

UN Global Compact Communication on Progress 2017

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 2017 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</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>Our Global Human Rights Policy and Guidance establishes the principles by which all Member firms, and all of our Partners and staff, respect human rights throughout their</p>	<ul style="list-style-type: none"> • Our Global Code of Conduct • Living our purpose • Our Global Human Rights Policy • 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 	<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>the effective recognition of the 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>business activities, and work to guard against complicity in human rights abuses, comply with applicable labour and employment laws, and draw on internationally recognised labour principles in how we do business. The Policy and Guidance build on the Global Code of Conduct, which sets out our commitment to respecting human rights, by providing more details on the requirements to which Member firms must adhere. This policy forms part of the expectations set out in our Network Standards.</p> <p>Our Human Rights Policy and related statement further supports the commitment to our Global Code of Conduct and outline the principles and commitments by which all territories respect human rights throughout their business activities, and embodies our understanding of the significance of human rights for a global professional services network.</p> <p>In addition, our 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>	<p>network standards and there are measures to monitor compliance.</p>	
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	<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 regulatory requirements of our business.</p> <p>Flexible Working and wellbeing: We recognise that people are most successful when they prioritize wellbeing and have the everyday flexibility they need to shape their experience and empower them to be their best both inside and outside of work.</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"> • Corporate sustainability document download centre: <ul style="list-style-type: none"> • Health and safety policy • Human rights policy • Procurement policy • Human rights and modern slavery • PwC Central and Eastern Europe's commitment to privacy <p>Flexible Working</p> <ul style="list-style-type: none"> • PwC US Flexibility² <ul style="list-style-type: none"> - Flexibility at PwC - Begins with trust - Flexibility at PwC - DiversityInc - Flexibility Placemat - The power of our differences • PwC Malaysia "Flex+ at PwC" • PwC Australia "All Roles Flex"
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	<p>Several PwC firms have flexible working policies and practices in place and currently, PwC launched is working on a network-wide flexible working leadership commitment and a wellbeing program 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><i>Enable our people to develop a digital mid-set - PwC's clients operate in a landscape that's becoming more and more disrupted</i></p>	<ul style="list-style-type: none"> • <u>Wellbeing</u> <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 <ul style="list-style-type: none"> • Digital Fitness 	<ul style="list-style-type: none"> • PwC Ireland "Benefits & Flexibility" • PwC South Africa "Expect More" • <p>Wellbeing</p> <ul style="list-style-type: none"> • PwC UK Green Light to Talk • PwC Switzerland "Energy to grow your own way" • • PwC Malaysia 'FitPwC' programme • PwC US <ul style="list-style-type: none"> - Be well, work well - Be well, work well - The Habit Bank - Discover Programme (milestone reward experience for new seniors, focusing on energy management)
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		<p>by digital technology. To help them convert this disruption into opportunity, it's essential that we remain ahead of the digital curve. PwC's new Digital Fitness solution aims to do just that, keeping PwC's people on top of the latest digital innovations.</p> <p>Engaging with our people: To create the most value for their businesses and communities, firms in the PwC network consult with their stakeholders and their own people to help decide business priorities.</p>		<p>Engaging with our people:</p> <ul style="list-style-type: none"> • Community engagement around the PwC network
	<p>Diversity and Inclusion</p>	<p>Embracing diversity and inclusion at PwC:</p> <p>Diversity has the potential to provide significant competitive advantage in the marketplace, helping to drive business performance and success through enhanced innovation by respecting, valuing and leveraging a wider variety of perspectives and skills.</p> <p>Our commitment to Diversity & Inclusion is reflected through our global D & I strategy which has 2 global focus areas of Gender and valuing differences and 1 focus area is left to the discretion of each country where PwC operates.</p> <p>Our endeavour is to create an inclusive environment within PwC by</p>	<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 	<ul style="list-style-type: none"> • PwC South Africa's approach to diversity and inclusion • PwC Australia Diversity and inclusion strategy • PwC Malaysia Global Diversity Week the Human Library • PwC Canada's approach to diversity and inclusion • PwC Japan's approach to diversity and inclusion

