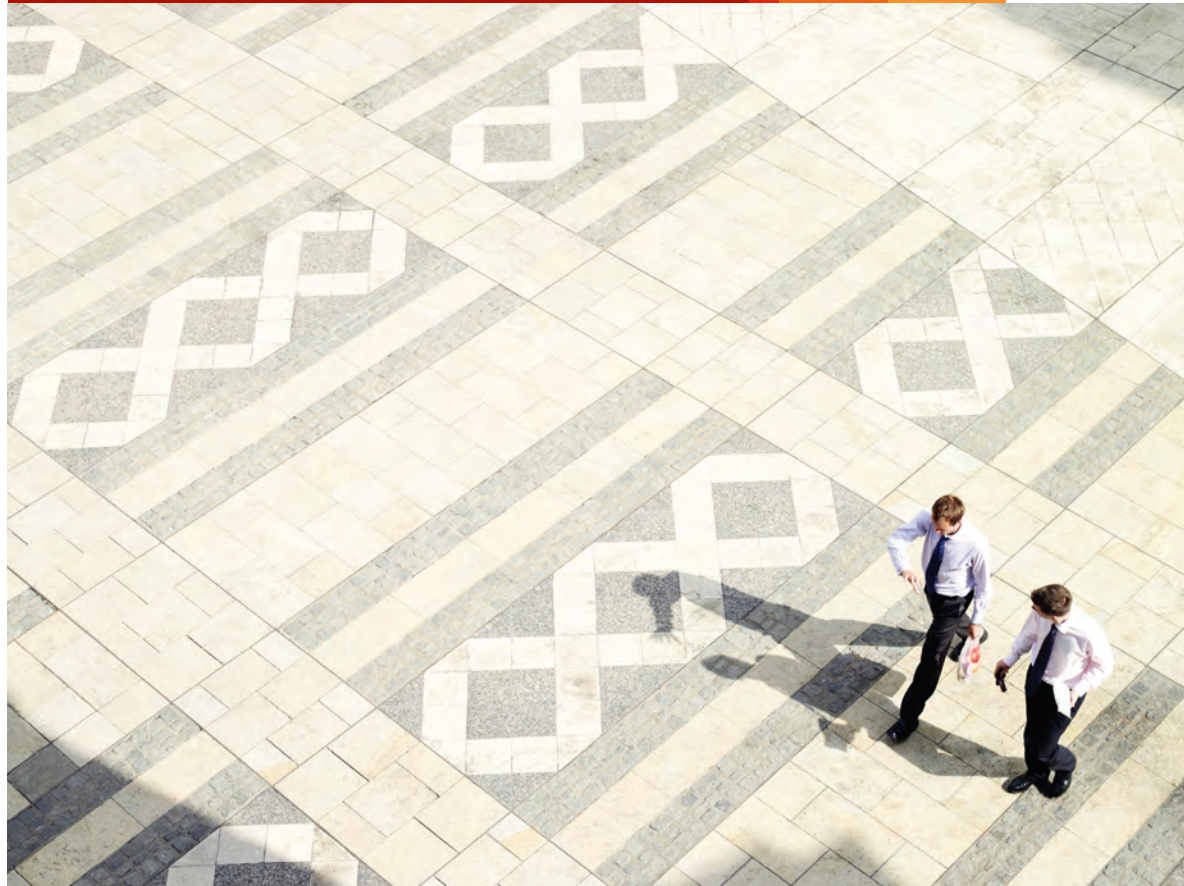


On the right track Corporate responsibility

Highlights 2010
PwC Canada



Contents

| | |
|---|-----------|
| A message from Chris Clark, Chief Executive Officer | 1 |
| The Corporate Responsibility Council | 2 |
| Corporate responsibility at PwC | 3 |
| Community | 4 |
| Environment | 6 |
| People | 8 |
| Marketplace | 12 |
| Our corporate responsibility performance | 16 |
| Looking ahead | 19 |

About PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP (PwC) is the Canadian member firm of the PwC network. PwC is the brand name under which member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide services. Together, these firms form the PwC network. Each firm in the network is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way.

PwC Canada has more than 5,700 partners and staff in locations across the country from St. John's, Newfoundland and Labrador, to Vancouver, British Columbia. Celebrating over 100 years of excellence in Canada, we provide industry-focused assurance, tax and consulting services to enhance value for clients.

About the Corporate Responsibility Highlights 2010 publication

This document provides an overview of our Fiscal Year (FY) 2010 corporate responsibility (CR) actions and performance. FY 2010 runs from July 1, 2009 to June 30, 2010.

For additional information about our CR initiatives please visit www.pwc.com/ca/corporateresponsibility.

Have a question or comment about our Corporate Responsibility Highlights 2010 publication? Contact us at corporate.responsibility@ca.pwc.com.

A message from Chris Clark, Chief Executive Officer

At PwC, both in Canada and as a global network, we believe that we have an obligation to take a leadership role in promoting and practicing corporate responsibility (CR). We also recognize that to become the distinctive professional services firm, we must integrate CR into all aspects of what we do—ranging from working with our local communities, minimizing our environmental impact, developing our people to their full potential, contributing to sound public policy and providing advice to our clients on their sustainability strategies.

