

# Carbon Reduction Plan

PricewaterhouseCoopers LLP

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# Commitment to achieving net zero

This Carbon Reduction Plan refers to the UK firm only, while to align with the requirements of the Companies Act 2006 and accompanying Regulations, as they apply to LLPs, our members report covers the consolidated Group (UK, Channel Islands and Middle East firms).

## PwC UK is committed to achieving net zero emissions with 2030 goals

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

PwC is part of the Business Ambition for 1.5 C, committing to achieving net zero greenhouse gas (GHG) emissions from a 2019 baseline, with a near term, 2030 target verified by the Science Based Targets initiative (SBTi). Building on this, in 2022, we were one of the first businesses to achieve the Carbon Trust's Route to Net Zero Standard (level 2 – 'Advancing').

More information about our environmental programmes can be found on our [website](#), with additional performance information found in our [Integrated Reporting Hub](#) and the Planet 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 externally disclosed our GHG emissions and other environmental and social impacts each year since 2012. Our original 2007 baseline has been reset to 2019, in line with the requirements of the Science Based Targets initiative.

Since 2022, we have extended our reporting scope to include all relevant 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 and all methodologies are outlined in our [reporting criteria](#).

## Baseline year emissions reporting

#### Baseline year: 2019<sup>1</sup>

Emissions	Total (tCO <sub>2</sub> e)
<b>Scope 1</b>	<b>841</b>
Stationary combustion of fuels	716
Fugitive emissions	125
<b>Scope 2</b>	
Purchased electricity:	
Market based	<b>2,139</b>
Location based	<b>6,879</b>
<b>Scope 3 (Included sources)</b>	<b>180,666</b>
Purchased goods and services (PG&S)	90,687
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) <sup>2</sup>	13,765
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products
<b>Total emissions</b> (including modelled employee commuting and teleworking figure)	
Market based	<b>183,646</b>
Location based	<b>188,386</b>

1. Figures have been updated since last year to reflect restatements. During the financial year ended 30 June 2024, the UK rebased purchased goods and services emissions to reflect improved methodology and increased accuracy in underlying emissions factors.

2. FY19 employee commuting and teleworking split is: employee commuting – 12,785 tCO<sub>2</sub>e; teleworking (homeworking) – 980 tCO<sub>2</sub>e.

## Current emissions reporting

Reporting year: 2024	
Emissions	Total (tCO <sub>2</sub> e)
<b>Scope 1</b>	<b>312</b>
Stationary combustion of fuels	252
Fugitive emissions	60
<b>Scope 2</b>	
Purchased electricity:	
Market based	<b>0</b>
Location based	<b>3,990</b>
<b>Scope 3 (Included sources)</b>	<b>135,650</b>
Purchased goods and services (PG&S)	72,910
Fuel and energy related activities	1,553
Upstream transportation and distribution	Reported in the PG&S category
Waste generated in operations	20
Business travel	47,746
Employee commuting and teleworking (modelled) <sup>3</sup>	13,421
Downstream transportation and distribution	Not relevant. PwC does not sell or transport products
<b>Total emissions</b> (including modelled employee commuting and teleworking figure)	
Market based	<b>135,962</b>
Location based	<b>139,952</b>

## Variations between Carbon Reduction Plan and other carbon emissions disclosures

### Integrated Reporting Hub

We report all of our sustainability metrics, including our energy and carbon data, in our public [Integrated Reporting Hub](#). Our scope 2 carbon emissions are calculated using both the 'market based' and 'location based' approaches.

### 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](#) and [Integrated Reporting Hub](#).

### Energy and Carbon Report

The reporting scope of this Carbon Reduction Plan covers the UK firm only, while to align with the requirements of the Companies Act 2006 and accompanying Regulations, as they apply to LLPs, the Energy and Carbon Report, which is found within our [members report](#), covers the entire UK Group. This consolidates extended scope 3 emissions associated with the UK firm, alongside the Channel Islands and Middle East firms.

The same report also includes a 'UK only' GHG emissions table, to align with the requirements of the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 on Streamlined Energy and Carbon Reporting. This includes an additional breakdown that 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.

3. FY24 employee commuting and teleworking split is: employee commuting – 7,637 tCO<sub>2</sub>e; teleworking (homeworking) – 5,784 tCO<sub>2</sub>e.

