

UN Global Compact Communication on Progress 2016

This document is PwC’s Communication on Progress (COP) for the UN Global Compact (UNGC). It outlines our plans, progress and achievements aligned with the UNGC’s ten principles.

As in previous years, this document has been integrated with our existing approach to corporate reporting. The relevant information can be found in our 2016 Global Annual Review, our global CR website and individual 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.

PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. 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. This document includes a number of case studies which highlight initiatives from PwC firms that demonstrate how the principles are implemented. This document is not designed to be an exhaustive list of all the ways in which PwC firms have aligned to the principles.

Human Rights and Labour Principles	Key Areas	Global Approach	Global Examples	Firm Level Examples
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p> <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the</p>	<p>Human Rights</p>	<p>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.</p> <p>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.</p> <p>In addition, our refreshed values drive the way we behave with each other, our clients, and our communities. They are: Act with integrity; make a difference; care; work together; and reimagine the possible.</p>	<ul style="list-style-type: none"> • Our Global Code of Conduct • Our Core Values • Ethics and business conduct whistle-blowing facility • Standards and internal quality control measures (including data privacy) – all PwC firms must adhere to network standards and there are measures to monitor compliance. 	<p>Local codes of conduct:</p> <ul style="list-style-type: none"> • PwC Australia • PwC China/Hong Kong • PwC UK <p>Local human rights policies:</p> <ul style="list-style-type: none"> • PwC UK • Corporate sustainability document download centre: Human rights policy

<p>right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> <p>Principle 5: the effective abolition of child labour; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>		<p>We have produced a global Human Rights Policy to support the commitment in our Global Code of Conduct to respect and support internationally declared human rights. It will be launched externally in the next few months.</p>		
	<p>Labour</p>	<p>Child labour: PwC will only employ workers who meet the applicable minimum legal age requirements and comply with all other applicable child labour laws.</p> <p>Forced labour: PwC will not use any involuntary labour of any kind, such as prison, bonded or forced labour.</p> <p>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.</p> <p>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</p>	<ul style="list-style-type: none"> • Protecting our people: For additional information on our approach to Network security please see Appendix I for information on PwC’s approach to Network Integrated Security (NIS). 	<ul style="list-style-type: none"> • PwC UK - Corporate sustainability document download centre: <ul style="list-style-type: none"> o Health and safety policy o Human rights policy o Procurement policy - Human rights and modern slavery - Promoting employee wellbeing <ul style="list-style-type: none"> • PwC Central and Eastern Europe - PwC Central and Eastern Europe’s commitment to privacy

	<p>regulatory requirements of our business.</p> <p>Flexible Working: We recognise that people are most successful when they have the everyday flexibility they need to meet the demands of their professional life and accomplish the things they identify as priorities outside of their career. Several PwC firms have flexible working policies and practices in place and currently, PwC is working on a network-wide flexible working leadership commitment with accountability measures for success.</p> <p>Development: The foundation of our leadership development experience is our global career progression framework, the PwC Professional. This is a single set of expectations across our organization that clearly identifies the attributes and behaviours our people need to solve important problems and realize new opportunities. Opportunities are at the heart of a career with us. Opportunities for our employees to grow as individuals, to build lasting relationships and make an impact in a place where people, quality and value mean everything.</p> <p>This framework is underpinned by national and international training programmes, on the job training, mentoring and shadowing programmes. They have been designed to ensure our people achieve their full potential.</p>	<p>Development</p> <ul style="list-style-type: none"> • PwC Leadership Development Experience • How we engage with key stakeholders, including our people • Measuring our people’s engagement and listening to their feedback – Global People Strategy • Global careers website 	<p>Flexible Working</p> <ul style="list-style-type: none"> • PwC Australia “All Roles Flex” • PwC Canada – working flexibly • PwC China/HK Flexible Work environment • PwC US Flexibility2
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	<p>Diversity and Inclusion</p>	<p>Embracing diversity and inclusion at PwC:</p> <p>PwC is a signatory to the UN Women’s Empowerment Principles</p> <ul style="list-style-type: none"> • As of January 2017, 57,409 PwC Employees have taken the HeForShe pledge. • In 2016, PwC released the HeForShe Gender IQ online course, designed to enhance the understanding of gender realities, barriers to progress, and personal action for change, created in collaboration with the UN. <p>PwC Global Leadership Team consists of an unprecedented 47% female, the highest representation ever of women at the global top leadership team level within the network.</p> <p>FY16 has seen significant developments in the Network’s Diversity and inclusion activities:</p> <ul style="list-style-type: none"> • PwC released Moving Women With Purpose, a thought leadership piece 	<ul style="list-style-type: none"> • Global Annual Review: Diversity and Inclusion • Global Annual Review diversity and inclusion statistics • Global Diversity and Inclusion website • HeForShe PwC-UN Gender IQ Online Course • Global Annual Review: Our People • HeForShe • HeForShe IMPACT Parity Report • UN Women’s Empowerment Principles • PwC’s diversity recognition from around the world • Moving Women with Purpose 	<ul style="list-style-type: none"> • PwC South Africa - PwC South Africa’s approach to diversity and inclusion • PwC Australia - Diversity and inclusion strategy • PwC Malaysia - Global Diversity Week – the Human Library • PwC Singapore - Diversity at PwC Singapore • PwC US - PwC US Chairman commitment to racial diversity in the workplace - PwC US’ commitment to diversity • PwC UK - Diversity and inclusion open mind e-learning - Diversity and inclusion gender pay gap audits and results