In our second annual Corporate Responsibility Highlights publication, along with our website (www.pwc.com/ca/corporateresponsibility), we have provided an overview of our achievements of the past year, ongoing actions, as well as new activities for the coming year. Through all of these actions, we

are developing responsible leaders that have the skills, experience and relationships necessary to create value for our clients across all aspects of social and environmental sustainability—both today and in the longer term.

In a recent employee survey, 85% of our people said they are satisfied with the actions PwC is taking to be socially responsible. This is a positive result, which demonstrates that we are on the right track. We must continue to work harder in the coming year and beyond, as outlined in this publication, to become an even more responsible business in today's society.



Chris Clark
Canadian Senior Partner and CEO

The Corporate Responsibility Council

PwC's Corporate Responsibility Council helps to embed CR into the fabric of the firm. Through the oversight of our CR strategy and continued assessment of our achievements and challenges, it provides leadership and direction on key policies and actions for implementation. The Council includes senior partners representing each of our four lines of service and our operations. The Corporate Responsibility Council members are:

Chris Clark
CEO and Canadian Senior Partner

Serge Gattesco
National Leader, Audit and Assurance Group

Saul Plener
National Leader, Tax Services

Tracey Riley
National Leader, Consulting and Deals

Tony Cancelliere
National Leader, Internal Firm Services

Hazel Claxton
National Leader, Human Capital

Mike Harris (*Corporate Responsibility Council Chair*)
National Leader, Sustainable Business Solutions

John DeLucchi
City Leader, Vancouver

Guy LeBlanc
City Leader, Montreal

Faye Mattachione
Director, National Marketing and Communications

James Temple
Manager, PricewaterhouseCoopers Canada Foundation



“Corporate responsibility at PwC is about integrating environmental, social and economic concerns into our culture, our values and our everyday decision-making. It’s changing the way our people think, act and build relationships with stakeholders.”

Mike Harris

Corporate responsibility at PwC

At PwC, CR represents the way we integrate social, environmental and economic concerns into our values, culture, decision-making and operations in an accountable and transparent manner. We focus our commitments and actions in the four areas in which we operate, namely Community, Environment, People and Marketplace, to bring a holistic view to our CR initiatives. As a global network, PwC aspires to be a

leader in CR and has developed a Global Corporate Responsibility Strategy and CR framework utilizing this four quadrant approach to help achieve this goal.

By considering the wider impacts of our conduct and decisions across these four areas, we are better able to embed CR in all our organizational planning and business processes. Our goal in each of these areas is set out below.

PwC's CR strategy

In 2010, we moved into the next phase of our corporate responsibility initiative by integrating our approach to each of the four areas into one overarching strategy. Through this strategy we have laid out a plan to incorporate CR into all aspects of our business and operations. This has helped us to further align those priority areas that we believe to be 'key' to our internal and external stakeholders.



Community

PwC is committed to making a positive, lasting impact in our communities by sharing our time, knowledge and resources as well as inspiring and harnessing the dedication and capabilities of our people.



Environment

PwC is committed to respecting the environment by raising awareness of the footprint we are leaving on the planet and taking measurable steps to reduce the environmental impact of our business operations.



People

PwC is committed to creating a culture of success for our people by engaging and motivating them to do their best and supporting them to reach both their personal and professional goals. We are focused on developing responsible leaders who can build trust-based relationships with each other and with our clients and stakeholders.



Marketplace

PwC is committed to responsible business practices, promoting responsible corporate citizenship and contributing to the debate on issues impacting our profession. Whether with clients, vendors or other organizations, we promote sustainable practices and good governance.

17,123

total number of hours contributed to our communities through Team Volunteering in FY 2010

Community

“When my three year old daughter was very sick, I received support from the Victorian Order of Nurses (VON), one of the member agencies of the United Way. I don’t know what I would have done without their help. I decided to give back by taking on a leadership role on PwC’s United Way Committee, so that others can get the help that they need, just like I did.”

Christine Herrington
Associate Partner, Tax

PwC has a long-standing tradition of investing in our communities. As an organization, we believe that we have a social obligation to provide support where it is needed. Engaging our people to get involved not only makes a difference in the lives of others, it enables us to better connect with one another, create stronger relationships across our many lines of service and develop our future leaders. Our goal is simple—to inspire positive, lasting change in the communities in which we live and work.

PricewaterhouseCoopers Canada Foundation

Our PricewaterhouseCoopers Canada Foundation helps our people make a difference in our communities by encouraging them to share their time, expertise and resources. The Foundation donates much-needed funds to community charities and encourages participation in volunteer programs and community initiatives, including Team Volunteering, Volunteer Grants, Volunteer of the Year Award, Leadership Grants and Volunteer Education and Engagement. Below are a few examples of the distinct ways in which PwC motivates community leadership.

Sharing our time

We offer our people a variety of volunteer opportunities so they can develop as professionals, have meaningful experiences, apply and expand their skills, work in diverse teams and learn about leadership. We do this because we believe in the importance of skills-based learning and working with our community partners to understand the unique ways we can collaborate on projects that focus on creating lasting social change.

PwC offers staff members one paid day off each year to volunteer at firm organized team volunteer activities occurring in communities across the country. In FY 2010, over 41% of all PwC employees took advantage of the team volunteer day to help make a difference by contributing 17,123 hours of paid time off at one of over 319 team volunteer activities.

As well as being a member of Volunteer Canada’s Corporate Council, our volunteer program was cited by *The Globe and Mail’s* list of the “Top 50 Employers for Young People” as a reason to work for PwC.

