

National Carbon Offset Standard Carbon Neutral Program Public Disclosure Summary




An Australian Government Initiative

COMPANY NAME: PricewaterhouseCoopers (PwC)

REPORTING PERIOD: 1 July 2015 – 30 June 2016 (FY16)

Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

 Rosalie Wixie Partner	[Date] 30 November 2016
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Type of carbon neutral certification: Organisation
Verification
Date of most recent external verification/audit: October 2016
Auditor: Ernst and Young
Auditor assurance statement link: TBC



1. Carbon neutral information

Introduction

PwC Australia helps organisations and individuals create value. Across our Advisory, Assurance, Tax & Legal and Private Clients lines of service, we offer a broad range of services that combine to provide our clients with a range of end-to-end solutions. From improving the structure of the Australian health system, to assuring the integrity of some of Australia's largest organisations, and helping corporations prepare a business case for sustainable operations – our teams bring a unique combination of knowledge and passion to addressing the risks and opportunities facing our community. PwC employs over 6,300 people in eight cities around Australia.

Entities included and consolidation method

PwC's reporting boundary has been defined in accordance with the National Greenhouse and Energy Reporting Act 2007 (NGER Act), and includes all offices in Australia occupied by PwC employees, located in Adelaide, Brisbane, Canberra, Melbourne, Newcastle, Perth, Sydney and Townsville. PwC has two offices located in Gold Coast and Northwest Sydney, neither of these offices hold permamnet staff and are used as touchdown offices only. For the purposes of our boundary the GHG emissions from these offices are excluded as the impact is negligle, however we do include the Northwest electricity emissions in the inventory. PwC office space which is sublet to other entities is also excluded.

All emissions from PwC 'satellite' office in Gold Coast is excluded as there are no PwC staff permanently based at this location and greenhouse gas emissions are considered immaterial compared with PwC's total greenhouse gas emissions. Emissions from tenancy electricity at PwC 'satellite' office in Northwest Sydney are included as accurate and reliable data is available. All other emissions from the Northwest location are excluded as there are no PwC staff permanently based at this location and greenhouse gas emissions are considered immaterial compared with PwC's total greenhouse gas emissions.

PwC has excluded the reporting of water consumption in this report as it is negligible compared to overall emissions. This calculation falls under the materiality threshold.

Sources considered

PwC includes all direct (scope 1) and indirect energy (scope 2) emissions sources in its greenhouse gas emissions inventory. It also includes certain other indirect (scope 3) emissions sources that result from the operations of its business.

Emission sources within certification boundary

Quantified sources included

PwC includes all direct (scope 1) and indirect energy (scope 2) emissions sources in its greenhouse gas emissions inventory. It also includes certain other indirect (scope 3) emissions sources that result from the operations of its business. These were determined based on the criteria listed for scope 3 emissions in the GHG Protocol and include the following:

- Transport fuel
- Air travel
- Taxi travel
- Car travel to clients
- Car rentals
- Bus and train travel to clients
- Transportation of products sold (courier)
- Shipment of belongings into and around Australia during relocation
- Offsite Electricity
- Overnight accommodation
- External events, training and conferences
- Electricity consumed by PwC leased equipment offsite
- Base building
- Electricity consumption
- Natural gas consumption
- Diesel consumption
- Refrigerants released from air conditioning and refrigeration units
- Disposal of waste generated in operations sent to landfill
- Paper (including letterhead and notebooks)
- Generation of electricity that is consumed through transmission and distribution losses
- Wastewater treatment