		<p>focusing on how international mobility contributes to women’s leadership potential and best practices in creating better gender equity in mobility.</p> <ul style="list-style-type: none"> • PwC released a comprehensive thought leadership piece on our diversity journey over the past decade which includes diversity interventions that have shown quantitative results with respect to creating a more diverse leadership pipeline and teams. The report also features PwC’s Inclusion Index, the tool used to identify specific diversity gaps and to measure progress. <p>Bob Moritz reiterated PwC’s commitment to Gender Equality as a keynote speaker at the HeForShe 2 year anniversary in Sep 2016 and again at the World Economic Forum in Davos in January 2017, on a panel on gender equality. IMPACT 10x10x10 champions commit to take bold, game-changing action to achieve gender equality within and beyond their institutions.</p>	<ul style="list-style-type: none"> • The PwC Diversity Journey • WEF 2017 – Bob Moritz on “Disrupting the Status Quo of Gender Roles” 	
	<p>Examples of our work with clients which support</p>	<p>In addition to the work we undertake in our own organisation, we also look to encourage our stakeholders including our clients to adopt best practice labour, human rights and</p>	<ul style="list-style-type: none"> • Helping our clients to manage their people • Stimulating debate and sharing best practice on 	<p>Support for humanitarian relief and disaster resilience – PwC firms contribute to humanitarian relief in many ways:</p>

	UNGC's principles	diversity practices. This means we can go above and beyond the positive impact we can have through our own operations.	<p>issues including human rights</p> <ul style="list-style-type: none"> - Spotlight on human rights reporting - PwC blogs- the people agenda 	<ul style="list-style-type: none"> • Helping the Kenya government to transform reproductive health for poor mothers in rural areas. • Teaming up with the UN to support HeForShe • RISE – working with the UN and other key stakeholders to embed disaster risk management into business investment decisions: • PwC brings relief to areas hit by Ebola and the earthquakes in Nepal • PwC supports girls education through the Girls Education Challenge • PwC Aspire to Lead programme brings gender equality content to clients, students, and millennials around the world
Environmental Principles	Key Areas	Global Approach	Global Examples	Firm Level Examples
<p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater</p>	Our strategy, policies and programmes	<p>At PwC we respect the environment and are committed to understanding and reducing our impact on the world - starting with our own footprint through to working with our clients and advocating for change.</p> <p>Our global environmental strategy is included in our broader corporate responsibility strategy. We encourage our local firms to align their</p>	<ul style="list-style-type: none"> • Global CR Strategy Environment • A summary of our environmental stewardship activities • Public network environmental statement 	<p>Environmental policies:</p> <ul style="list-style-type: none"> • PwC Australia • PwC Canada • PwC China/Hong Kong • PwC UK • PwC US <p>Environmental strategy and programmes:</p>