	<p><i>recognizing, respecting, valuing and leveraging</i> individuals with their identity and differences in a way that enhances our perspective or point of view.</p> <p>Our global focus on furthering the gender diversity is by making an impact through policies, such as ensuring gender proportionality in promotions, gender parity in experienced hiring, conducting predictive analysis to ensure a healthy pipeline of women for senior levels to 2020.</p> <p>Creating leadership accountability and influence with the key stakeholders are the key pillars of successfully delivering the strategy</p> <p>PwC is a signatory to the UN Women’s Empowerment Principles</p> <ul style="list-style-type: none"> • As of January 2018, 71,760 PwC people have made their HeForShe commitment. • In PwC we have 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. 7,979 employees have taken the online course. We are sharing this tool more widely to drive 	<ul style="list-style-type: none"> • UN Women’s Empowerment Principles • Moving Women with Purpose • The PwC Diversity Journey • Winning the Fight for Female Talent • WEF 2017 – Bob Moritz on “Disrupting the Status Quo of Gender Roles” 	<ul style="list-style-type: none"> • PwC Netherland’s approach to diversity and inclusion • PwC Singapore: Diversity at PwC Singapore • British Chamber of Commerce Singapore (BritCham) Embracing Diversity and Inclusion award 18th Annual Business Awards • PwC Switzerland’s approach to diversity and inclusion • PwC US <ul style="list-style-type: none"> - PwC US’ commitment to diversity - DiversityInc Top 50 Companies for Diversity, 2017 Working Mother 100 Best Companies, 2017 Best Companies for Multicultural Women - Member of the CEO Action for Diversity • PwC UK <ul style="list-style-type: none"> - Diversity and inclusion open mind e-learning - Diversity and inclusion gender pay gap audits and results - Top 50 Employer for Women and Top 75 Employer for Race (both unranked). British LGBT Awards Employer of the Year and Stonewall Workplace Equality Index Top 20 Employer (ranked 19th)
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		<p>awareness and action within and beyond our firm.</p> <ul style="list-style-type: none"> • PwC has been recognised as a key supporter by the UN Women and as recognition to our efforts on pushing gender diversity, the Global Chairman of PwC was selected for an independence speech at the UN HeForShe anniversary event. <p>PwC Global Leadership Team consists of an unprecedented 50% female, the highest representation ever of women at the global top leadership team level within the network.</p> <p>FY17 has seen significant developments in the Network's Diversity and inclusion activities:</p> <ul style="list-style-type: none"> • For the first time, we have an Indian/Asian Global Diversity Leader, who sits on the Global Leadership Team • PwC released "Winning the Fight for Female Talent", a thought leadership piece focusing on how to gain the diversity edge through inclusive recruitment. <p>PwC across the various countries has won various Diversity awards such as the BritCham 18th annual business awards- Embracing Diversity and Inclusion award and the DiversityInc</p>		<ul style="list-style-type: none"> • PwC Brazil <p>The People with Disability award received 2nd place on the great place to work for people with disability award from local State Government.</p>
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		Top 50 Companies for Diversity 2017.		
	Examples of our work with clients which support UNGC's principles	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 diversity practices. This means we can go above and beyond the positive impact we can have through our own operations.	<ul style="list-style-type: none"> • Helping our clients to manage their people • Stimulating debate and sharing best practice on issues including human rights <ul style="list-style-type: none"> - Spotlight on human rights reporting - PwC blogs- the people agenda 	<p>Support for humanitarian relief and disaster resilience – PwC firms contribute to humanitarian relief in many ways:</p> <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
Environmental Principles	Key Areas	Global Approach	Global Examples	Firm Level Examples
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Our strategy, policies and programmes	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.	<ul style="list-style-type: none"> • Global CR Strategy Environment • A summary of our environmental stewardship activities 	<p>Environmental policies:</p> <ul style="list-style-type: none"> • PwC Australia • PwC Canada • PwC China/Hong Kong • PwC UK

<p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Our global environmental strategy is included in our broader corporate responsibility strategy. We encourage our local firms to align their 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>This year, 55% of the electricity we consumed came from renewable sources, up from 50% last year and although our air travel increased by 1% our gross emissions have slightly decreased in FY17. 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. On top of the on-going ambitions around the circular economy, other highlights included a new responsible technology policy launched by our UK firm looking at the environmental and social,</p>	<ul style="list-style-type: none"> • Public network environmental statement • Public commitment for COP21 and 22 • Our GHG footprint <p>At the start of 2018 we will be launching an ambitious global environmental ambition focusing on renewable energy, reduction and offsetting.</p>	<p>Environmental strategy and programmes:</p> <ul style="list-style-type: none"> • PwC China/Hong Kong • PwC Malaysia • PwC US • PwC UK - Circular Economy • PwC Netherlands <p>Environmental reporting and outcomes</p> <ul style="list-style-type: none"> • PwC China/Hong Kong • PwC Brazil • PwC UK - Sustainability scorecard - Responsible technology • PwC Netherlands
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		<p>impacts and opportunities of technology for the business. Our Luxembourg firm have started to use gamification to inspire employees to get to work and several of our firms have implemented environmental volunteering programmes to continue to raise awareness of the issues with our employees.</p> <p>Many firms also work with their suppliers and clients to extend the impact they have in this area to their value chain. PwC Netherlands and PwC UK have started to look at supporting circular start-ups, which they hope to scale and then bring in to their own supply chains.</p>		
	<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 circular economy.</p> <p>We want all our people to consider environmental opportunities in their work every day, and support them with our global network of specialists in our Sustainability & Climate Change practice.</p>	<ul style="list-style-type: none"> • Innovation for the earth • Intelligent digital • Harnessing the 4th Industrial Revolution for Sustainable Emerging Cities • PwC's Low Carbon Economy Index • Private equity and the responsible investment journey • Taking action on SDG reporting 	

