

National Carbon Offset Standard Carbon Neutral Program Public Disclosure Summary



An Australian Government Initiative

NAME OF CERTIFIED ENTITY: PricewaterhouseCoopers (PwC)

REPORTING PERIOD: 1 July 2018 – 30 June 2019 (FY19)

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 Wilkie
Partner

Date: 29 January 2020

Carbon neutral certification category	Organisation
Date of most recent external verification/audit	October 2016
Auditor	Ernst & Young
Auditor assurance statement link	Non Audit Year (FY19 Audit requirement waived for participation in trial calculators)



Australian Government
Department of the Environment

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1. Carbon neutral information

1A. Introduction

PwC works with businesses, Government and the community to help Australia continue to thrive and grow. PwC delivers audit, assurance, consulting and tax services to more than 5,000 clients. We're part of a network of firms in 158 countries with over 250,000 people.

Our purpose is to build trust in society and solve important problems. We believe the most important problems are better solved together. PwC is a powerful multiplier of connections and innovation. It's what we do best: connecting people, businesses, technology and ideas to solve important problems.

We are approximately 8000 people based in offices throughout 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, Darwin, Melbourne, Newcastle, Paramatta, Perth and Sydney.

Our Parramatta Philip street office was opened in January 2019. Six months of the office related emissions for this building have been included for the first time in FY19. Our Darwin premises houses PwC Indigenous Consulting (PIC) staff which facilitates 10 people. Office related emissions for this premises, while immaterial, have also been included in our emissions for the first time in FY19 for completeness. All emissions from PwC's 'satellite' office in the Gold Coast, which was closed from 1 August 2018, have been excluded as there were no staff permanently located at the premises during the one month it was in operation during the year. PwC entered a new lease for office space in The Rocks which was opened in August 2019 and will be included in our reporting boundary for the first time in FY20.

PwC office space which is sublet to other entities is excluded.

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.

PwC has considered all 7 Kyoto gases in our reporting. The gases that are reported are material to our business as applicable under the Kyoto protocol.

1B. Emission sources within certification boundary

Quantified sources

Quantified sources included

PwC includes all direct (scope 1) and indirect energy (scope 2) emissions sources in its greenhouse gas emissions inventory, with the exception of emissions from the Gold Coast and The Rocks which have not been quantified in FY19. 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