<p>environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>		<p>environmental strategies with the global strategy, as well as take action on local issues.</p> <p>Across the globe, our firms are guided by our Network Environmental Statement. Globally our efforts are focused on reducing energy usage from our offices and air travel – which are by far the greatest source of our emissions.</p> <p>We continuously monitor the impact that we have on the environment as a network and report global GHG figures every year.</p> <p>In FY16 we achieved our target for each of our 21 Strategy Council firms to have in place environmental policies aligned to our Network Environmental Statement.</p> <p>We have also achieved a reduction in emissions per employee of 8% on FY14 levels. However, gross and net emissions have increased and we will continue to actively manage our emissions, partly through making greater use of technology.</p> <p>At a local level several of our firms have made real progress in this area this year. For example our UK firm have led the way in pioneering an ambitious circular economy strategy which looks to not only bring circular economy principles into our own business but to help other</p>	<ul style="list-style-type: none"> • Public global CR commitments FY2014 – FY 2016 • Public commitment for COP21 and 22 • Our GHG footprint • Public global CR commitments – Progress against our CR commitments 	<ul style="list-style-type: none"> • PwC China/Hong Kong • PwC Malaysia • PwC US • PwC UK <p>Environmental reporting and outcomes</p> <ul style="list-style-type: none"> • PwC China/Hong Kong • PwC Brazil • PwC UK - Sustainability scorecard - Total impact measurement - Circular Economy • PwC US’ approach to engaging staff through office Green teams • PwC Netherlands
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	<p>Examples of our work with clients and partners who support UNGC's principles</p>	<p>The greatest impact we can have is through supporting our clients to improve their environmental outcomes and working with all our stakeholders to find new innovative solutions to environmental challenges in our areas of expertise. A few areas we have focused on this year have been the SDGs, the COP21 and 22 agreements, work on sustainable cities and our work around the sustainable accounting standards</p> <p>We want all our people to consider environmental opportunities in their work every day, and support them with our global network of over 700 specialists in our Sustainability & Climate Change practice.</p>	<ul style="list-style-type: none"> • Helping clients in the forestry, paper and packaging sector • Supporting the Paris agreement • Helping clients to respond to the Sustainable Development Goals (SDGs) • Developing thought leadership and practical ways for our clients to respond to the SDGs • Identifying environmental risks in the supply chain 	

			<ul style="list-style-type: none"> • Considering environmental issues in private equity investment and ownership decisions • Supporting the development of water management best practices • PwC's Low Carbon Economy Index • Helping to develop and disseminate sustainable accounting standards with the Sustainable Accounting Standards Board (SASB) • Work with World Business Council for Sustainable Development (WBCSD) on Action2020 and Low Carbon Tech Partnership 	
Anti-corruption principles	Key Areas	Global Approach	Global Examples	Firm Examples
Principle 10: Businesses should work against corruption in all its forms, including	Anti-corruption overview	Strategic partnerships – PwC is a strategic partner to the World Economic Forum (WEF) and our Global Chairman, is active on the board of the Partnering Against Corruption Initiative (PACI)	<ul style="list-style-type: none"> • Code of Conduct • Our approach to ethics and quality 	<ul style="list-style-type: none"> • PwC UK quality and ethics scorecard • PwC US Third Party Code of Conduct

extortion and bribery.		<p>Standards and internal quality control measures – All PwC firms must adhere to our network standards and we have measures in place to monitor compliance.</p>	<ul style="list-style-type: none"> • Governance and transparency in the PwC network <p>Network Standards</p> <ul style="list-style-type: none"> • Global Annual Review – PwC’s commitment to transparency • Ethics and business conduct whistle-blowing facility • Partnership with WEF • International anti-corruption summit statement of support • 2016 Network launched "Combatting Corruption and Money Laundering" e-learn. This demonstrates our drive to further the commitments made in the statement of support above. 	
	<p>Examples of our work with clients which support UNGC’s principles</p>		<ul style="list-style-type: none"> • Governance, transparency and the audit committee • PwC Fraud Academy • Food supply and integrity services 	

			<ul style="list-style-type: none">• 2014 Global Economic Crime Survey (biannual) - 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.	
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