Sharing our expertise

The Foundation has created tools and workshops specifically designed to educate our people about the needs that exist in their communities and the organizations that are searching for volunteers. In FY 2010, 134 of our people took part in one of PwC’s 14 not-for-profit Board Basics seminars that took place across the country. Board Basics is a



Heather Burnett, Regional Coordinator with the BC Chapter of the Starlight Children's Foundation, was the recipient of a \$2,500 Individual Leadership Grant in FY 2010. Through the grant she was able to attend the Starlight Employee Retreat in Ontario, connecting with her colleagues from across Canada to share best practices and understand how to implement the organization's strategic plan in her market. Heather credits the leadership grant with helping her develop new approaches to inspiring and leading a team of over 60 volunteers and interns and to create a new and dynamic Regional Advisory Board for BC.

course designed to provide the basic information a person needs to know when taking on a not-for-profit Board Directorship or Committee role. In FY 2010, 377 of our people from across Canada served on a not-for-profit or registered charitable board or committee.

Sharing our resources

The Leadership Grants program supports the continued growth and effectiveness of staff and volunteers at Canadian charities by providing professional development grants to teams and individuals through a request for proposal process each fall.

In the past four years, the Foundation has awarded over \$773,000 in grants to 307 recipients.

Highlighting the impact of our people

The Volunteer of the Year Award recognizes our people for their outstanding achievements in the community and for demonstrating the PwC values of excellence, teamwork and leadership outside the firm. Awards are given out at both the local and national levels, with our people and members from the charitable sector playing a role in the selection and recognition of each winner's volunteer achievements.

Local winners are recognized by their peers at an awards ceremony and a \$1,000 donation is made to the charity where they volunteer. Each local winner is then entered into a pool of candidates, one of which is chosen as the National Volunteer of the Year and the charity where they volunteer receives a donation in the amount of \$10,000 from the Foundation.

Since the launch of the National Volunteer of the Year Award in 2004, over \$200,000 in local and national level awards have been donated to charities across Canada in recognition of our employees' volunteer efforts. In FY 2010, we issued 224 volunteer grants.

Taking action in our local and global communities

PwC provides vital support to communities and individuals across Canada through its numerous office fundraising campaigns and the efforts of the hundreds of volunteers who make them great success stories.

United Way

PwC continues to be one of the largest annual donors to local United Way campaigns across Canada. Together, our people raised \$2,156,000 in FY 2010, up from \$1,917,000 in FY 2009. Despite the economic recession, our people continued to illustrate the importance of giving back to their communities during times of greatest need. In FY 2010, our people were able to increase their personal

commitments to the annual United Way Campaign, helping to augment their combined social impacts.

Haiti relief efforts

Our commitment to the community extends well beyond our borders. After the devastating earthquake hit Haiti on January 12, 2010, PwC committed to making a \$50,000 donation to UNICEF Canada and to match up to an additional \$50,000 in employee contributions to help support emergency relief efforts. Within 48 hours of the call to action, PwC employee donations had exceeded the \$50,000 target and have since grown to almost \$100,000. In total, PwC and its employees contributed almost \$200,000 in financial support and played a vital role in helping UNICEF to provide life-saving support to vulnerable children and their families immediately after the earthquake hit.

New PwC Greater Toronto Area office –
In the fall of 2011, the PwC Tower at 18 York Street, Toronto, will become our new Greater Toronto Area headquarters. The building will feature the latest environmental and design elements—making it one of the most energy efficient office spaces in the downtown core. PwC is committed to pursuing a LEED™ Gold designation (Leadership in Energy and Environmental Design), which is an industry recognized measurement for building sustainability in North America.



Environment

Everywhere we look—from the campuses where we recruit, to our own offices, to our client sites around the world—people are discussing the environment, the impact of climate change and how to ensure a sustainable future. PwC respects the environment by looking for ways to lessen our own environmental impact.

Our three-year Environmental Action Plan (EAP), developed in June 2007, has now completed its mandate. We are proud of the accomplishments we achieved under this plan and our ongoing initiatives under the new plan will now form part of our “Environmental Program”. Our efforts will continue to be focused on raising awareness of environmental issues among employees and in our communities, and reducing our carbon footprint.

Engaging our people

Over the past year, we took additional steps, large and small, to inspire individuals and teams to make simple but effective changes that helped us to reduce our firm’s environmental footprint. We focused on reducing our impact through hands-on activities and by actively encouraging our people to get involved and make responsible environmental choices every day. Here are a few examples of activities undertaken over the past year.

Environmental committees – A core component of employee involvement is through our 14 local committees which are run by employee volunteers. These committees help to reduce the firm’s environmental footprint by engaging our people and encouraging them to get involved in areas that matter most. Through our employee intranet, Lunch ‘n Learns, recruitment programs, and contests, committee members promote awareness and encourage our people to take action and get involved. Over 800 hours were invested by more than 100 committee volunteers this past year.

Green Week – For the fourth consecutive year, Green Week provided an opportunity for PwC to promote environmental awareness and encourage sustainability both in and outside the workplace. During our FY 2010 Green Week, 19 green team volunteering events took place across the country, involving more than 235 PwC partners and staff.

