

Our non-financial scorecard

Annual Review 2020

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Living our Purpose

Welcome to our non-financial scorecard for 2020.

It's ten years since we first published our non-financial scorecard. And it has never felt more relevant or more important. The pandemic has brought into sharper focus the link between business and society, and the need for a fairer, greener and more inclusive economy. And there has been a step change in the attention that investors, regulators and standards bodies are giving to reporting on Environmental, Social and Governance issues.

Our experience has been that robust, externally assured reporting can help drive positive change. It shows us where we need to focus our efforts, gives transparency to our stakeholders so they can hold us to account, and lays the ground for exploring new types and levels of disclosure.

This year's scorecard marks both an end and a beginning. In some areas, such as diversity, we've reached the end of our current target period. In others, like climate, we are resetting our ambition. We're particularly proud of the progress that we've made against our challenging environmental targets, reducing our total carbon emissions by 60% since 2007 while increasing our revenues by more than two thirds over the same period. Having recently committed to being 'net zero by 2030', we're resetting our baseline and are aiming to halve our operational footprint by 2030 versus our 2019 position.

The issues we cover in our scorecard align with the UN Sustainable Development Goals, and are the areas where we feel we can make a positive impact - living our Purpose to build trust in society and solving important problems.

Non-financial performance 2020

This document provides a consolidated view of our UK performance against the metrics that underpin our responsible business framework.

We prioritised these areas from our [materiality matrix](#), which we developed based on inputs from our stakeholders.

It is intended to be read in conjunction with the narrative in our 2020 digital [Annual Review](#) and our [website](#).

For more details about our metrics, see our [Reporting Criteria](#).

Responsible business framework

We hope you find our scorecard helpful in giving a clearer picture of our business and our impact.



Independent assurance report

Independent Limited Assurance Report to the members of PricewaterhouseCoopers LLP

We have been engaged by PricewaterhouseCoopers LLP (hereafter 'PwC') to provide independent limited assurance on PwC's 2020 non-financial scorecard.

Our conclusion

On the basis of our procedures nothing has come to our attention that causes us to conclude that the non-financial data in the 2020 Annual Review has not been prepared in all material respects in line with the Reporting Criteria¹.

This conclusion is to be read in the context of what we say below.

Selected information

The non-financial data included within the scope of our assurance report appears in the 'Data and downloads' section of PwC's online Annual Review for the financial year ended 30 June 2020, and on PwC UK's Purpose website².

It includes:

- all baseline and 2020 performance data for all metrics
- data relating to let area and full time equivalent employees for 2020 used in performance related ratios
- UK and Channel Islands

The scope of our work does not extend to any other information, although assurance was also gained in 2012-2019 inclusive, for the relevant data presented in those years. Details can be found within the assurance statements published in the Corporate Sustainability Annual Updates/Annual Reports for those years³.

Professional standards applied and level of assurance

We conducted a limited assurance review in accordance with International Standard on Assurance Engagements 3000 – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' ('ISAE 3000'); and, in respect of the greenhouse gas emissions information, in accordance with International Standard on Assurance Engagements 3410 – 'Assurance engagements on greenhouse gas statements' ('ISAE 3410'), issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. It does not include detailed testing of source data nor the operating effectiveness of processes and internal controls.

Independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales ('ICAEW') Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We apply International Standard on Quality Control (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was conducted by an independent and multi-disciplinary team with experience in sustainability reporting and assurance.

Understanding reporting and measurement methodologies

The Selected Information needs to be read and understood together with PwC's Reporting Criteria. The absence of a significant body of established practice on which to draw, and hence to evaluate and measure non-financial information, allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The Reporting Criteria used for the reporting of the Selected Information are for the 2020 reporting year.

Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, our procedures consisted primarily of:

- Reviewing PwC's material issues and reporting boundaries
- Making enquiries of relevant members of management at PwC
- Evaluating the design of the systems of internal control for capturing and reporting the source data
- Performing sample tests on a selection of the data prepared by PwC: this included 12 sites, selected on the basis of their inherent risk and materiality to PwC
- Analytically reviewing the data included within the scope of our report: this included limited substantive testing of the Selected Information at corporate head office to check that data had been appropriately measured, recorded, collated and reported
- Assessing the disclosure and presentation of the Selected Information for the intended stakeholders

In addition, we review all the information relating to sustainability in the Annual Review to assess whether there are any apparent material misrepresentations, misstatements or inconsistencies with the data we have reviewed.