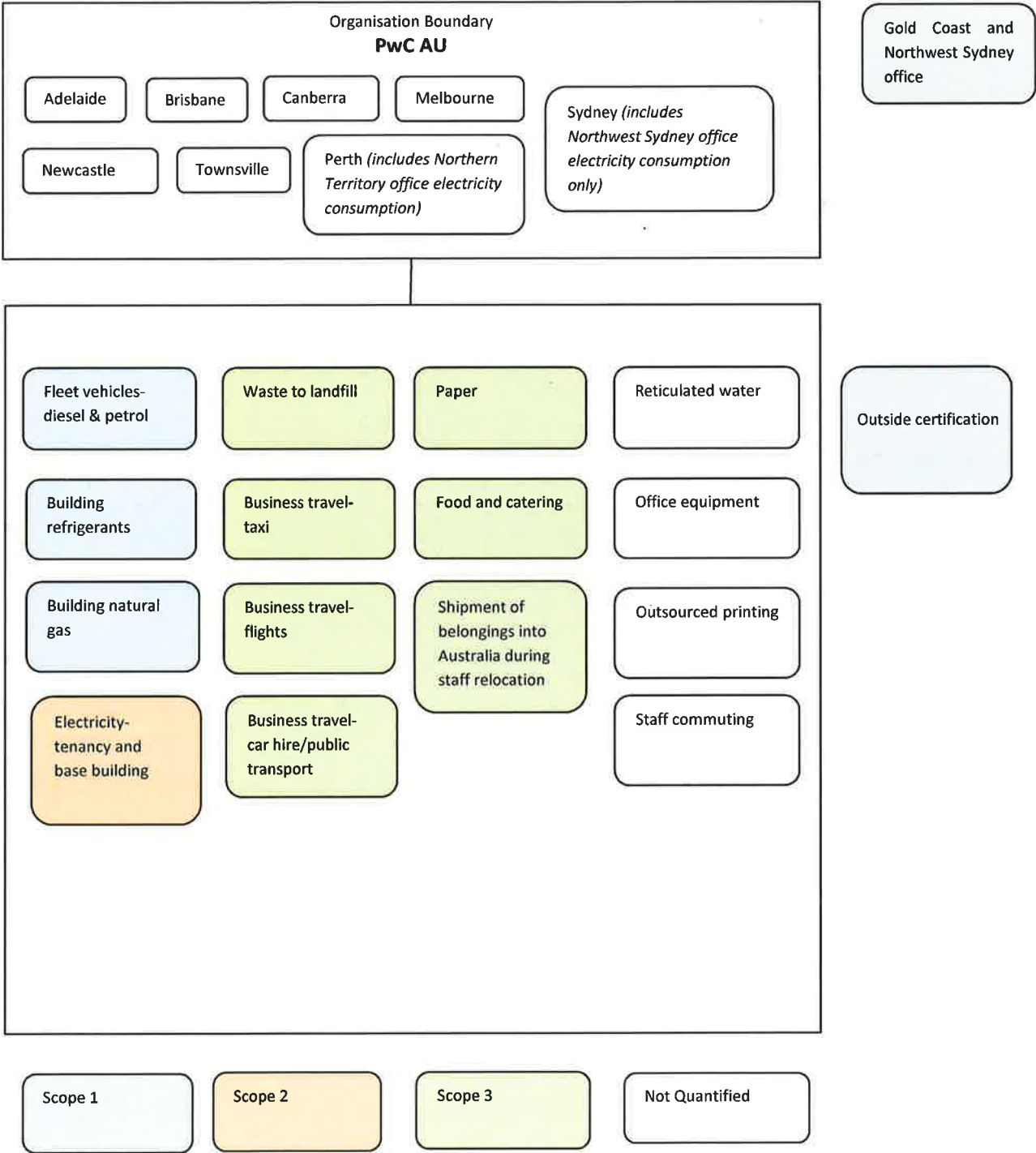
Table 1: Non-quantified sources

Scope 3 Categories	Related PwC activity	Rationale for exclusion
Extraction and production of purchased materials and services	a) Purchase of the following materials: - office equipment and technology	These materials do not produce emissions when used but emissions are likely to occur during their production and manufacture. Relevant and comprehensive data for many materials are not yet available and therefore are not included.
	Food and beverages - other (e.g. gifts, uniforms, newspapers)	We will continue to review the adequacy of supporting data for other activities and consider annually whether to include additional activities within our GHG inventory.
	b) Purchase of the following services; - other professional services (e.g. marketing, travel) - telephone / internet services	Purchased services do not produce emissions when obtained but emissions are likely to occur during their preparation and distribution. Relevant and comprehensive data for GHG emissions within these services

