

Carbon Reduction Plan

PricewaterhouseCoopers LLP

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Commitment to achieving net zero

PwC UK is committed to achieving net zero emissions.

We've had a long-standing commitment to measuring, reducing and offsetting our operational carbon emissions since 2007. In that time we've significantly reduced our total carbon footprint through two key sustainability programmes – [Decoupling our Carbon](#) and [Going Circular](#).

PwC joined the Business Ambition for 1.5 C, committing to achieving net zero greenhouse gas (GHG) emissions, with a near term 2030 target that has been verified by the Science Based Targets initiative in 2020. Building on this, in 2022, we were one of the first businesses to achieve [The Carbon Trust Route to Net Zero](#) (level 2 - 'Advancing'), which is a validation that we are delivering against our near term science-based targets to reach Net Zero.

Since setting our net zero 2019 baseline, we have reduced our total emissions by 51% which was supported by our transition to 100% renewable electricity in 2022. Our business travel and related emissions were significantly reduced due to Covid-19. Financial year 2023 was the first full year not impacted by the pandemic, so compared to 2022 we saw an increase in client-related business travel contributing to an expected increase in our emissions. We also saw an increase in energy consumption in line with a rise in office occupancy. However, since a large proportion of our energy is from renewable sources, this had a negligible impact on our emissions.

More information about our environmental programme can be found on our [website](#), with additional performance information found in our [Integrated Reporting Hub](#) and the environmental impact section of our [Annual Report](#).

Baseline Emissions Footprint

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

Baseline Year: 2019

Additional details relating to the Baseline Emissions calculations.

Background

We have measured and disclosed our GHG emissions and other environmental and social impacts on our website each year since 2012. This was originally against a baseline of 2007, and more recently was reset to 2019, in line with the requirements of the Science Based Targets initiative (SBTi).

Since 2022, we have aligned our reporting with the GHG Protocol and extended the scope to include all 15 GHG protocol Scope 3 categories, including those not covered by our net zero targets, to ensure transparency. All of our data is published alongside our [Annual Report](#), and is available within our [Integrated Reporting Hub](#). All metrics have been independently assured by our financial auditors.

Variations between Carbon Reduction Plan and other carbon emissions disclosures

Integrated Reporting Hub

We report our energy and carbon data in our public [Integrated Reporting Hub](#). Our scope 2 carbon emissions are calculated using the 'market based' approach for purchased electricity, reflecting the emissions benefits from our renewable energy arrangements.

Greenhouse Gas (GHG) Inventory

Since 2022, we have disclosed an extended scope GHG inventory against all 15 GHG protocol Scope 3 categories, including those not covered by our net zero targets. This can be found in our [Annual Report](#).

Energy And Carbon Report

To align with the requirements of the Companies Act 2006 as they apply to LLPs, we have created a combined Energy and Carbon Report which is found [within our members report](#).

This discloses our extended scope 3 emissions, as well as a specific breakdown, which only requires emissions generated from rental or employee-owned vehicles (excluding taxis) to be included in scope 3 road travel, and excludes fugitive emissions from scope 1.

Baseline year emissions: 2019 ¹	
Emissions	Total (tCO ₂ e)
Scope 1	841
Stationary combustion of fuels	716
Fugitive emissions	125
Scope 2	
Purchased electricity:	
Market based	2,139
Location based	6,879
Scope 3 (Included sources)	141,606
Purchased goods and services (PG&S)	51,627
Fuel and energy related activities	2,076
Upstream transportation and distribution	Reported in the PG&S category
Waste generated in operations	44
Business travel	74,094
Employee commuting and teleworking (modelled) ²	13,765
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products
Total emissions (including modelled employee commuting and teleworking figure)	
Market based	144,586
Location based	149,326

Current emissions reporting

Reporting year: 2023	
Emissions	Total (tCO ₂ e)
Scope 1	376
Stationary combustion of fuels	305
Fugitive emissions	71
Scope 2	0
Purchased electricity:	
Market based	0
Location based	4,002
Scope 3 (Included sources)	104,080
Purchased goods and services (PG&S)	53,002
Fuel and energy related activities	1,699
Upstream transportation and distribution	Reported in the PG&S category
Waste generated in operations	16
Business travel	36,436
Employee commuting and teleworking (modelled) ³	12,927
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products
Total emissions (including modelled employee commuting and teleworking figure)	
Market based	104,456
Location based	108,458

1. Figures have been updated since last year to reflect restated figures.

2. Employee commuting and teleworking is split as follows in FY19: employee commuting 12,785 tCO₂e and teleworking (homeworking) 980 tCO₂e.

