples in FY14:

- RISE - working with the UN and other key stakeholders to embed disaster risk management into business investment decisions: <http://www.pwc.com/gx/en/governance-risk-compliance-consulting-services/resilience/publications/rise.jhtml>
- PwC brings relief to typhoon hit Philippines: <http://www.pwc.com/gx/en/global-annual-review/corporate-responsibility/pwc-brings-cheers-to-typhoon-hit-philippines-province.jhtml>

## Environmental principles: Principles 7 - 9

### Assessment, policy & goals / Implementation

**Environmental stewardship is a focus area of the Global CR strategy:** <http://www.pwc.com/gx/en/corporate-responsibility/strategy.jhtml>

**A summary of our environmental stewardship activities:** <http://www.pwc.com/gx/en/corporate-responsibility/environment.jhtml>

**Public network environmental statement:** [www.pwc.com/gx/en/corporate-responsibility/environment/pwc-network-environmental-statement.jhtml](http://www.pwc.com/gx/en/corporate-responsibility/environment/pwc-network-environmental-statement.jhtml)

**Public global CR commitments FY2014 – FY 2016:** <http://www.pwc.com/gx/en/corporate-responsibility/global-cr-strategy/our-cr-commitments.jhtml>

### Measurement of outcomes

**Our GHG footprint:** <http://www.pwc.com/gx/en/corporate-responsibility/our-performance.jhtml>

**Public global CR commitments - Progress against our CR commitments:** <http://www.pwc.com/gx/en/corporate-responsibility/our-performance/cr-commitments.jhtml>

### Territory examples

#### **Territory-specific environmental policies:**

- PwC Australia: <http://www.pwc.com.au/about-us/corporate-responsibility/environment/index.htm>
- PwC Mexico: <http://www.pwc.com/mx/es/acerca-nosotros/archivo/2014-09-declaracion-ambiental.pdf>
- PwC UK: [http://www.pwc.co.uk/en\\_UK/uk/assets/pdf/environmental-policy-statement-of-intent.pdf](http://www.pwc.co.uk/en_UK/uk/assets/pdf/environmental-policy-statement-of-intent.pdf)
- PwC US: <http://www.pwc.com/us/en/about-us/corporate-responsibility/assets/env-statement-kl.pdf>

#### **Reporting on a range of environmental indicators:**

- PwC China / Hong Kong: [http://www.pwccn.com/home/eng/cr\\_performance.html](http://www.pwccn.com/home/eng/cr_performance.html)
- PwC Russia: <http://www.pwc.ru/en/corporate-responsibility/environment.jhtml>

**PwC Canada – Taking measurable steps to reduce its environmental footprint:** <http://www.pwc.com/ca/en/corporate-responsibility/environment.jhtml>

**PwC UK - valuing the total impact of the business:** <https://www.pwc.co.uk/corporate-sustainability/valuing-our-total-impact.jhtml>

**PwC US – engaging staff through office Green teams:** <http://www.pwc.com/us/en/about-us/corporate-responsibility/corporate-responsibility-report-2013/managing-our-footprint/progress-toward-our-goals/green-teams.jhtml>

### Examples of our work with clients which support UNGC's principles

**Developing a carbon reduction plan for a transport and logistics client:** <http://www.pwc.com/gx/en/sustainability/publications/casestudy/strategic-sustainability.jhtml>

**Identifying environmental risks in the supply chain:** <http://www.pwc.com/gx/en/sustainability/publications/casestudy/supplychain-operations.jhtml>

**Considering environmental issues in private equity investment and ownership decisions:** <http://www.pwc.com/gx/en/sustainability/publications/casestudy/governance-risk-compliance.jhtml>

#### **Stimulating debate and sharing best practice on issues including environmental stewardship:**

- PwC UK's Low Carbon Economy Index: <http://www.pwc.co.uk/sustainability-climate-change/publications/low-carbon-economy-index.jhtml>

- The road to the 2015 climate negotiations in Paris: <http://www.pwc.co.uk/sustainability-climate-change/paris-2015/index.jhtml>
- The role of business in ending deforestation: <http://www.pwc.co.uk/sustainability-climate-change/publications/deforestation.jhtml>

## Anti-corruption principles: Principle 10

### Assessment, policy & goals / Implementation

**Code of Conduct:** <http://www.pwc.com/gx/en/ethics-business-conduct/code-of-conduct.jhtml>

**Global Annual Review – PwC's commitment to transparency:** <http://www.pwc.com/gx/en/annual-review/transparency.jhtml>

**Our approach to ethics and quality:** [www.pwc.com/gx/en/corporate-responsibility/global-cr-strategy/ethics-and-quality.jhtml](http://www.pwc.com/gx/en/corporate-responsibility/global-cr-strategy/ethics-and-quality.jhtml)