	- external publishing / printing	are not yet available and therefore these activities have not been included. We will continue to review the adequacy of supporting data for other activities and consider annually whether to include additional activities within our GHG inventory.
Transport Related	a) Transportation of purchased products: - office equipment and technology - paper (including paper stationery) - stationery (excluding paper stationery) - food and beverages other (e.g. gifts, uniforms, newspapers)	Most purchased products are delivered by a variety of different suppliers with limited visibility over the location of the warehouse and delivery distances. As there is limited relevant and comprehensive data available these have been excluded from the GHG inventory. We will continue to review the adequacy of supporting data for these activities and consider annually whether to include them within our GHG inventory.
	b) Employee commuting to and from work	Employee commuting has not been included in the GHG inventory. All PwC offices are located in the central business district of capital cities and are therefore very accessible for employees. Employee commuting is not considered to be within the GHG inventory. Employees are encouraged to determine emissions from commuting through the use of a personal carbon calculator, which also provides suggestions to reduce where possible.
	c) Transportation of waste	Collection of waste occurs at varying frequencies, with limited visibility over the number of collections and distance travelled to waste management facilities. As there is limited relevant and comprehensive data available these have been excluded from the GHG inventory. We will continue to review the adequacy of supporting data for these activities and consider annually whether to include them within our GHG inventory.
Leased assets, franchises and outsources	b) Leased computers, photocopiers and printers	The electricity used while operating the leased laptops offsite is included in the GHG inventory (see section 3

activities		(b)). The embodied GHG emissions within the leased equipment have not been included in the GHG inventory for the same reason as the purchased products (see section 1(a)).
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Diagram1: Certification boundary



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Australian Government

Department of the Environment and Energy

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2. Emissions reduction measures

Part A. Emissions over time

Scope 3- changes

To align with PwC Global's environmental strategy, PwC AU has applied the DEFRA (Department for Environment, Food and Rural Affairs UK) emissions factors for business travel – air, with the uplifting factor and radiative forcing (RF) applied to all air travel emissions from FY15, including FY16. RF incorporates the 8% distance uplift and a 90% increase in the conversion factor to account for the other climate change effects of aviation. It is recommended that the RF factor is applied in order to more fully account for the environmental impact of aviation.

The DEFRA uplifting emissions factor is significantly higher than the previous factor used for FY14, being the DEFRA factors with no application of the RF. Due to the change in emissions factors, there has been a significant increase in our total GHG emissions for air travel. The total air travel kilometres for FY 16 are 96,453,021 km compared to 89,226,993 km for FY15, an 8% increase in total air travel for FY16.

Table 2. Emissions since base year					
	Base Year (2008)	FY13	FY14	FY15	FY16
Scope 1	1,107	764	206	227	321
Scope 2	21,314	12,228	15,421	13,607	14,639
Scope 3	14,879	18,422	15,466	24,644*	26,477
Total	37,300	31,414	31,093	38,478	41,436

*Significant increase due to change in methodology due to application of updated air travel emissions factors which includes radiative forcing.

Part B. Emissions reduction strategy

PwC has been measuring and reporting Greenhouse Gas emissions (GHG) since FY08 (baseline year- 1 July 2007 to 30 June 2008). In 2008 PwC publicly committed to reducing net GHG emissions by 25% between FY08 and FY12. In 2009 we exceeded that target and revised the target to 50% by FY12. Unfortunately we did not meet the 50% GHG reduction target in FY12. There have been no public targets for GHG reduction since FY13.

PwC has previously committed to targets for the purchase of renewable electricity for our tenancy electricity needs (33% in FY09, to 66% in FY10, to 100% in FY11 and FY12); this has been the main contributing factor to the significant reduction in GHG emissions. Despite our efforts to reduce our GHG emissions, we were only able to reach a 42% reduction target from

FY08 – FY12. Since FY13, PwC no longer purchases Large-scale Generation Certificates (LGCs) to offset our tenancy electricity emissions.

There have been no changes to PwC's GHG Inventory occurred during the period 1 July 2015 to 30 June 2016. The initiatives in Table 3 contributed to the reduction in GHG emissions from these sources in FY16 compared to the baseline year. The aim for FY17 is to continue the GHG reducing projects (listed in Table 4) which is expected contribute to a reduction of GHG emissions across all PwC premises and activities.