## Emissions reduction targets

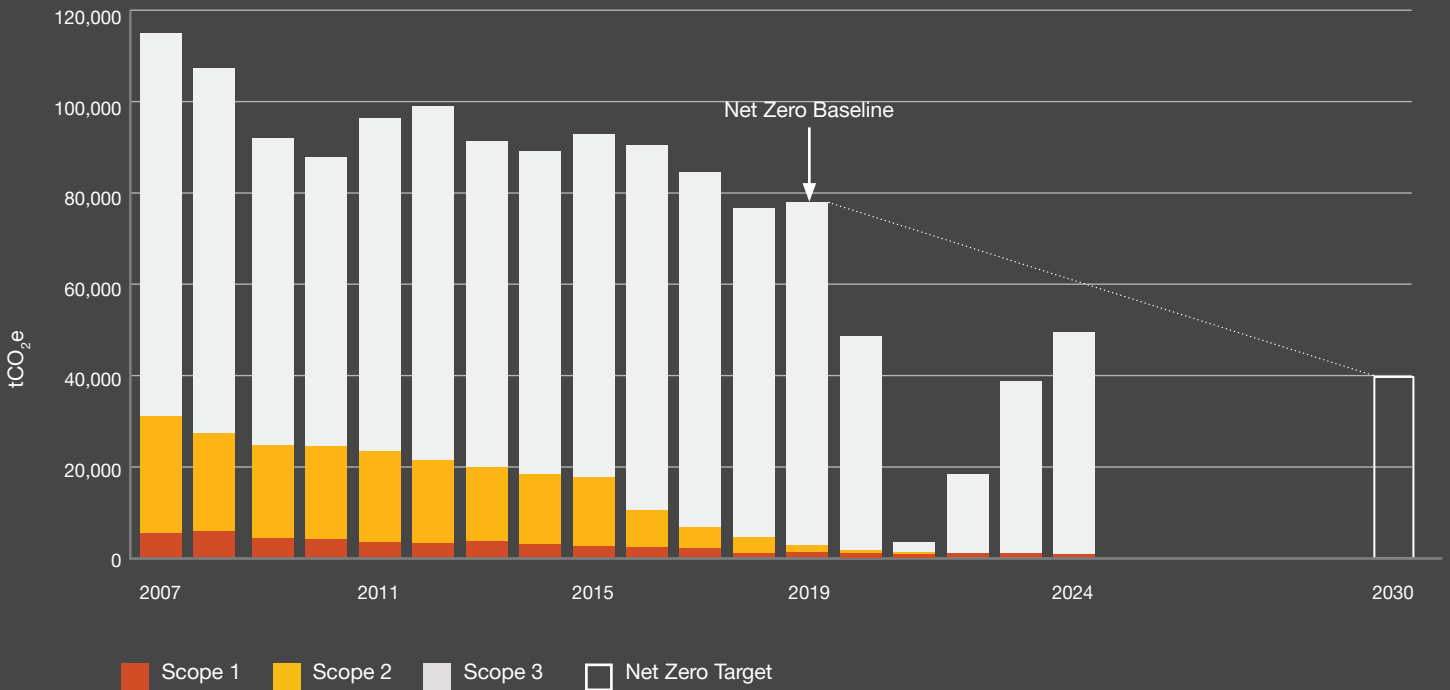
In 2020, we committed to becoming net zero with 2030 near-term targets, validated by the Science Based Targets Initiative and in line with a 1.5-degree scenario.

**Our commitment involves halving our operational footprint, including business travel, by 2030 against our 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.**

We project that our carbon emissions will stay above our 50% reduction target in the short term, before decreasing in line with our 2030 target trajectory.

Since setting our 2019 net zero baseline, we have reduced our total emissions (within our operational control) by 37%, which was supported by our transition to 100% renewable electricity in 2022. This year, our emissions increased compared to last, pushing us above our net zero target for the first time. However, we still remain below our reduction trajectory, as shown in the graph below.

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



This year, our office energy consumption decreased by 9%, meaning it's now 20% below our 2019 baseline, due to ongoing optimisation efforts in lighting and heating. However, our business travel emissions increased to 64% of our 2019 baseline, largely driven by a 30% increase in air travel emissions related to revised UK government factors.

Our established [interim targets to 2025](#), provide a clear roadmap for monitoring other areas such as waste management and resource consumption, with detailed progress and additional information found in our [Integrated Reporting Hub](#).

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. However, we are taking steps to address these accordingly.

## Carbon reduction projects

### Completed carbon reduction initiatives

Since 2019, we've completed and implemented environmental management measures and projects resulting in cumulative carbon emission reductions of 237,000 tCO<sub>2</sub>e. To put it into perspective, this is roughly double the amount of our 2019 baseline emissions, highlighting our strong commitment to protecting the environment.