1C. Diagram1: Certification boundary

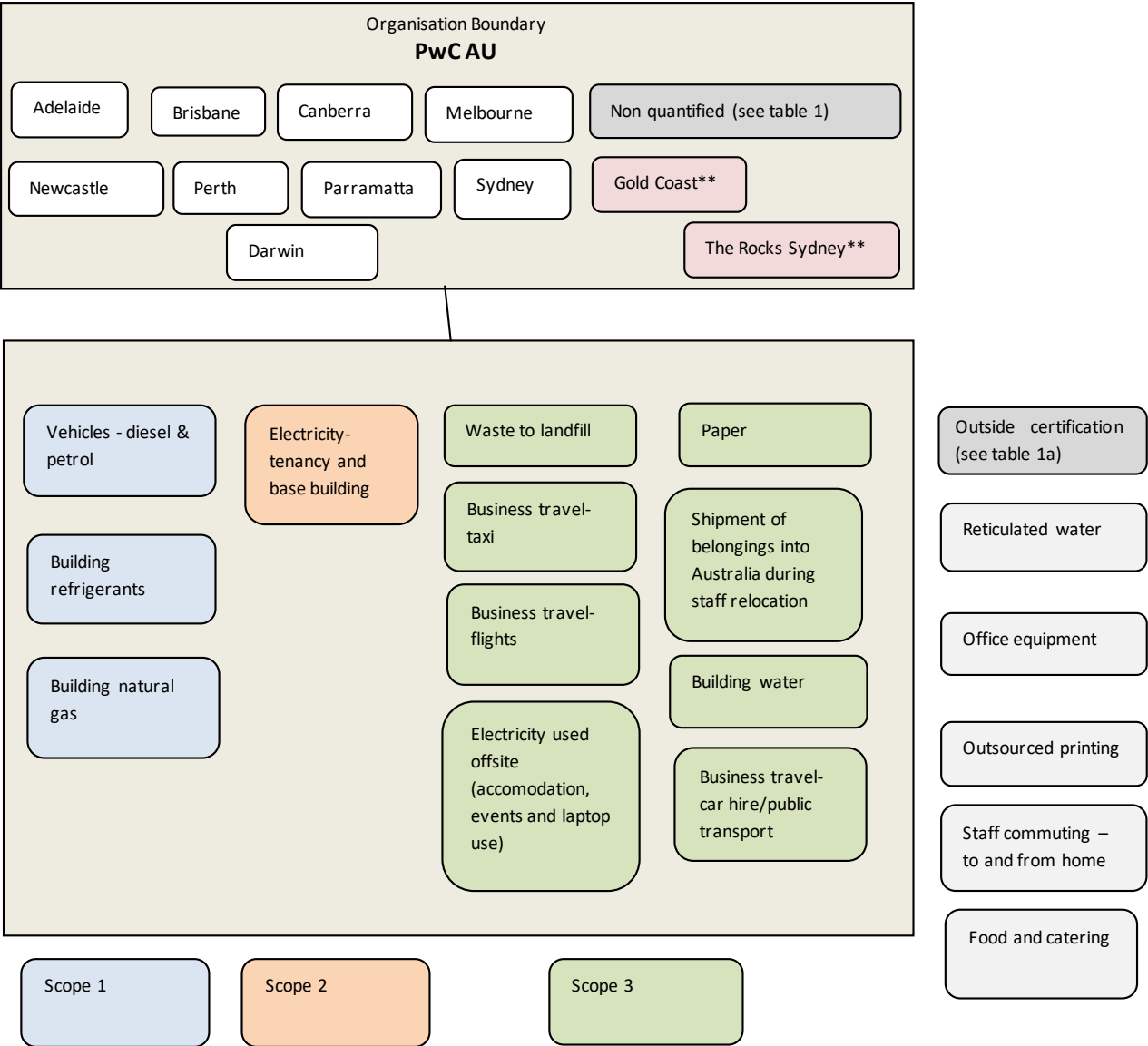


Table 1. Non-quantified sources		
Building	Related PwC activity	Rationale
* Gold coast	Temporary office building	Office was vacated in August 2018 and only held staff on average 2 days per week therefore emissions in FY19 not considered to be material.
** The Rocks Sydney	New office building	Office did not hold permanent staff until August 2019. Emissions related to this premises during the period of office readiness during FY19 are considered immaterial. Office related emissions from The Rocks Sydney will be included from FY20 onwards.

Table 1a. Excluded sources		
Scope 3 Categories	Related PwC activity	Rationale for exclusion
Extraction and production of purchased materials and services	<p>a) Purchase of the following materials:</p> <ul style="list-style-type: none"> - 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.
	<p>b) Purchases of the following:</p> <ul style="list-style-type: none"> - 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.
	<p>c) Purchase of the following services;</p> <ul style="list-style-type: none"> - other professional services (e.g. marketing, travel) - telephone / internet services - external publishing / printing 	<p>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 are not yet available and therefore these activities have not been included.</p> <p>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.</p>
Transport Related	<p>a) Transportation of purchased products:</p> <ul style="list-style-type: none"> - office equipment and technology - paper (including paper stationery) - stationery (excluding paper 	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.

	stationery) - food and beverages other (e.g. gifts, uniforms, newspapers)	<p>We will continue to review the adequacy of supporting data for these activities and consider annually whether to include them within our GHG inventory.</p> <p>Data available on weight and distance of materials shipped by courier departing from a PwC office are included in our emissions.</p>
	b) Employee commuting to and from work	<p>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.</p>
	c) Transportation of waste	<p>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.</p> <p>We will continue to review the adequacy of supporting data for these activities and consider annually whether to include them within our GHG inventory.</p>
Leased assets, franchises and outsources activities	a) Leased computers, photocopiers and printers	<p>The electricity used while operating the leased laptops offsite is included in the GHG inventory (see section 3 (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)).</p>

We confirm that there is no individual emission source that is greater than 1% that has not been validated. In aggregate, there are no emissions that have been excluded that are greater than 5% of the total emissions being offset.

2. Emissions reduction measures

2A. Emissions over time

PwC has calculated emissions using the NCOS electricity calculator and has applied the emissions factor provided by NCOS in the inventory schedule for the first time this year. These changes in methodology have resulted in changes in emissions across multiple emission sources, therefore PwC has restated our FY18 emissions in Table 3 and Table 4 below to allow for direct comparison. As PwC has used a trial version of the calculators in assisting the NCOS body with testing, some adjustments may be required to our 18-19 data within our 19-20 report to align to final adopted calculators.