PwC's responsibilities

The Executive Board – on behalf of the members – are responsible for:

- designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error
- establishing objective Reporting Criteria for preparing the Selected Information
- measuring and reporting the Selected Information based on the Reporting Criteria
- the content of the 2020 Annual Review

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained
- reporting our conclusion to the members of PwC

This report has been prepared to assist PwC in reporting its non-financial performance. We permit this report to be disclosed in the 2020 online Annual Review and on PwC UK's Purpose website⁴, to enable the members to show they have addressed their governance responsibilities by obtaining a sustainability assurance report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than PwC and PwC's members as a body, for our work, for this report, or for the opinions we have formed.



Richard Baker
For and on behalf of Crowe U.K. LLP
Chartered Accountants, London

27 January 2020

1. www.pwc.co.uk/who-we-are/our-purpose/performance/assurance.html

2. www.pwc.co.uk/who-we-are/our-purpose.html

3. www.pwc.co.uk/who-we-are/our-purpose/downloads.html

4. The maintenance and integrity of PwC's website is the responsibility of the members. The work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information or Reporting Criteria when presented on PwC's website.

Non-financial scorecard

Fair and trusted business

	Units	2022 target	Ongoing target	2020	2019	Base	Base year
Embedding our Purpose							
Awareness of our Purpose ¹	Percentage	–	80%	N/A ²	70%	20%	2016
Ethics and integrity							
Breaches of external audit independence regulations ³	Percentage	–	0%	0.32%	0.27%	0.24%	2012
Staff perception of ethical culture ⁴	Percentage	–	80%	N/A ²	76%	73%	2013
Issues raised via our Speak Up channels ⁵	Number	–	–	48	40	32	2017
Dismissals for misconduct ⁶	Number	–	–	19	16	14	2011
Information protection⁷							
ISO 27001: major non-conformities raised	Number	–	0	0	0	0	2011
ISO 27001: minor non-conformities raised	Number	–	–	5	3	10	2011
Fair payment							
Average partner pay vs average staff pay ⁸	Ratio	–	–	12.2	13.6	12.8	2016
Average supplier payment days ⁹	No. of days	–	<30	25.5	29.7	29	2013
Responsible supply chain							
Key suppliers with sustainability in commercial arrangements ¹⁰	Percentage	80%	–	77%	77%	32%	2013
Key suppliers with Human Rights policy ¹¹	Percentage	80%	–	89%	80%	14%	2013
Payments to social enterprises ¹²	£ million	10 ¹³	–	1.1	1.6	1.2	2016

- Results relate to the number of staff who correctly identified our Purpose in the firmwide staff Youmatter survey. Ongoing target set with effect from July 2019.
- Data unavailable as the staff 2020 Youmatter survey was substituted for a tailored staff survey in response to the COVID-19 crisis.
- Breaches of the auditor personal independence regulations reported to the regulator, as a percentage of Full Time Employees.
- Results are derived from the firmwide staff Youmatter survey question: "At PwC, I feel comfortable discussing or reporting ethical issues and concerns without fear of negative consequences". Percentage of PwC staff who 'agree' or 'strongly agree'.
- Number of issues raised through our 'Speak Up' channels from partners and staff, clients and third parties. All issues raised are considered although not all are substantiated.
- Data includes all permanent UK staff excluding dismissals for failed exams and missed performance standards, and includes partners who were required to retire from the firm as Enforced Retirements for Cause.
- A major non-conformity is a situation that raises significant doubt about the ability of the firm's information security management system to achieve its intended policy and objectives. A minor non-conformity is a single identified lapse which would not in itself raise significant doubt. All minor non-conformities raised in 2020 were resolved and closed in the triannual recertification audit.
- Ratio of average partner pay (distributable profit) to average staff pay (base pay and bonus).
- Calculated as the average days taken by the UK-based entities in the PricewaterhouseCoopers LLP Group to pay supplier invoices (excluding those from PwC network firms), from recording of invoice at our accounts payable processing center, as [reported to the UK government](#).
- Based on inclusion of relevant sustainability criteria in 'request for proposals' (RFP) documents or contracts.
- Includes suppliers which have either a Human Rights policy or Modern Slavery statement. Based on responses to PwC's supplier survey. Where responses were not received due to COVID-19, 2019 responses were rolled forward.
- Payments to suppliers deemed as meeting social enterprise criteria by Social Enterprise UK (SEUK).
- Cumulative target covering spend between 2016 and 2022. 2020 cumulative progress: 68%.