Earth Hour – We also participated in Earth Hour for the third year in a row. Both our people and our PwC offices across Canada engaged in the annual WWF-Canada (World Wildlife Fund)

event to raise awareness and action on the fight against climate change. In FY 2010, we worked with our landlords to switch off the lights in 90% of our total office space.

Climate change

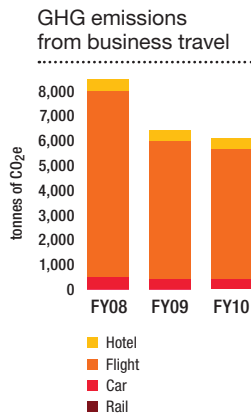
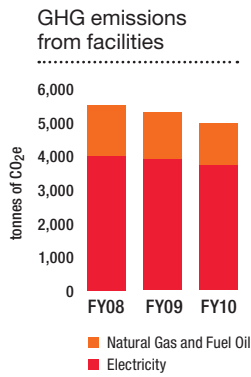
We continue to address the firm’s climate change impact by tracking our energy use and carbon inventory. We’re also implementing new and ongoing activities to reduce GHG emissions attributed to our facilities, business travel and commuting activities.

The comprehensive process of tracking our energy use and GHG emissions includes working with our many landlords and suppliers across the country. In FY 2010, GHG emissions generated by our facilities were 5,030 tonnes of carbon dioxide equivalent (CO₂e), while emissions generated by our business travel were 5,970 tonnes of carbon dioxide equivalent (CO₂e).

Emissions reductions plan

As a services-based company that leases its office space, PwC has limited control over the GHG emissions attributed to our facilities, which are made up of Scope 1 (natural gas and fuel oil consumption) and Scope 2 (electricity consumption) emissions. In an ongoing effort to reduce these emissions, we continue to work with our landlords to find creative ways to address our energy consumption. In addition, we continue to find new ways to actively promote more climate friendly alternatives for our people. Examples include:

- **Commuter habits** – This year, we conducted our first Commuter Survey in order to collect information on our



PwC has started to closely track its GHG emissions and is taking steps to reduce its climate change impact.



people’s commuting habits. We were pleased to achieve a 27% participation rate nationally for this inaugural survey and look forward to even greater participation in future iterations of this initiative. Through this survey, we asked our employees not only how they commute to and from work, but also the reasons behind their choices. We will use the survey data to assist us in identifying additional opportunities to reduce the GHG emissions associated with employee commuting.

- Employees working from home** – Our people are able to tele-commute, take online training sessions and participate in our increased Flexible Work Arrangements. They can also use our new IP phone system, which pairs their office phone with any phone of their choice—home, cell, a hotel—so they can pick up calls wherever they are working from that day. New web browsing technology also allows employees to pick up messages through their email anytime, anywhere.
- Business travel** – While business travel is a necessary part of our operations, we are committed to reducing our overall travel by enhancing our video and audio conference capabilities in all of our offices. We use best-available technology that enables our people to connect with each other, as well as our clients and stakeholders via video and voice conferencing to minimize the need to travel. These efforts have helped support slight declines in our business travel over the past year, which has been reduced in FY 2010 to 48.2 million kilometers from 48.6 million kilometers in FY 2009.

“PwC really stands behind its people when it comes to taking part in sustainable initiatives. Whether it’s composting, recycling cell phones or volunteering for an environmental cause, there’s always an opportunity for everyone to get involved. I’ve been on the Environmental Committee for two years now, and it never fails to impress me just how big an impact a company can really make.”

Stewart Goud

Waste reduction and recycling

Continuing to reduce and recycle the waste PwC offices generate is another important way that we are reducing our environmental impact. By working with our landlords, our suppliers and our local Environmental Committees, we are continuing with a number of measures to reduce our waste going to landfills as well as our paper consumption. PwC has been partnering with our local landlords to improve recycling programs available to our people. Most of our locations offer a full range of paper and container recycling options, and continue to add additional materials wherever possible. For example, several of our offices are now equipped with organic recycling, and a waste-to-energy program where beverage machine filter pouches are reused to generate electricity. Additionally, the Environmental Committees have established recycling programs in most of our offices for used electronics and batteries.

Our Environmental Paper Procurement and Usage Policy commits the firm to sound paper practices that help promote the sustainable use of forests and other natural resources. Last year, most of our black and white printers were set to default double-sided. In FY 2010, due to increased efforts by our people to save paper, we reduced our firm’s paper usage by 15% to 57,825 thousands of sheets.

PwC uses best practice e-waste procedures by using vendors that reuse or recycle our used electronic equipment such as computer hardware and devices. We also encourage staff to recycle used cell phones and batteries through programs that are coordinated by our local Environmental Committees.

57%

of our people are women

People

Our people are an integral part of our CR plan. We develop responsible leaders who build relationships and create value for our clients and the broader marketplace. We also want to provide an experience for our people where they are engaged and motivated to give their best every day, recognized for their contributions, and supported to develop and reach their full potential. In FY 2010, our firm consisted of 425 partners and 5,303 staff.

We are committed to a long-term people strategy that focuses on foundational priorities such as diversity and inclusion; work/life flexibility; and coaching, learning and development. We also believe in recognizing the achievements of our people through a “pay for performance” philosophy and appropriate rewards and recognition.

Our long-term success is supported by the continued investment in the future of the firm, whether through continuing to make new partners and associate partners, promoting our existing employees, or recruiting experienced and graduate hires. We are also committed to connecting with and engaging our people—motivating them to contribute to the firm’s and each other’s success.