			<ul style="list-style-type: none"> • Developing thought leadership and practical ways for our clients to respond to the SDGs • Circular business models • Building the largest solar farm in the southern hemisphere • Helping clients in the forestry, paper and packaging sector • Supporting the Paris agreement • Supporting the development of water management best practices 	
Anti-corruption principles	Key Areas	Global Approach	Global Examples	Firm Examples
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Anti-corruption overview	<p>Strategic partnerships – PwC works extensively with numerous international agencies and national governments (e.g. UN, OECD, World Bank, IMF, European Commission, the Commonwealth Secretariat, the World Economic Forum PACI, Transparency International, etc.) to:</p> <ul style="list-style-type: none"> • Build capacity of countries to detect and reduce corruption 	<ul style="list-style-type: none"> • PwC is a strategic partner to the World Economic Forum (WEF) and our Chairman, Robert Moritz is active on the board of the Partnering Against Corruption Initiative (PACI) • PwC chairs the Anti-Corruption Summit 	

		<p>- for example undertaking forensic audits and investigations, conduct training initiatives regarding AML, corruption and other key initiatives</p> <ul style="list-style-type: none"> • Enhance implementation of anti-money laundering (AML) regulations, and procedures for the recovery of stolen assets • Extend work on tax reform, IFFs, procurement reform, and preventing corrupt companies from winning public contract <p>PwC Standards and internal quality control measures at territory and network level–</p> <ul style="list-style-type: none"> • Compliance with and as appropriate voluntarily adopting of national and international initiatives to prevent corruption • Established network level standards, policies guidance and procedures which require compliance by every member firm, including Network Code of Conduct and the Global Tax Code of Conduct - principles-based guidance to help PwC personnel ‘do the right thing’, as well as detailed policies and guidance supporting the Code(s) • Compliance with our Network Standard on anti-money laundering and anti-corruption, which require each 	<p>Working Group of 29 professional services firms (including the six largest accounting networks) focussed on preventing the proceeds of crime and corruption entering the legitimate capital and investment markets</p> <ul style="list-style-type: none"> • Code of Conduct • Our approach to ethics and quality • Governance and transparency in the PwC network • Network Standards • Global Annual Review – PwC’s commitment to transparency • Ethics and business conduct whistle-blowing facility • Global e-learn: Combatting Corruption and Money Laundering 	<ul style="list-style-type: none"> • PwC UK quality and ethics scorecard • Territory Transparency reports <ul style="list-style-type: none"> - PwC UK - PwC US
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		<p>PwC member firm to appoint a Partner responsible for its implementation and monitoring of performance against its requirements</p> <ul style="list-style-type: none">• All professional staff required to undertake annual training in requirements, procedures and processes in key areas including ethics, anti-corruption, anti-money laundering• ‘Know Your Client’ (KYC) processes in place to identify and verify clients including obligations to report suspect transactions where required in national legislation• Annual territory and network monitoring and remediation of the implementation and effective execution of key compliance standards including the KYC and AML standards, and anti-corruption standards.• All personnel sign a personal annual compliance confirmation across key compliance areas including: anti-corruption, anti-money laundering, ethics and codes of conduct.• During September 2017 PwC rolled out a new network wide mandatory e-learn focused on anti-corruption and anti-money laundering. In addition, PwC developed and rolled out policies, guidance and related training (Network wide) regarding the new IESBA Non-compliance with		
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		Laws and Regulations standard (NOCLAR) effective July 2017.		
	Examples of our work with clients which support UNGC's principles	PwC does extensive work with and for our clients to support anti-corruption initiatives	<ul style="list-style-type: none"> • Governance, transparency and the audit committee • PwC Fraud Academy • Food supply and integrity services • 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. • PwC chairs the Anti-Corruption Summit Working Group of 29 professional services firms (including the six largest accounting networks) focussed on preventing the proceeds of crime and corruption entering the legitimate capital and investment markets 	

			<ul style="list-style-type: none">• PwC Forensic Services Unit: with more than 4,000 staff globally, we advise on developing anti-corruption systems and controls for our clients	
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Appendix I – PwC Network Integrated Security (NIS)

The information below is accessible to all staff through internal systems.

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 materialise. 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 emphasising pre-travel advice, providing briefings, issuing travellers pre-emptive event notifications as necessary, 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 traveller has access to both web based security information, as well as a mobile app that delivers information and services to their mobile devices and online e-learning, to ensure they are fully equipped prior to their trip. 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. Most recently, NIS has helped improve incident management around the network, by supporting the establishment of the Security Operation Centre, which provides 24/7 assistance to PwC's business travellers. 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 a regional security architecture, most recently by developing a network of Territory Security Leads, ensuring a security contact is readily available within each member firm. By continuing to strive to have security professionals placed in key strategic areas, this ensures they can be closer to the people they serve and can do so with greater speed and efficiency.