Empowered people and communities

	Units	2020 target	Ongoing target	2020	2019	Base	Base year
Talent attraction and retention							
People engagement score ¹	Percentage	–	80%	83% ²	75%	78%	2007
Voluntary turnover	Percentage	–	12 - 15%	11%	12%	14%	2008
Graduate turnover (after three years)	Percentage	–	15%	21%	26%	23%	2010
Spend on learning and development	£ per FTE	–	–	1,258	1,318	913	2010
Diversity							
New hires: women	Percentage	50%	–	41%	42%	41%	2009
New hires: BAME ^{3,4}	Percentage	30%	–	35%	27%	21%	2009
Partners: women	Percentage	24%	–	20.8%	20.7%	18.8%	2017
Partners: BAME ³	Percentage	10%	–	9.3%	8.9%	6.5%	2017
Pay gap: women (mean) ⁵	Percentage	–	–	37.5%	40.9%	43.8%	2017
Pay gap: women (median) ⁵	Percentage	–	–	11.6%	14.7%	18.7%	2017
Pay gap: BAME (mean) ^{3,5}	Percentage	–	–	31.6%	34.7%	35.9%	2017
Pay gap: BAME (median) ^{3,5}	Percentage	–	–	3.5%	6.3%	11.7%	2017
Employee wellbeing							
Absence through sickness	Percentage	–	<3.5%	3.5%	3.3%	3.3%	2009
Work-life balance ⁵	Percentage	–	75%	N/A ¹	69%	67%	2008

1. Data unavailable as the staff 2020 Youmatter survey was substituted for a tailored staff survey in response to the COVID-19 crisis.

2. Results are derived from the firmwide staff Pulse survey questions: "I feel like I belong at PwC"; "My personal values align with the values demonstrated at PwC"; "I enjoy working at PwC"; "I am proud to work at PwC"; "I would recommend PwC to friends and family as a great place to work". Percentage of PwC staff who 'agree' or 'strongly agree'. Some of these differ to the YouMatter questions of previous years.

3. BAME: Black, Asian and Minority Ethnic. Data is based on voluntary disclosure.

4. 2020 figure includes new data source that was previously unavailable. Earlier years have not been adjusted.

5. Includes partners.

6. Results are derived from the Youmatter question: "The people I work for are considerate of my life outside of work". Score represents percentage of PwC staff who 'agree' or 'strongly agree'.

Empowered people and communities (continued)

	Units	2022 target	Progress	2020	2019	Base	Base year
Community contribution¹							
Total community contribution ^{2,3}	£ million	–	–	6.2	8.1	4.3	2007
Community beneficiaries ²	No. of people	–	–	32,000	33,000	19,559	2012
Volunteered time	Hours	>250,000 ⁴	79%	47,286	83,232	37,400	2007
Proportion of people volunteering ⁵	Percentage	>25%	–	19%	35%	25%	2011
Skills-based volunteering	Percentage of volunteered time	>50%	–	49%	39%	58%	2011
Employee donations ⁶	£ million	–	–	0.7	0.7	0.5	2014
Perception that PwC's community initiatives drive positive societal change ⁷	Percentage	80%	–	N/A ⁸	76%	81%	2010
Social mobility							
New hires: Free School Meals ⁹	Percentage	15%	–	8%	10%	6%	2015
Workplace experiences provided ¹⁰	Number	1,000 ⁴	47%	228	161	28	2015
Young people supported with skills development ¹¹	Number	25,000 ⁴	>100%	18,058	21,336	5,300	2016
Perception of PwC championing social mobility ¹²	Percentage	90%	–	N/A ⁸	64%	66%	2017

1. Measured according to London Benchmarking Group (LBG) principles.

2. Community contribution and beneficiary numbers have been rounded down to provide a prudent representation of activity.

3. Includes cash, time and in-kind contributions and management costs. These figures exclude a significant amount of work undertaken for charities and social enterprises which does not meet LBG recording criteria.