Promoting diversity and inclusion

PwC’s vision for diversity and inclusion is to “foster an inclusive environment where all of our people are able to develop to their full potential, regardless of background or personal circumstances, and where we leverage diversity to deliver the highest value for our people and our clients”. We take pride in the diversity of our workforce and view it as a competitive advantage to be nurtured and promoted.

Our strategy includes a number of broad-based initiatives and programs that recognize the diverse experiences of all our people related to gender, culture, visible minorities, LGBT (Lesbian, Gay, Bisexual and Transgender), disability



Even before Anita McOuat, a senior manager in our GTA office, started her maternity leave, she was thinking about how her personal and professional life would change following the birth of her child. *“I wondered what this meant for my career path at the firm. But with the help of my coach, the support of the Briefcase Moms program, and an 80% work arrangement—working a four-day week—I found a personal and career path that works for me. What I learned through my experience as a new parent at the firm, is that PwC is interested in making my career work for me and my family by offering the type of guidance and support that I need.”*

and language. As part of our efforts, we support Employee Resource Groups (ERGs), which provide networking and mentoring opportunities for members and the broader firm populations. The goal of the ERGs is to help create an inclusive environment where our people can develop and grow unimpeded, and have every opportunity to build relationships with each other and our clients.

Our diversity and inclusion strategy not only focuses on our own people, but also includes activities that engage key external audiences and stakeholder groups. Two examples of our activities include the following:

- **Gender** – Our Women in Leadership (WIL) and Retention of Women (ROW) initiatives are experiencing success through a number of activities, including one-on-one mentoring relationships, dedicated women’s business networks and profiling the experiences of our female leaders to our people and the marketplace. Our firm’s Canadian Leadership Group now comprises 22% women, up from 17% last year.
- **Culture** – Our broad focus on cultural diversity and inclusion is vital to our overall strategy to become a more inclusive firm. A new Mosaic ERG that connects visible minorities and new Canadians at PwC is just one example of our progress in this area.

Supporting wellness and work/life flexibility

Wellness and work/life flexibility are very important to our people. With this in mind, we are focused on making ongoing improvements in this area, including better communication of our existing wellness and flexibility programs and improved leadership and management support for our people. We recognize that we need to actively support employees in helping them to achieve their wellness and flexibility goals—whether they wish to remain in their current positions or pursue other opportunities within the firm.

PwC has a number of Flexible Work Arrangements programs which provide our people with solutions to fit their needs for balancing work and life priorities. For example, our Flexible Time Away program provides our people the opportunity to take unpaid time off to spend quality time away from the office to relax and recharge or to pursue

personal interests. Another example is our Reduced Hours program, which lowers the total number of hours worked per week. In some circumstances, our people have no set work schedule, just a target number of hours to be worked over a certain period of time. In FY 2010, 4% of our staff participated in this program.

Technology also has a role to play in providing our people with additional flexibility options. For example, our new digital phone system allows employees to connect remotely to their office phone via their laptops.

Achieving wellness and flexibility goals is a shared responsibility. Our leaders are encouraged to put themselves in our people’s shoes and be aware of and responsive to their challenges. Employees are also encouraged to reach out to their coaches and managers to seek valuable advice and support.



For the sixth year in a row, Mediacorp Canada Inc. named PwC as one of Canada’s Top 100 Employers. In addition, we were recognized as a Top Employer for Young People for 2010.



Caroline Gadbois, an experienced associate, shares her experiences of what Enhanced Working Practices means to her. *“I was able to pick a part of a work assignment that I was interested in, and then lead a team workshop to learn first-hand from my colleagues about how best to improve the way I work with my clients. These practices are great because they have allowed me to become more confident in my role and develop a better understanding of the needs of our clients.”*

Providing coaching, learning and development

Providing quality opportunities for our people and helping them grow and succeed as professionals is a key component of our people strategy. We continue to invest in our people’s development throughout their careers—to support them in their current positions as well as prepare them to progress to more senior roles within the firm.

Learning opportunities at PwC are a mix of on-the-job experience, coaching, and internal and external courses, which are supported by a range of activities including mobility assignments, and community and volunteer activities. The greater the opportunities we provide for our people to develop, the greater their ability to build trusted relationships with their teams and clients.

PwC is an approved Chartered Accountant Training Office (CATO). As part of our CATO activities, we provide our newly hired graduate recruits with the opportunity to prepare for their CA designation with our comprehensive UFE (Uniform Final Exam) Preparatory Program. We also continue to contribute to the professional development of our people through continuous learning opportunities that promote responsible business practices and help to uphold accounting standards. This is a priority for the firm.

Coaching is highly valued by our people. They appreciate frequent and meaningful coaching conversations that support them in their ongoing development and career paths. Over the past year, we have focused on improving support for our coaches and sharing best practices through dedicated workshops and other learning forums.

The programs below are just a few examples of how we support the professional and personal growth of our people to build responsible leaders in the global marketplace:

- **Enhanced Working Practices** – Introduced as a pilot last year, these practices, which are being introduced across the firm in FY 2011, empower individuals and teams to learn through their day-to-day work. Activities such as job shadowing and “teach, don’t tell” provide our people with opportunities to accelerate their development, empower them to take on more responsibilities, and encourage effective teaming.
- **Genesis Park** – Developing our future leaders and key talent is essential to achieving success. We continue to actively participate in Genesis Park, PwC’s global innovative leadership and development program. Our PricewaterhouseCoopers Canada Foundation hosts several learning

workshops specifically designed to educate our senior people about how to effectively serve on boards and help develop their leadership skills.