Detailed information, including statistics, location-specific guides, useful links and FAQs about these and other emissions sources are available to all staff via our Corporate Responsibility – Environment intranet page.

Part C. Emissions reduction actions

Table 3. Emissions Reduction Measures			
Emission source	Reduction Measure	Scope	Status
Environmental awareness	PwC currently uses over 270 societal relevant champions to deliver societal relevance messages firm wide. This year the firm has particularly focused on ensuring societal relevance is a key priority for the firm. PwC's first ever societal relevance week was hosted. One day was dedicated to the environment where staff and Partners were invited to engage in; environmental volunteering activities, clothing donations to our charity alliances, environmental competitions and Mobile Muster donations	3	Implemented in a past reporting period
Travel Emissions	Technology/infrastructure: Promotion of WebEx and internal video conferencing instead of long/short distance travelling.	3	Implemented in a past reporting period
Paper less offices	Since FY14 PwC has relocated 5 out of 8 offices locations to more energy efficient offices. All offices are now activity based environments. "Follow-me-printing" was rolled out to all sites during FY14 period.	3	Implemented in a past reporting period
Societal Relevance Index (SRI)	The SRI is one of the firm's non-financial goals for FY16. This index accounts for our GHG emissions and carbon offsets that we purchase. The index measures our environmental performance every six months, and is one of the firms non-financial KPIs.	3	Implemented in a past reporting period
Energy efficiency in our offices	In FY17 2 of PwC's office locations (Melbourne and Sydney) will be relocating to new premises. International Towers at Barangaroo in Sydney is 6 star Green Star rated.	2	Planned for future reporting period

3. Emissions summary

Table 4. Emissions Summary		
Scope	Emission source	t CO ₂ -e
1	Natural Gas	204
1	Diesel	11
1	Synthetic Gas	106
2	Purchased electricity (tenancy)	9,901
2	Purchased electricity (base building)	4,737
3	Purchased electricity (tenancy)	1,313
3	Purchased electricity (base building)	619
3	Synthetic Gas	685
3	Natural Gas	35
3	Diesel	1
3	Transport fuel- air travel	19,888
3	Transport fuel- taxi	892
3	Transport fuel- car mileage	447
3	Transport fuel- other	310
3	Electricity (offsite)	779
3	Paper	154
3	Waste	649
3	Waste Water	705
Total Gross Emissions		41,436
GreenPower or retired LGCs		0
Total Net Emissions		41,436

4. Carbon offsets

Part A. Offsets summary

PwC has purchased eligible Verified Emissions Reduction (VER), Verified Carbon Units (VCU) and Certified Emissions Reduction (CER) carbon offsets to offset FY16 total GHG emissions. The offsets are purchased in advance of the final GHG emissions figure has been calculated. An estimate is made based on the firm's GHG total emissions from the previous year. Once the GHG total emissions have been confirmed we then retire the prepurchased offsets.

FY16 total emissions are 41,436 tCO₂e. Total offsets purchased and retired for FY15 are 43,436 tCO₂e the surplus emissions will be banked for FY17. Table 5 below outlines PwC's offsets for FY16.

Table 5. Offsets Summary			
Offset type and registry	Year retired	Quantity	Serial numbers
GS VERs	2015	2,219	GS1-1-TR-GS971-12-2013-2912-166715 to 168933
GS VERs	2016	8,996	GS1-1-CN-GS2588-12-2015-4997-73028 to 82023
GS VERs	2016	1,992	GS1-1-CN-GS2588-12-2015-4997-82024 to 84015
VCUs	2016	27	3291-148271616-148271642-VCU-016-MER-AU-14-641-16042012-15042013-0
VCUs	2016	26,816	4534-189053047-189079862-VCU-034-APX-CN-1-1448-01012013-31122013-0
VCUs	2016	1,388	3772-164672134-164673521-VCU-034-APX-CN-1-1356-01012012-31032012-0
Banked for FY17			
NA			
Total offsets retired			41,438
Net emissions			41,436
Total offsets held in surplus for future years:			0

Part B. Offsets purchasing and retirement strategy

PwC purchase offsets based on an estimate of the prior year usage. The offsets are then retired once the final GHG inventory has been completed and signed off by PwC internal review team and the external audit review (every other year).