4. Cumulative target for the five-year period to 2022. 2020 figure is the third year of progress.

5. 2019 restated to remove contingent staff from calculation.

6. Employee donations include those facilitated via PwC payroll giving, the PwC Foundation and other relevant channels. This is additional to PwC's 'total community contribution' figure.

7. Results are derived from the firmwide staff Youmatter survey question: "PwC drives societal change through its community initiatives". Score represents percentage of staff who 'agree' or 'strongly agree'.

8. Data unavailable as the staff 2020 Youmatter survey was substituted for a tailored staff survey in response to the COVID-19 crisis.

9. Proportion of people hired during the year who have voluntarily disclosed being in receipt of Free School Meals while attending a state secondary school.

10. People under 18 who have undertaken formal work experience, attended a state school, and: were in receipt of free school meals; or attended a school with higher than average free school meals uptake; or whose parents did not go to university.

11. Secondary school and Sixth Form college students.

12. Results are derived from the firmwide staff Youmatter survey question: "PwC is championing social mobility through its recruitment, development and community activities." Score represents percentage of PwC staff who 'agree' or 'strongly agree'.

Low carbon and circular business

	Units	2022 target	Progress	2020	2019	2007 base
Carbon emissions: operations¹						
Total emissions	Tonnes CO ₂ e	-40%	-60%	46,273	74,755	115,242
Scope 1	Tonnes CO ₂ e	–	–	705	826	5,603
Scope 2 ²	Tonnes CO ₂ e	-100%	-95%	1,244	2,218	25,546
Scope 3	Tonnes CO ₂ e	–	–	44,324	71,711	84,093
Total emissions offset ³	Percentage	100%	100%	100%	100%	100%
Total emissions intensity (Scope 1, 2 & 3)	Tonnes CO ₂ e/£m revenue	–	–	13	21	55
Energy						
Energy consumption	Million kWh	-50%	-60%	33	35	82
Electricity from renewable sources	Percentage	100%	–	86%	76%	0%
Energy from renewable sources ⁴	Percentage	–	–	80%	73%	0%
Business travel						
Distance travelled	Million km	–	–	164	227	234
Emissions intensity (Scope 1, 2 & 3)	Tonnes CO ₂ e/FTE	-33%	-55%	1.84	3.24	4.08
Carbon emissions: supply chain⁵						
Key suppliers with GHG reduction targets	Percentage	80%	54%	54%	47%	39% ⁵
Key suppliers reporting emissions reduction	Percentage	–	–	60%	63%	33% ⁵
Circular flows						
Paper procured	Tonnes	-80%	-82%	149	242	844
Water supply ⁶	m ³ (k)	-50%	-59%	84	116	206
Total waste	Tonnes	-75%	-73%	1,222	2,292	4,477
Recycling and reuse	Tonnes	–	–	1,102	2,069	2,483
Incineration to energy	Tonnes	–	–	120	223	1,408
Landfill	Tonnes	-100%	-100%	–	–	587
Proportion recycled or reused	Percentage	80%	90%	90%	90%	55%
Perception that PwC's environment initiatives drive positive societal change ⁷	Percentage	80%	–	N/A ⁸	70%	71%

1. Calculated using UK Government GHG conversion factors for company reporting (May 2019). Includes associated 'well-to-tank' and 'transportation and distribution' factors.
2. Electricity emissions under the GHG protocol 'Market Based' approach. Emissions per 'Location Based' approach for 2020: 5,799 tonnes CO₂e.
3. All **offsets** are Verified Carbon Standard (VCS) and, since 2017, from REDD+ projects. Retired on behalf of PwC by registered broker.
4. Includes biodiesel, biogas and electricity purchased under a renewable tariff.
5. Based on responses to PwC's supplier survey. Base year 2014. Where responses were not received due to COVID-19, 2019 responses were rolled forward.
6. Includes estimated data using Full Time Employees.
7. Results are derived from the firmwide staff Youmatter survey question: "PwC drives societal change through its environmental initiatives". Score represents percentage of staff who 'agree' or 'strongly agree'. Base year 2010.
8. Data unavailable as the staff 2020 Youmatter survey was substituted for a tailored staff survey in response to the COVID-19 crisis.



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