- **Mobility** – Improving the agility of our people is an important component of developing our key talent as we seek to meet the changing needs of our clients. We provide a diverse range of development opportunities, both across Canada and in many of the 151 countries across the PwC network, to work on challenging assignments where our business has a strategic need for skilled and experienced resources.

Measuring our success

The more engaged our people are, the more likely they are to be motivated to contribute to the success of the firm, each other and the community. Our annual employee survey plays a critical role in

obtaining their opinions and feedback on our key people and firm priorities as well as measuring their engagement. Results indicate that engagement scores have declined over the past year. Although this decline is partly attributed to difficult economic conditions and some of the tough decisions we had to make as a result, it clearly tells us that we need to improve our efforts.

Our leaders and managers are encouraged to be role models with respect to our people strategy. This means “walking the talk”, executing our people strategy and being responsive to our people’s needs and concerns. To be successful, we understand the importance of continuing to build trust and credibility with our people, speaking with one voice on our strategy, and supporting them through our words and actions.



As part of our graduate recruitment campaign, PwC was a proud sponsor of this year's "Show Me the Green", a student conference which deals with real-world scenarios concerning renewable energy and sustainable growth. "Our students had a great time at this year's event," said Amy Lakhani, National Campus Recruitment. "They were put through a variety of challenges where they learned about the importance of sustainability in the business world, which they'll soon be a part of. Our people from the Sustainable Business Solutions practice had a chance to participate as well, by judging the submissions and chatting with the students about their own environmental concerns and goals."

Marketplace

As a leading professional services firm, we actively communicate and demonstrate our commitment to corporate responsibility and work to inspire others to take action.

Our role as accountants and professional service providers

We use our position as public accountants and trusted business advisors to promote responsible leadership and business practices that uphold accounting standards, protect economic stability and build trust in our capital markets. As a firm, we actively offer our opinions and play a role in upholding and developing professional standards and regulations that affect our profession.

Whether it is with clients, vendors or our people, PwC is a leading voice for enduring relationships that promote responsible business practices. As professional advisors, we help our clients solve complex business problems in today's changing economic landscape. PwC aims to enhance our clients' ability to improve value, manage risk and improve performance. We also play a significant role in the operation of the world's capital markets and take pride that our services, particularly external

audits, help to improve the credibility, transparency and reliability of financial statements. We believe that our efforts help investors and stakeholders make informed decisions, as well as build trust and promote consistency in corporate governance and business processes.

The quality of our work is determined by the quality of our people. Our clients look to us for insight and advice to help them address their business issues and achieve success. For these reasons, our talent consists of a diverse range of qualified people from a number of professional fields. Whether they are from the business, science, arts, engineering or other fields, they help deliver trusted business advice to all of our clients.

How we do business

Our success depends on having an ethical culture that engenders trust in the marketplace. In essence, in order to be viewed as a trusted professional services firm, PwC must practice internally what we advocate for our clients. A key part of our overall Ethics and Business Conduct program, our Code of Conduct, is based on our values of Excellence, Teamwork and Leadership and defines the expected behaviours of our people. We also have an internal and external helpline that encourages our people and others to contact us on any ethics or business conduct matters relevant to the firm.

Risk management, security and quality are important issues for PwC's business operations. We address these critical issues through a variety of policies and

programs designed to ensure that the firm adheres to the highest standards and practices. For example, this past year we released a new e-learn training module, Risk Management – Your Personal Responsibility, to be completed by everyone within the firm. The course is designed to refresh and enhance awareness of PwC’s risk management policy and to assist our people in understanding their personal responsibilities.

Our firm’s independence policy helps to ensure that we conduct business relationships without any financial interest in, or personal or business relationships with, our audit clients and their affiliates. All of our people are required to participate in interactive independence training sessions as well as complete an annual confirmation with respect to their personal responsibilities as they relate to independence and firm compliance. We achieved 100% completion of compliance confirmation again this past year.

Our role in creating a sustainable society

As a business, we believe we have a duty to take an active role in addressing issues relating to sustainability through our efforts with clients, stakeholders, vendors and other organizations. Our Sustainable Business Solutions practice provides Consulting, Audit and Assurance and Tax services to a range of clients. PwC has an opportunity to not only enhance our clients’ ability to manage risk, identify opportunities and increase business value, but also inspire others to take action.

Our clients are not limited to major corporations; we assist all manner of businesses in their efforts to become more corporately and socially responsible. We extend these services to the broader community through our work with not-for-profit agencies, various pro-bono projects and the thought leadership we develop on the issues. Some examples from this past year include:



- **Fashion Takes Action (FTA)** – PwC provided credibility to this environmentally-focused organization by being the official vote counting partner for their first annual FTA Design Forward Award. This event was held in the spring of 2010 and was created by FTA to help recognize Canadian eco-fashion designers. PwC donated the time required to act in the capacity of ballot accountant for this not-for-profit organization to better assist FTA in achieving this goal.