Scope 2 - changes

PwC has adopted the 'market based method' to accounting for electricity emissions based on guidance from international best-practice standards including the Greenhouse Gas Protocol and ISO 14064. A market based approach enables businesses to accurately reflect the emissions resulting from their electricity choices and contracts, such as from Power Purchase Agreements, and the existence of Renewable Energy Targets within the grid. It facilitates transparent reporting of all electricity sources and contracts while minimising the chance of under or over reporting of renewable energy.

Application of the market based method has reduced the quantification of emissions reflecting the purchase of electricity from grids which have renewable energy targets.

Energy consumption had decreased by c. 1.2m kWh from FY18 to FY19, despite the inclusion of Parramatta Phillip Street and Darwin Offices for the first time in FY19. This decrease reflects an underlying decrease in Tenancy consumption of 1.8m kWh from initiatives to reduce usage across our offices, offset by an increase of 0.6m kWh in base building usage driven primarily by the opening of a common food court in our Brisbane offices.

Scope 3 - changes

PwC has applied the emissions factors supplied in the inventory listing from NCOS for the first time this year. Apart from emissions from air travel, application of these emissions factors have not significantly changed the measurement of emissions.

Air travel

PwC had previously 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, which resulted in a significant increase in emissions from air travel in that year.

In preparation of our FY19 statement, it was noted that incorrect emissions factors were applied to certain cabin classes of flights in FY18. Given the adoption of the NCOS emissions factors in FY19, PwC has also restated FY18 figures using the NCOS factors on a like-for-like basis.

Air travel emissions have increased from FY18 on a like-for-like basis, driven by a conference held in Singapore in the year. An additional 7.2m kilometres were travelled in FY19, reflecting an increase of 6%. However, total emissions have only increased by 2% over the same period which is driven by a positive improvement of cabin class mix, reflecting the impact of initiatives to reduce business class travel.

Staff travel & waste

PwC has seen the benefit of technology in facilitating remote working in reduced emissions from employee travel. Emissions from taxis, car mileage, public transport, nights of accommodation and certain domestic flight routes have decreased from FY18 to FY19 despite an increase in headcount. Paper use has also continued to decline in FY19 as working practices move to digital solutions, decreasing emissions from paper use by a further 46% in FY19. Pleasingly, a focus on education and promotion of recycling, as well as closer partnerships with waste management providers, has seen c. 200 tonnes of waste being shifted from landfill to recycled, composted or water to energy alternatives across our premises, reducing emissions from waste by c. 35%.

Other changes

In a continued effort to improve the completeness of our reporting, we have quantified emissions from international and domestic courier services for the first time in FY19. These emissions have been included within the Transport Fuel - Other category.

Table 2. Emissions since base year								
	Base Year (2008)	FY14	FY15	FY16	FY17*	FY18 As reported	FY18 Restated* *	FY19
Scope 1	1,107	206	227	321	604	349	747	604
Scope 2	21,314	15,421	13,607	14,639	14,722	10,261	10,947	11,676
Scope 3	14,879	15,466	24,644*	26,477	31,064	31,675	33,925	33,166
Total	37,300	31,093	38,478	41,436	46,390	42,285	45,619	45,448

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

** Restated using NCOS rates provided in Calculator to allow like-for-like comparison and classification of all electricity within Scope 2

2B. 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 type during the period 1 July 2017 to 30 June 2018 apart from the inclusion of emissions from couriers for the first time in FY19. The initiatives in Table 3 contributed to the reduction in GHG emissions from these sources in FY19 compared to the baseline

year. The aim for FY20 is to continue the GHG reducing projects (listed in Table 3) which is expected to 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 Social Impact – Environment intranet page.

