

Carbon reduction plan

PricewaterhouseCoopers LLP

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Commitment to achieving Net Zero

PwC UK is committed to achieving net zero emissions by 2030.

We have been measuring, reducing and offsetting our operational carbon emissions since 2007. In that time we have significantly reduced our total carbon footprint through two main sustainability programmes – [Decoupling our Carbon](#) and [Going Circular](#) – with Covid-related travel restrictions in 2021 helping to drive emissions to 96% below our original 2007 baseline. More information about our environmental programme can be found on our [website](#).

PwC joined the Business Ambition for 1.5 C, committing to achieving net zero greenhouse gas (GHG) emissions by 2030, with a target that has been verified by the Science-Based Targets Initiative.

Baseline emissions footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Alongside our commitment to achieve net zero by 2030, we reset our baseline from 2007 to 2019, in line with the requirements of the Science-Based Targets Initiative (SBTi).

Baseline year: 2019

Additional details relating to the Baseline Emissions calculations.

Background

We have disclosed our greenhouse gas emissions and other environmental and social impacts in our public non-financial scorecard each year since 2012, originally against a baseline of 2007 but subsequently reset to 2019. The scorecard is published within our [Annual Report](#), and the 2021 scorecard is available [here](#). All metrics have been independently assured by our external auditors.

Variances between this Carbon Reduction Plan and our other carbon emissions disclosures

Non-financial scorecard

We report progress against our net zero target in our non-financial scorecard. The target is based on the 'market based' approach to purchased electricity, reflecting the emissions benefits from our renewable energy arrangements. It also covers a wider set of the GHG Protocol's 'Upstream' Scope 3 categories than those requested in the Technical Standard for Completion of Carbon Reduction Plans, so we have included the additional categories in this disclosure.

Our net zero target does not include the 'Employee commuting and teleworking' category, as emissions from both of these are largely determined by our people's personal choices, including where they live which we would not seek to influence. We do, however, ensure that our people have lower carbon options available for their commute and while working from home. For example, our offices are located near to public transport hubs, and we provide rail season ticket loans. We also offer the option to salary sacrifice hybrid and electric vehicles through our car scheme, and bicycles under the Cycle to Work scheme. We recently refreshed our 'Sustainable Living at Home Guide' to help employees make informed choices in relation to sustainability while working from home.

Purchased goods and services are also excluded from our net zero emissions target, as these are covered by a separate target, which is also reported against in our [non-financial scorecard](#).

Streamlined Energy and Carbon Report

While fugitive emissions are not in the required scope of the Streamlined Energy and Carbon Report (SECR), we have included the figure within this Carbon Reduction Plan and our non-financial scorecard, as it forms part of our net zero baseline.

The SECR also requires fewer categories of Scope 3 emissions than those requested in the Technical Standard for Completion of Carbon Reduction Plans, and that we include in our non-financial scorecard.

Baseline year emissions: 2019	
Emissions	Total (tCO ₂ e)
Scope 1	830
Stationary combustion of fuels	705
Fugitive emissions	125
Scope 2	
Purchased electricity:	
Market based	2,066
Location based	6,879
Scope 3 (Included sources)	144,118
Purchased goods and services (PG&S)	53,887
Fuel and energy related activities	2,075
Upstream transportation and distribution	Reported in the PG&S category
Waste generated in operations	46
Business travel	74,094
Employee commuting and teleworking (modelled) ¹	14,016
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products
Total emissions (including modelled commuting and teleworking figure)	
Market based	147,014
Location based	151,827

Current emissions reporting

Reporting year: 2021	
Emissions	Total (tCO ₂ e)
Scope 1	577
Stationary combustion of fuels	506
Fugitive emissions	71
Scope 2	
Purchased electricity:	
Market based	414
Location based	4,804
Scope 3 (Included sources)	55,895
Purchased goods and services (PG&S)	42,172
Fuel and energy related activities	1,402
Upstream transportation and distribution	Reported in the PG&S category
Waste generated in operations	9
Business travel	998
Employee commuting and teleworking (modelled) ²	11,314
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products
Total emissions (including modelled commuting and teleworking figure)	
Market based	56,886
Location based	61,276

1. Employee commuting and teleworking is split as follows in 2019: employee commuting 12,784 tCO₂e and teleworking (homeworking) 1,232 tCO₂e.

2. Employee commuting and teleworking is split as follows in 2021: employee commuting 1,816 tCO₂e and teleworking (homeworking) 9,498 tCO₂e.