“It was important for Fashion Takes Action to have the credibility of an audit firm to be our voting partner for our first-ever design awards. Through research and reputation, we felt that PwC was the best fit for us given their commitment to corporate responsibility and reporting. I think it’s critical for every company moving forward to embrace sustainability—it’s only going to benefit the planet, the financial bottom line, and of course, our people.”

Kelly Drennan



- **Greening Canada Fund** – In November 2009, PwC worked with Greening Greater Toronto to launch the Greening Canada Fund, the first-ever voluntary carbon emissions reduction fund aimed exclusively at large Canadian corporations. The Fund purchases carbon offset credits from green projects across Canada, of which half or more must be from public and non-profit sector sources, and then distributes them to corporate investors wishing to reduce their GHG emissions and/or become carbon neutral. PwC provided support to the Fund, which included a significant amount of advisory services from both assurance and tax personnel with respect to the structuring of the Fund.

Connecting with the marketplace

Investing in strong relationships with all of our stakeholders is key to our future success. Through the use of social media, we are connecting and engaging our current and target clients, to our potential recruits and our alumni. Social media tools give us the opportunity to strengthen our connections in the marketplace—by highlighting our business, the diversity of our people,

and some of the community and social activities that showcase PwC.

- **A “Crowdsourcing” initiative for Canada’s Digital Compass** – For the first time, PwC used crowdsourcing through an online platform to capture input from a wide audience. Our topic was “digital transformation” and we asked people to define Canada’s role in the digital economy, by encouraging them to discuss, vote on and rank their top ideas.
- **PwC Connect** – This online community for our alumni is designed to help our people and alumni expand and strengthen their personal and business relationships with each other. It allows alumni to keep in touch with their professional and personal contacts, explore career and networking opportunities, and keep up-to-date on exciting events scheduled in their area.

Thought leadership

We are committed to sharing our industry and professional knowledge in a manner that contributes constructively and positively to our clients and stakeholders. Our people are highly knowledgeable of current business issues and industry topics—and share our thoughts through a number of outlets, including press releases, white papers, participation in working groups and speaking engagements at key industry forums. Three examples of thought leadership we developed in FY 2010 relating to sustainability are included below:

- **The Forecast** – PwC’s climate change newsletter examines complex topics such as potential carbon risks and opportunities, federal and provincial climate change reporting regulations, and green electricity labels and markets within Canada through discussion and real business examples.
- **CSR Trends 2010: Stacking up the Results** – This is a comprehensive, annual survey, conducted jointly with Craib Design & Communications, of corporate social responsibility (CSR) reporting trends, benchmarks and best practices. It is a practical working tool designed to give useful insight into global leading practices and help businesses better communicate to their stakeholders that their company is not only building a sustainable business, but is contributing to building a more sustainable world.
- **Climate Change Assurance Working Group** – In the fall of 2008, the Canadian Institute of Chartered Accountants (CICA) asked Christine Schuh, an associate partner in our Sustainable Business Solutions practice, to chair their Climate Change Assurance Working Group. This group, comprised of representatives of the CICA and a number of member CA firms, was brought together to prepare guidance to Canadians on greenhouse gas assurance. The group is currently supporting the work of the International Auditing and Assurance Standards Board (IAASB) on the development of a greenhouse gas assurance standard (ISAE 3410) which will be exposed for

comment in 2011. Christine is a member of the IAASB task force that is drafting the ISAE 3410 standard.

Procurement practices

PwC sources products that reflect the firm's approach to corporate responsibility. As a business that wants to advance ethical, environmental and social issues, it is essential that we encourage our suppliers to subscribe to high ethical standards. Our Supplier Code of Business Conduct outlines our ethical, environmental and social expectations in the development and sale of their products. As well, we continue to ask our key suppliers to present product roadmaps with highlights of their "green" strategies and outcomes. As a result, our products—ranging from electronic equipment, to paper and cleaning detergent—meet our stringent standards.

Sponsorships

Promoting excellence, whether it is for an athletic or intellectual pursuit, is important to us. PwC provides financial and in-kind support for a variety of national awards, academic institutions, athletes and philanthropic organizations. We select sponsorships that benefit the community and our people while reinforcing PwC's values, brand and strategic priorities. Several examples are included below:

- **CFO of the Year Award** – Our national sponsorship of Canada's CFO of the Year Award, alongside Financial Executives International Canada and

The Caldwell Partners International, is one of our firm's premier sponsorship initiatives. Canada's CFO of the Year Award honours senior financial leaders who have made a significant contribution to business in Canada with quality, insight and direction. This year's winners were Richard Bird, Executive Vice-President, Chief Financial Officer and Corporate Development of Enbridge Inc. and Cynthia Devine, Chief Financial Officer of Tim Hortons Inc.

- **Alpine Canada Alpin** – For the fifth year in a row, PwC continued to be the exclusive auditor, tax and business advisor to Alpine Canada Alpin (ACA). We also provided financial and in-kind support to the ACA Podium Club and sponsored individual skiers Jean-Philippe Roy and Geneviève Simard. We also leveraged our sponsorship with ACA to engage our people in fun

activities related to the 2010 Winter Games, through contests, prizes and themed Alpine Canada visuals.