3. Employee commuting and teleworking is split as follows in FY23: employee commuting 6,739 tCO₂e and teleworking (homeworking) 6,188 tCO₂e.

Emissions reduction targets

In 2020, we committed to becoming net zero with 2030 near-term targets, validated by the Science Based Targets Initiative, in line with a 1.5-degree scenario. This means that we have reset our baseline year from 2007 to 2019 – the last full year pre-Covid-19 impact.

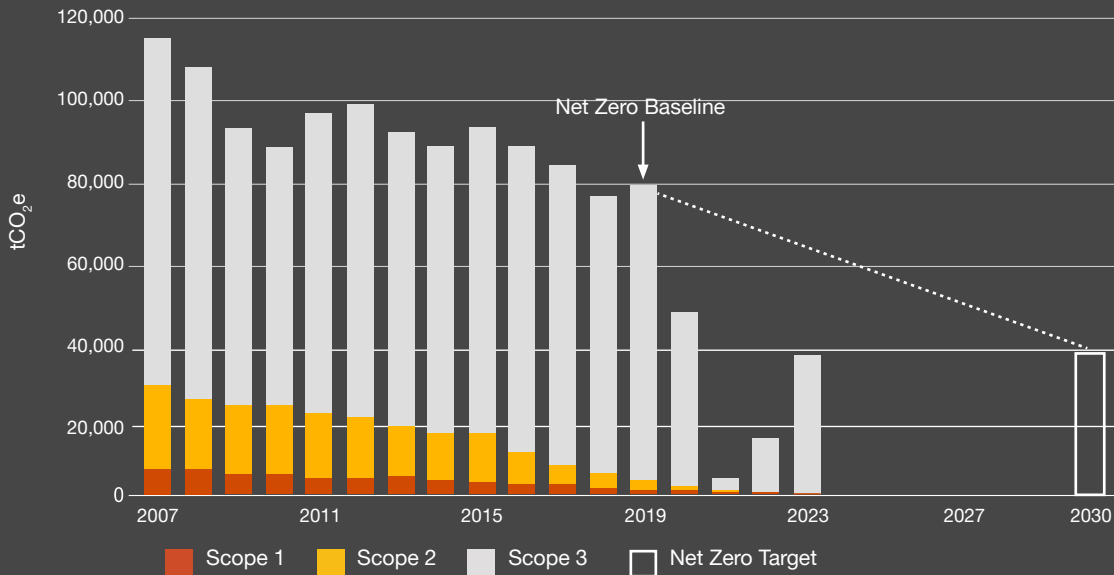
Our commitment involves halving our operational footprint, including business travel, by 2030 against the new 2019 baseline, and strengthening the way we embed climate action into our supplier engagement (with a target to have 50% of our supply chain emissions covered by suppliers who have set their own SBT), our client services and our market advocacy. This year, we set new interim targets to 2025. Progress against our 2025 and 2030 targets can be seen in our [Annual Report](#)⁴.

Our net zero targets, at present, do not include the ‘Employee commuting and teleworking’ category, as emissions from both of these were deemed outside of our operational control. Given the impact of Covid-19, we recognise that our peoples’ working patterns have shifted significantly, so we are taking steps to address this accordingly, as described in the Carbon Reduction Projects section below.

As expected with 2023 being the first full year not impacted by Covid-19, our emissions increased as business travel continued to rise. These emissions are over twice what they were the previous year. Despite this, business travel emissions are currently just under our 50% net zero cap, at around 49% of what our emissions were in our 2019 baseline year. To ensure emissions remain in line with our target, we are managing this carefully via our comprehensive ‘Thoughtful Travel’ programme. Overall, we remain on track to meet our near term net zero target, with total emissions at 51% below our 2019 baseline.