### Operations

#### Energy management

Our energy management programme is a cornerstone of our sustainability strategy, encompassing all of our UK offices with a focus on consolidating and refreshing office spaces, enhancing operational efficiency, and investing in new technology<sup>5</sup>. This year, we achieved a 17% reduction in operational scope 1 emissions, thanks to our continued energy optimisation efforts, particularly in our larger offices, and the phasing out of more harmful hydrocarbon refrigerants, resulting in less intensive leakages.

Throughout the year, we completed several energy-saving projects that led to reduced electricity and gas usage, and reduced carbon emissions. During the Christmas period, we again closed several offices, including our largest office, Embankment Place, while keeping part of our More London office open for our people. Additionally, we intensified our focus on managing gas consumption during the winter months, achieving a 13% reduction. Our continued investment in biogas as an alternative energy source further decreased overall emissions intensity. We also implemented various electricity reduction projects, such as lighting and LED upgrades in our London offices, improved optimisation of air conditioning systems, and a new programme to adjust energy use during summer by shutting off unused areas of buildings on Friday afternoons, when many of our people adopt summer working hours. These initiatives collectively saved almost 1.4 million kWh of electricity in FY24.

Since 2022, all our UK offices have been powered by renewable electricity, ensuring our market based scope 2 emissions remain at zero. This milestone supports our net zero ambition and aligns with PwC's global commitment to the RE100 initiative, which aims to source 100% renewable electricity across all PwC territories by 2030. Three of our offices, including our two largest ones in London, continue to operate on 100% biogas backed by UK Renewable Gas Guarantees of Origin (RGGO). Consequently, 95% of our total energy now comes from renewable sources, reducing our reliance on grid electricity and decreasing our natural gas consumption. These achievements underscore our commitment to pioneering sustainable energy management and driving meaningful change in our pursuit of a greener future.

#### Technology

While last year we focussed on the energy efficiency and carbon impact of our tech, this year we've focused our attention on the lifecycle of raw materials used in our business. The circularity of IT hardware, including laptops and mobiles, is a key focus. For example, we introduced a new initiative aiming to reduce our tech accessory consumption, focusing on increasing reuse through a borrowing scheme, as well as improving recycling practices.

We also collaborated with our tech recycling supplier as part of London Climate Action Week, holding a 'Recycle for Good' event in our London offices, to help our people recycle their unwanted personal tech devices responsibly, and to upskill them on the sustainability impact of e-waste.

#### Employee engagement

As part of our net zero ambition we recognise the importance of engaging our people in reducing carbon emissions, and are committed to building their understanding of the ESG agenda, and inspiring active participation. To this end, we've implemented various initiatives to educate and involve our employees in sustainability practices. This year, we expanded our 'Nature Network' programme, including new 'Bee Hotel Workshops' in our regional offices, raising awareness on the importance of pollinators for biodiversity preservation, as well as educating our people on the interlinkage between nature decline and the climate crisis.

Additionally, we launched a 'Plastic Free July' campaign to encourage employees to switch from disposable to reusable coffee cups; promoted our Client Carbon Reporting tool to allow better understanding and communication of carbon impacts related to engagements; and supported the Veganuary Workplace Challenge for the sixth year running, to encourage plant-based diets.

#### Business travel

At the heart of our business is a commitment to people – building and maintaining strong relationships with our clients and each other is fundamental to delivering our services. Nonetheless, tackling the emissions impact arising from our delivery of services to clients, and the management of our own organisation, remains central to our approach. That is why this year, we've taken steps to enhance our Thoughtful Travel program, to further reduce the impact of our business travel.

We updated our UK travel policy to reduce the impact of our flights. We've also integrated business travel emissions reporting into our monthly performance updates and introduced individual carbon travel statements for partners and directors to foster accountability and awareness. To drive these initiatives, we've appointed 'Thoughtful Travel leads' from each Line of Service. These leaders meet monthly to gather feedback and collaborate on innovative solutions. Additionally, we've developed an advanced travel dashboard to measure and manage business travel emissions, supporting informed decision-making and reinforcing our commitment to sustainability.

<sup>5</sup>. Our energy programme since 2007 is summarised in our case study: [Corporate Sustainability Lessons Learnt: Acting on Carbon](#)

## Suppliers

To address impacts beyond our direct operations, we have long championed a robust [supply chain sustainability programme](#) designed to engage our key suppliers on our critical sustainability priorities.

Last year, we took a significant leap forward by enhancing our supply chain framework, introducing a comprehensive decision-making process that rigorously assesses the sustainability risks and impacts of suppliers across areas including governance, net zero, nature, and social impact. This year, we have integrated this framework into our daily procurement processes. High-impact suppliers are now evaluated against our stringent sustainability standards during the selection process and are required to commit to specific, measurable targets within their contracts. For our larger suppliers, we have continued to host our [annual forum](#), with the most recent event focusing on the intricate relationship between nature and climate change. The forum underscored the vital importance of incorporating nature considerations into broader Net Zero and sustainability strategies.