2C. Emissions reduction actions

Table 2a. Emissions Reduction Measures			
Emission source	Reduction Measure	Scope	Status
Travel Emissions	<p>Introduction of ‘All Roles Flex’ policy allows employees to carry out their day in the time and space that suits both our clients and staff’s personal needs. This policy change along with increased use of collaborative technology (Google Suite) and promotion Google meet and internal video conferencing instead of long/short distance travelling.</p> <p>Travel policies restrict the use of business class flights for both domestic and shorter international flights.</p> <p>In FY19, an air travel dashboard was developed to monitor carbon emissions from business-related air travel on a realtime basis with the aim of increasing awareness of the environmental impact of air travel and driving behavioural change in partners and staff.</p>	3	Travel dashboard implemented in the current year, other initiatives implemented in past reporting periods.
Paperless 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
Removal of single use cups	In FY18 2 of PwC’s office locations (Melbourne and Sydney) implemented a ban on single use coffee cups at staff cafes in order to reduce the waste to landfill for this item	3	Implemented in a past reporting period
Energy efficiency in our offices	In FY17 2 of PwC’s office locations (Melbourne and Sydney) relocated to new premises. They are 5 and 6 GreenStar rated respectively.	2	Implemented in a past reporting period

3. Emissions summary

Table 3. Emissions Summary				
		FY19	FY18 Restated	FY18 As Reported
Scope	Emission source	t CO ₂ -e		
1	Natural Gas*	245	394	341
1	Diesel*	4	9	9
1	Synthetic Gas*	356	344	344
2	Purchased electricity*	11,678	10,947	11,455
3	Transport fuel- air travel	27,983	27,575	23,971
3	Transport fuel- taxi	832	918	1,253
3	Transport fuel- car mileage	280	339	424
3	Transport fuel- other	229	237	328
3	Electricity (offsite)	2,771	3,470	2,882
3	Paper	204	382	216
3	Waste	498	750	750
3	Waste Water	368	254	254
Total Gross Emissions		45,448	45,619	42,285
GreenPower or retired LGCs		0	0	0

Total Net Emissions	45,448	45,619	42,285
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* Split between Scope 1 and Scope 3 emissions in prior year, now reported as a single line item

** NCOS Calculator using the market based approach does not split emissions from purchased electricity into Scope 2 and Scope 3. All purchased electricity has been classified as Scope 2.

4. Carbon offsets

4A. Offsets summary

PwC has purchased eligible Verified Emissions Reduction (VER) and Emission Reduction Fund (ERF) carbon offsets to offset FY19 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 pre-purchased offsets.

FY19 total emissions are 45,448 tCO₂e. Total offsets purchased and retired for FY19 and the FY18 restatement are 45,448 tCO₂e and 3,334tCO₂e, respectively. Table 3 below outlines PwC's offset purchases and retirements for FY19.

Table 4. Offsets Summary					
Projects supported by offset purchase	Registry	Retirement date	Serial numbers	Vintage	Quantity
Turkey Duzova Wind Power	VER408-20388	06/12/2019	GS1-1-TR-GS2468-12-2017-7162-408-20388	2017	19,981
Turkey Duzova Wind Power	VER7564-9679	06/12/2019	GS1-1-TR-GS2468-12-2016-7163-7564-9679	2016	2,116
Turkey Duzova Wind Power	VER53678-56057	06/12/2019	GS1-1-TR-GS1237-12-2016-6315-53678-56057	2016	2,380
Turkey Duzova Wind Power	VER174-8650	06/12/2019	GS1-1-TR-GS-2468-12-2018-7161-174-8650	2018	8,477
Turkey Duzova Wind Power	VER3066-12311	06/12/2019	GS1-1-TR-GS2468-12-2016-6159-3066-12311	2016	9,246
Danjiang River Solar Cookers China	VCSR1549	09/12/2019	6635-328864991-328900190-VCU-009-APX-CN-1-1886-01042015-3122015-0 https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp	01/04/2015-31/12/2015	35,200
Rimba Raya Biodiversity Reserve	VCSR922	02/01/2020	7378-389864964-389873563-VCU-016-MER-ID-14-674-01072014-31122014-1 https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=28680	01/07/2014-31/12/2014	8,600
Total offsets retired					86,000

Offset applied to FY19	(45,448)
Offsets applied to FY18 restatement	(3,333)
Total offsets banked for use future years:	37,219

4B. Offsets purchasing and retirement strategy

PwC purchase offsets based on an estimate of the prior year usage. The offsets retired when purchased but banked for use in future years once the final GHG inventory has been completed and signed off and the external audit review (every 3 years).

5. Use of trade mark

This section is a register of use of the trade mark during the year.

It can also be an opportunity to showcase your carbon neutral products and services, for example, so that other entities wishing to achieve carbon neutrality can incorporate your goods and services into their own procurement practices.

Table 4. Trade mark register	
Where used	Logo type
PwC intranet Social Impact Page - Environment (internal), PwC Proposals for work as needed	Certified organisation