Emissions reduction progress towards our net zero target (which includes market-based scope 2 emissions, but does not include employee commuting and teleworking, or purchased goods and services) is shown in the graph below⁵.

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



Carbon reduction projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since our 2019 baseline, resulting in cumulative carbon emission reductions of over 208,000 tCO₂e. This is equivalent to saving approximately 163% of our 2019 baseline emissions.

Operations

Energy Management

Our energy management programme spans across all of our UK offices and focuses on consolidating and refreshing office space, operating more efficiently, and investing in new technology⁶. This year, operational scope 1 emissions were reduced by 35%, largely due to a decrease in natural gas use (due to switching to biogas) and minimal levels of refrigerant gas leaks in comparison to last year.

Since 2022, all of our UK offices have been powered by renewable electricity meaning our market-based scope 2 emissions have remained at zero. This allowed us to achieve the first stage in our net zero journey, supporting both our ambition to achieve net zero by 2030, and PwC’s global commitment to the RE100 to source 100% renewable electricity across all PwC territories by 2030.

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

5. Graph has been updated since last year to reflect restated figures.

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

Although we faced an overall increase in gas (including natural gas and biogas) usage this year as a result of an extended cold spell in early 2023, this had a negligible effect on our emissions, due to our renewable sourcing strategy. Three of our offices, including our two largest offices in London are now run on 100% biogas backed by UK Renewable Gas Guarantees of Origin (RGGO). As a result, 95% of our total energy is now sourced from renewable sources, we are less reliant on grid electricity and we are continuing to reduce our consumption of natural gas.

We completed several energy savings projects and refurbishments during the year. Over the Christmas period, we closed a number of our offices, including our largest office, Embankment Place, while still keeping part of our More London office open to our people. The reduction of heating and lighting, saved approximately 230,000 kWh of energy over the four day period. Further projects included the completion of LED lighting upgrades in our Newcastle and Edinburgh offices, compressing our evening cleaning services so that the lights on our floors switch off earlier, and rolling out a UK-wide heating and cooling optimisation, enabling our heating and cooling systems to run reactively based on environmental conditions and occupancy. Together, these initiatives saved approximately 690,000 kWh of energy per year.

Technology

This year, we have worked with our suppliers and internal service owners to perform a [carbon impact assessment](#) of our technology, covering hardware, hosting platforms, SaaS and communication tools. This will inform our future technology strategy.

At the same time, we've taken action with projects including a UK wide IT equipment review and upgrade. This involved installing new monitors with smart switching technology and replacing meeting room audio visual tech with more efficient and user-friendly options, saving almost 72,000 kWh in energy per annum. Additionally, these upgrades support an enhanced hybrid meeting experience, reducing the need to travel.

Employee Engagement

As part of our net zero ambition we know it's crucial to bring our people along on the journey. This means enabling our people to build a confident understanding of today's growing ESG agenda and inspiring them to play their part.

Alongside our sustainability engagement and environmental volunteering programmes, this year we've launched our first 'Edible Garden', run two energy saving webinars and refreshed our Sustainability Champions network. We were the first organisation to host an external screening of 'The Business of Nature' part of the new 'Save Our Wild Isles' film series, working to showcase this across our offices and with our clients. We're also proud to have supported the Veganuary Workplace Challenge for a fifth year, whilst expanding our Sustainable Living at Home guide.

Business Travel

We are a people business and so building and maintaining relationships and working alongside our clients, wherever they may be, and each other is key to our delivery of quality services. Our network comprises 152 network firms and face to face connectivity across this footprint is important to our culture, innovation and success. This means that business travel will remain a necessary part of the way we work, but it is also the largest contributor to our carbon footprint and central to our net zero commitment. Our comprehensive 'Thoughtful Travel' programme is evolving and helps us to challenge ourselves on how we deliver our services to clients and how we work together, across our business and the Network, helping business travellers make better carbon informed travel decisions. We have invested in a new Net Zero Travel Dashboard as the first step in finding data driven solutions. Dedicated 'Thoughtful Travel Leads' from across the business are using it to explore opportunities for carbon reductions relevant to their Line of Service and plan more purposeful engagement, in line with their specific 'carbon cap'.