**Ethics and business conduct whistle-blowing facility:** <http://www.pwc.com/gx/en/ethics-business-conduct/global-ethics-contact-us.jhtml>

**Governance and transparency in the PwC network:** <http://www.pwc.com/gx/en/corporate-governance/index.jhtml>

**Strategic partnerships** - PwC is a strategic partner to the World Economic Forum (WEF) and our Chairman, Dennis Nally is active on the board of the Partnering Against Corruption Initiative (PACI): <http://www.pwc.com/gx/en/about-pwc/contribution-to-debate/strategic-partnerships/world-economic-forum.jhtml>

### Measurement of outcomes

**Standards and internal quality control measures** - all PwC firms must adhere to our network standards and we have measures in place to monitor compliance: <http://www.pwc.com/gx/en/global-annual-review/committed-to-transparency.jhtml>

**PwC UK quality and ethics scorecard:** <http://www.pwc.co.uk/corporate-sustainability/scorecard.jhtml>

### Examples of our work with clients which support UNGC's principles

**Governance, transparency and the audit committee:** <http://www.pwc.com/gx/en/audit-services/publications/regulatory-debate/governance-transparency.jhtml>

**2014 Global economic Crime Survey** - one of the broadest and most comprehensive surveys we have ever conducted. with over 5,000 global respondents, is focused not only on breaking down the facts, figures, trends and regions, but also on analysing how and where it may be affecting organisations so they can address the issue from both a preventive and strategic perspective: <http://www.pwc.com/gx/en/economic-crime-survey/index.jhtml>

**PwC Fraud Academy:** <http://www.pwc.com/gx/en/consulting-services/fraud-academy.jhtml>

## ***Appendix I – PwC Network Integrated Security (NIS)***

***The information below is accessible to all staff through internal systems. It has not been disclosed publicly in previous years.***

At PwC we consider the safety and wellbeing of our people to be paramount, and view security as an integral – and integrated – part of every facet of our Network’s business.

### **Proactive Risk Analysis and Security Operations**

In a world beset by increasing threats, from terrorism to natural disasters, any effort at safeguarding our people must begin with identifying and assessing such threats even before they materialize. That’s why NIS works with both internal and external sources to keep a cautious eye on world events, and proactively works to develop the strategies and tactics that can help PwC partners and staff steer clear of, or mitigate, the risks when they appear. A key example is travel security for our people, NIS and the other security professionals in our network of member firms consistently go above and beyond the basics of “duty of care” by emphasizing pre travel advice, providing briefings, tracking travel to enable real time contact with our people as needed, and working to ensure every employee is aware of the 24/7 medical and security assistance that is available to them through our arrangements with the world’s leading provider for such services. Every traveler has access to both web based security information, as well as a mobile app that delivers information and services to their mobile devices. NIS also devotes considerable resources to supporting our people working in higher risk locations, enabling them to meet their obligations to clients through the application of carefully considered security protocols and risk mitigation procedures. In addition to these operational, day-to-day activities, NIS produces periodic longer term assessments on key issues and trends, helping give the PwC network leadership a holistic view of the global risk environment.

### **Incident Management and Business Continuity**

Regardless of the emphasis on prevention, there will always be unforeseen events that require careful response and management. For example, in the aftermath of the Japan earthquake, and subsequent tsunami and nuclear disaster, NIS developed a clear set of incident management protocols to enable the network to deal with a wide range of possible incidents, including cyberattacks. Our member firms have developed similar approaches, tailored to their individual circumstances. Additionally, member firms have also stepped up efforts to further refine their existing business continuity plans to ensure that future incidents have minimal impact on our operations.

### **Integration**

Security works best when it is involved early and often in almost every aspect of the business, and security solutions are the most effective (and cost effective) when developed in tandem with the full range of stakeholders to a given issue. In this regard, NIS works closely with colleagues in functional areas across the network, as well as with client engagement teams. In addition, NIS chairs the PwC Security Group, consisting of the security professionals across our member firms, to share best practices, leverage experience, and ensure consistency of approach to issues of risk and security. To better serve our member firms in the farthest reaches of the globe, NIS is continuing to build out a regional security architecture that aims to have security professionals placed in key strategic areas, where they can be closer to the people they serve and can do so with greater speed and efficiency.

## ***Appendix II - The 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**

- 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.

### **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.