Emissions reduction targets³

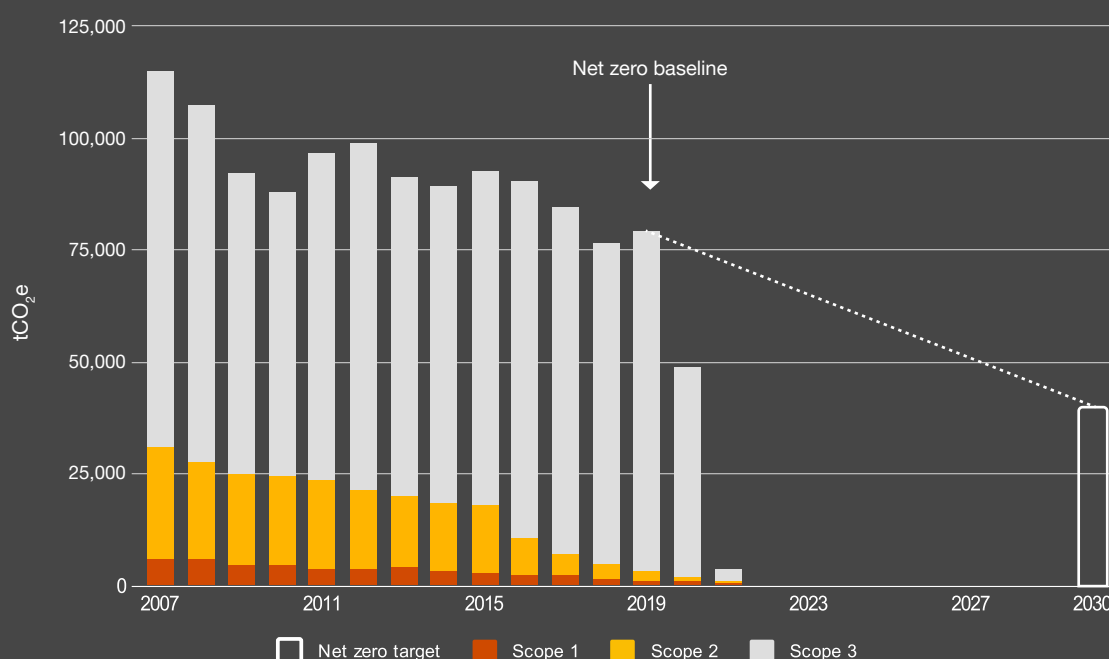
We have had long term public targets for reducing our carbon emissions against a 2007 baseline since 2012, reporting our progress each year in our non-financial scorecard and in our Annual Report⁴.

2020 was a turning point and we committed to being 'net zero by 2030', resetting our baseline year to 2019 – the last full year pre-Covid impact. This commitment is underpinned by a science based target for the PwC Network to reduce its absolute emissions by 50%. It involves halving our operational footprint, including business travel, by 2030 against the new 2019 baseline, and strengthening the way we embed climate action into our supplier engagement, (with a target to have 50% of our supply chain emissions covered by suppliers who have set their own science based target), our client services and our market advocacy.

In 2021, our total emissions dropped significantly to 95% below the 2019 baseline. The vast majority of this reduction was from the near cessation of 'scope 3' business travel relating to the Covid pandemic, which meant that travel-related emissions only accounted for a small proportion of our overall footprint in 2021, compared to 2019. We expect emissions from client-related business travel to increase as the economy reopens. The shift towards more remote/hybrid working patterns makes it difficult to predict the extent of this rebound, but we have initiated a programme to better understand travel patterns and the associated impacts, as an input to future decision making relating to business travel.

Our emissions reduction progress towards our net zero target (which includes market-based scope 2 emissions, but does not include commuting and teleworking, or purchased goods and services) is shown in the graph below.

Figure 1. PwC carbon emissions (actual vs. target)



Carbon reduction projects

Completed carbon reduction initiatives

Operations

Our energy programme since 2007 spans all of our UK offices and focuses on consolidating and refreshing office space, operating more efficiently, and investing in new technology⁵.

In 2021, we opened a new office in Watford which is expected to use less than half of the energy of the offices that it replaces, saving over 235,000 kWh per year. This is as a result of energy efficiency measures installed to allow more control over spaces, such as light sensors and zonal air conditioning.

We also commenced an upgrade of lighting and other refurbishments to our Embankment Place office. Additionally, we updated a number of office building management systems to optimise energy consumption as part of a new review of energy savings opportunities, and we engaged office landlords to assess the opportunity for 'green leases', including energy efficiency and switching to renewable energy.

Suppliers

To tackle impacts beyond our direct operations, we have a [supply chain sustainability programme](#) to engage our key suppliers on our sustainability priorities, integrating them into contracts. We also have targets for supplier decarbonisation and report against them in our annual non-financial scorecard. In 2021 our [annual supplier sustainability forum](#), focused on how to set science based net zero commitments, embedding net zero into strategy, and building effective supply chain programmes.