As a result of the above long-term collaboration initiatives, we've met our target of 50% of the UK's purchased goods and services suppliers (by emissions) setting near-term science-based targets to reduce their own climate impact.

## Standards

We've maintained the ISO 14001 standard for our environmental management system since 2008 and the ISO 50001 energy standard since 2012. In 2024, we were awarded a platinum sustainability rating from EcoVadis for the fourth consecutive year and were recognised as a carbon management leader. Notably, we were the first business to achieve the 'Advancing' tier of the Carbon Trust's 'Route to Net Zero' Standard in 2022, which validates that we are delivering against our near term science-based targets to reach Net Zero. Additionally, we achieved the highest BREEAM rating, 'Outstanding,' for three offices, while our Belfast office was the first in Northern Ireland to receive BREEAM 'Excellent' status in 2021. These standards and recognitions are integral to our net zero journey.

## Future plans

Building on our near-term Science Based Targets (SBT), we're actively reviewing the Science Based Targets initiative (SBTi) Net-Zero Standard to strategically plan for setting a long-term net zero target. This review ensures that our future goals are scientifically rigorous and aligned with best practices, enabling us to drive substantial and measurable emissions reductions over the long term.

## 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 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. Our Client Carbon Reporting tool went live in FY24, and is designed to be used both at the pre-engagement stage, to estimate engagement-specific travel emissions, as well as post-engagement, when reporting on actual emissions. We plan to expand the use of it further for engagements, enabling us to model alternative delivery options, demonstrate reductions and invest in innovative solutions in order to meet our respective net zero targets.

Other travel-related plans include exploring how we can carry out more intelligent conference planning, and looking at options to phase out vehicles with internal combustion engines (ICE) from our car lease scheme, overtime.

In FY25 we also plan to implement a new green technology strategy covering our operations, suppliers and our people, building on our previous [technology carbon impact assessment](#). This will expand beyond carbon to consider the broader environmental and social impacts of technology. It consists of three strategic pillars: technology sourcing; technology infrastructure and platform design; and 'green by use' – the impact associated with how our people use our platforms and products – which will be broken down into individual targets and actions.

Addressing nature is part of our corporate sustainability strategy, given the crucial link between nature enhancement and combating climate change. To tackle this directly, we are working to further enhance our green roofs and gardens across our portfolio, collaborating with experts to improve habitat quality and enhance biodiversity in these spaces.

## Suppliers

Despite meeting our supply chain target this year (see completed carbon reduction initiatives section), we know that our supply chain profiles and spend fluctuate year-on-year. Therefore, we'll continue working closely with suppliers to maintain this level of commitment, encouraging further adoption whilst driving supply chain emissions reductions. We'll also be working closely with key suppliers to transition to more accurate and relevant supplier carbon reporting.

## Carbon offsetting

We've offset 100% of our reported carbon emissions (Scopes 1, 2 & 3<sup>6</sup>) each year since 2007, and remain committed to this practice.

Recognising the importance of biodiversity and ecosystem services, our supported projects focus on forests in biodiversity hotspots, and adhere to the REDD+ and Climate, Community & Biodiversity (Gold) standards. As part of the global PwC Network, we have joined the LEAF Coalition, a major initiative to protect tropical forests and expand the market for high-integrity carbon credits.

To manage risks and maximise sustainability benefits, we apply rigorous quality criteria when purchasing carbon credits. These criteria cover standards, project types, vintages, portfolio composition, and third-party due diligence. In the short term, we support projects that reduce and avoid emissions while protecting carbon sinks, aiming to transition 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.

More information on these initiatives can be found in our 2024 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 standard,<sup>7</sup> and uses the appropriate government emission conversion factors for GHG emissions company reporting<sup>8</sup>.

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) Standard<sup>9</sup>.

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



Simon Hunt

Chief Financial & Administrative Officer

**Date:** 3<sup>rd</sup> October 2024

6. We do not currently offset the following 'extended' scope 3 emissions categories: Purchased goods and services and employee commuting and working from home

7. [www.ghgprotocol.org/corporate-standard](http://www.ghgprotocol.org/corporate-standard)

8. [www.gov.uk/government/collections/government-conversion-factors-for-company-reporting](http://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting)

9. [ghgprotocol.org/standards/scope-3-standard](http://ghgprotocol.org/standards/scope-3-standard)

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