Suppliers

To tackle impacts beyond our direct operations, we have a long standing [supply chain sustainability programme](#) to engage our key suppliers on our sustainability priorities. In 2023, we strengthened our supply chain sustainability framework, embedding sustainability throughout the procurement lifecycle so it is a key area for purchase decisions and ongoing engagements.

This year, we ran a year long SME support programme designed to support our suppliers, to kick start and accelerate their decarbonisation journey. This included suppliers having access to net zero training materials, a carbon footprinting tool, thought leadership and events via a dedicated portal. The programme was offered to over 100 of our suppliers, and received strong uptake and positive feedback from participants.

For our larger suppliers we have continued to hold our [annual forum](#), which most recently included a focus on scope 3 emissions measurement, and have also undertaken one-to-one outreach to support them on their own net zero journey. As a result, we've seen an increase in the number of suppliers who tell us that they would like to commit to net zero and set SBTi approved targets.

Standards

We've held the ISO 14001 standard for our environmental management system since 2008, and the ISO 50001 energy standard since 2012. In 2023, we were awarded a platinum sustainability rating by EcoVadis for the third successive year, who also recognised us as a carbon management leader. We were also the first business to achieve the Advancing tier of the Carbon Trust's Route to Net Zero Standard in 2022, which recognises our progress on the journey to net zero, replacing both the Carbon Trust 'Standard for Carbon', which we've held since 2009, and the Carbon Trust 'Standard for Supply Chain'. We achieved the highest BREEAM rating, 'Outstanding', for three of our offices, while our Belfast office was the first office in Northern Ireland to be awarded BREEAM 'Excellent' status in 2021.

Future plans

Operations

We are continuing to evaluate efficiency opportunities to minimise energy and resource use in our offices. This is supported by an energy and carbon reduction pathway for all offices, which includes refreshing our approach to building optimisation and utilisation, leveraging technology and investing in our real estate with a view to achieving an efficient and net zero portfolio.

With client-related business travel historically accounting for the vast majority of our total emissions, we are continuing to seek ways to make the impacts of travel more visible to both our people and our clients - through pioneering sustainability reporting, transparency and good governance. This involves investing in education and tools so that our people both understand the carbon impact of delivering their client work, and are empowered to take ownership and accountability for reducing it. In parallel, we are exploring tools to share these outputs with our clients, helping them to plan, deliver and report on their supplier carbon.

Our technology carbon impact assessment was a major step towards quantifying our digital carbon impact and we identified a number of areas for future improvement. As a starting point, we have already engaged our senior leadership on the development of a 'green technology' strategy, and formed several working groups to review and develop carbon reduction initiatives across our operations, supply chain, people and clients.

Suppliers

We will continue to encourage our key suppliers to decarbonise through setting their own near term science-based targets for reducing emissions. The enhanced sustainability clauses we defined in FY23 for our key suppliers will be implemented from FY24 for new contracts and during renewal.

Carbon offsetting

We've continued to offset 100% of our reported carbon emissions (Scopes 1, 2 & 3) each year since 2007 and have committed to maintaining this.

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). This is one of the largest public-private initiatives to protect tropical forests and expand the market for high-integrity carbon credits.

To manage the risks, as well as maximise broader sustainability benefits, we have ensured a quality criteria for when we purchase carbon credits. The criteria define standards, types of project, vintages, portfolio composition, our approach to retiring credits, and require projects go through due diligence by a third party supplier. Read more about our quality criteria in our PwC Network Climate-related disclosures report.

In the short term, our focus is to support projects that reduce and avoid emissions while protecting existing carbon sinks, to accelerate global decarbonisation, before transitioning to removals 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, manage climate risk and build resilience. 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, sustainability issues are at the heart of our global strategy: The New Equation, with a significant investment plan that includes large scale upskilling and recruitment programmes.

This year, PwC also launched a new 'Centre for Nature Positive Business' globally, embedding nature positive strategies into client services as part of broader climate and sustainability activities. More information on these initiatives can be found in our 2023 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 GHG emission 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:



Marissa Thomas

Managing Partner and Chief Operating Officer

Designated member

Date: 3rd October 2023

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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