3. The content in this section refers to emissions reduction progress towards our net zero target, which we track in our non-financial scorecard. The target is based on market-based scope 2 emissions, but does not include emissions from purchased goods and services which are covered by a separate target, or employee commuting and teleworking emissions. As such, it does not align directly to the baseline and current reporting year emissions presented in the tables in earlier sections.

4. A summary of this journey can be found at www.pwc.co.uk/decouplingourcarbon.

5. Our energy programme since 2007 is summarised in our case study, [Acting on Carbon](#).

Employee engagement

Delivering our net zero commitment will require our people to be aware of and engaged with the subject, and confident when discussing sustainability issues. We have run a firmwide sustainable behaviour change programme for several years, to embed sustainability considerations into firmwide processes, and we issue regular updates on sustainability issues and projects through a variety of internal communication platforms. The programme covers a number of areas, some examples of which we have captured as [case studies](#) on our website.

In 2021, in response to the increase in flexible and hybrid working, we developed a 'Sustainable Living Guide' to support those working from home. We also partnered with [Count Us In](#), to empower our people to take positive action through a series of personal pledges, many of which align with our existing programmes. This is a global initiative which aims to inspire a billion people to significantly reduce their carbon footprint whilst challenging leaders to set and deliver bold climate commitments at COP26 and beyond.

Standards

We've held the ISO 14001 standard for our environmental management system since 2008, and the ISO 50001 energy standard since 2012. In 2020 we renewed both certifications. We also renewed our Carbon Trust Standard for Carbon, which we've held since 2009, and achieved Level 3 of the Carbon Trust Standard for Supply Chain.

Future plans

Operations

We are continuing to seek and evaluate opportunities to minimise energy and resource use in our offices. This includes refreshing our approach to building optimisation and utilisation, and leveraging technology, with a view to achieving a net zero office portfolio. In 2021, 86% of our energy was from renewable sources⁶ covering all of the offices where we have operational control, and we will continue to encourage landlords to move to renewable arrangements for the remaining offices that are not under our direct control.

With client-related business travel accounting for the vast majority of our total emissions, we have embarked on a business wide consultation on making the impacts of travel more visible to our people, and exploring ways to work with our clients under virtual/hybrid delivery models. This, of course, will be dependent on the practicalities of achieving our clients' required outcomes in this manner and our clients' acceptance of any new approach.

We'll also continue to encourage our key suppliers to decarbonise through setting their own science-based targets for reducing emissions.

Carbon offsetting

We have [offset](#) all of our operational carbon emissions (Scope 1, 2 and 3) as reported in our Annual Report and non-financial scorecard in each financial year since 2007, through a variety of robust projects. Recognising the importance of biodiversity and ecosystem services, the projects we support are focused on forests in recognised biodiversity hotspots and meet both the REDD+ and the Climate, Community & Biodiversity (Gold) standards. They form part of the [portfolio of projects](#) supported by the global PwC Network, through which we have also joined the LEAF Coalition (Lowering Emissions by Accelerating Forest finance). LEAF is a public-private initiative that aims to protect tropical forests at scale, through a long term commitment to purchasing high integrity carbon credits that are verified against the independent and rigorous ART / TREES standard. It is expected to become one of the largest ever public-private efforts to protect tropical forests and will form the basis of our offsetting strategy for the years ahead. In parallel, we're investigating natural climate solutions as part of our global net zero commitment with a view to removing our remaining carbon emissions by 2030.

Client services

As a professional services firm, we also have an important role to play in helping our clients accelerate their net zero transformation. We can help clients to shape and drive the changes they need to make to retain a 'licence to operate' or to create long-term sustained outcomes, supported by a reporting approach that helps to build trust. Accordingly, ESG – Environmental, Social, Governance – issues are at the heart of our new global strategy: [The New Equation](#), with a significant investment plan that includes large scale upskilling and recruitment programmes. More information on these initiatives can be found in our [2021 Annual Report](#) and associated [statement on climate risk](#).

Declaration and sign off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and the associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁷ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁸.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁹.

This Carbon Reduction Plan has been reviewed and signed on behalf of the members of PricewaterhouseCoopers LLP, registered number OC303525, by:



Warwick Hunt

Managing Partner and Chief Operating Officer

Designated member

Date: 30 November 2021

6. Our electricity is provided under a renewable tariff based on wind and solar electricity, and backed by Renewable Energy Guarantee of Origin (REGO) certificates which are traceable to the source. Our gas is a biogas, created from waste instead of fossil fuels, and backed by Renewable Gas Guarantee of Origin (RGGO) certificates.

7. www.ghgprotocol.org/corporate-standard

8. www.gov.uk/government/collections/government-conversion-factors-for-company-reporting

9. www.ghgprotocol.org/standards/scope-3-standard

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