- **The National Business Book Award** – This prestigious \$20,000 award, which is sponsored by PwC, the BMO Financial Group and media partner *The Globe and Mail*, recognizes outstanding talent in Canadian business writing. This year's winner was Jeff Rubin for his book, *Why Your World is About to Get a Whole Lot Smaller: Oil and the End of Globalization*, published by Random House Canada.
- **Education** – PwC invests in education through significant financial assistance to post-secondary institutions across Canada, contributing nearly \$545,000 this past fiscal year.



Jeff Rubin signs copies of his book at the 2010 National Business Book Award, sponsored by PwC.

Our corporate responsibility performance

This table presents our progress against priorities identified in our Highlights 2009 report and defines our key priorities moving forward.

| Quadrant | FY 2009 Priorities | FY 2010 Update |
|--------------------|--|--|
| Community | <ul style="list-style-type: none"> Find new opportunities for our people to lend their professional skills and knowledge to charities | <p>ACHIEVED Customized our volunteer activities to focus on building the capacity of our people as, not only volunteers, but as charitable partners.</p> <p>Provided 14 training sessions on, and continued to lend assistance to employees interested in not-for-profit Board of Director positions.</p> |
| | <ul style="list-style-type: none"> Encourage additional participation in our PricewaterhouseCoopers Canada Foundation programs | <p>ONGOING Obtained valuable stakeholder input through a cross-country roadshow—helping us to better understand what we are doing well, and areas we can further improve with respect to our PricewaterhouseCoopers Canada Foundation activities.</p> <p>Increased the number of team volunteer events across the country from 313 to 319.</p> |
| Environment | <ul style="list-style-type: none"> Reduce greenhouse gas emissions | <p>ACHIEVED Continued with activities contained within our Emissions Reduction Plan.</p> <p>Developed a more comprehensive understanding of our commuter habits through the deployment of a national employee commuter survey.</p> <p>Reduced our business travel through greater use of video conferencing and other web-based meeting applications. This helped support a 6% reduction of GHG emissions from business travel.</p> |
| | <ul style="list-style-type: none"> Improve our paper-use practices | <p>ACHIEVED Paper reduction initiatives, including equipment and operational changes, decreased our office paper consumption by over 15% or 10,525 thousands of sheets.</p> |
| | <ul style="list-style-type: none"> Enhance support for our local PwC Environmental Committees | <p>ACHIEVED Assigned a resource with the mandate of supporting the efforts of our Environmental Network.</p> |
| People | <ul style="list-style-type: none"> Implement new diversity and inclusion initiatives | <p>ONGOING Increased the number of women in key leadership positions across the firm.</p> |
| | <ul style="list-style-type: none"> Encourage work/life flexibility among our people | <p>ONGOING As part of our Flexible Work Arrangements programs, 4% of our people participated in reduced work schedules, which is consistent with last year.</p> |
| | <ul style="list-style-type: none"> Improve coaching, learning and development opportunities | <p>ONGOING Increased our experiential learning through targeted Enhanced Working Practices, which use techniques like job shadowing to empower people to take on more responsibilities on the job.</p> <p>Increased our participation in PwC's global leadership development program, Genesis Park.</p> |
| Marketplace | <ul style="list-style-type: none"> Integrate corporate responsibility into our procurement practices | <p>ONGOING Increased the number of eco-friendly products available for our people to choose from when ordering business supplies.</p> <p>Engaged a secure shredding service provider in a number of our offices that recycles processed paper, then quantifies and reports back to us the environmental impact savings achieved through their process.</p> |
| | <ul style="list-style-type: none"> Help clients to put sustainability at the heart of their corporate strategies | <p>ACHIEVED Developed a range of targeted thought leadership pieces including the areas of climate change and sustainability reporting.</p> <p>Provided consulting services to a number of national and international corporations focused on mitigating sustainability risks, identifying opportunities and realizing tangible outcomes.</p> <p>Hosted Corporate Responsibility Roundtables which provided members of industry with the opportunity to discuss current sustainability issues and solutions in an open forum.</p> |

FY 2011 Key Priorities

- Increase participation in PricewaterhouseCoopers Canada Foundation programs through a number of activities including:
 - Developing a five year strategic plan
 - Enhancing the Foundation's brand internally and externally
 - Strengthening our performance measures to ensure they continue to provide meaningful information on program outcomes
 - Increasing participation by our people in team volunteering
-

- Develop a climate change strategy to identify new opportunities for energy and emissions reductions
 - Enhance support for our local Environmental Committees through funding, management support and other operational activities
-

- Continue our efforts to operationalize our diversity and inclusion strategy
 - Manage our global mobility program to better meet our strategic business and talent needs
 - Implement more impactful experiential learning programs
 - Continue to differentiate our talent pools and build robust development plans for our people with the greatest potential
-

- Further integrate corporate responsibility into our procurement practices through the revision of documents and review and enhancement of firm-wide practices
- Continue to lead the debate on issues impacting our profession through the services we provide, the development of thought leadership and general participation in working groups and other forums
- Continue to find innovative ways to help our clients embed sustainability into their business strategies, operations and practices.



FY 2011

Key performance indicators

| Quadrant | Performance Indicator | Unit | FY 2010 | FY 2009 | FY 2008 |
|---------------------------------------|--|-----------------------------|---------|------------------|---------------------|
| Community | | | | | |
| Giving | Charitable donations and sponsorships | Thousands of CAD | 2,030 | 2,192 | 2,203 ¹ |
| | Contributions by partners and staff to United Way ² | Thousands of CAD | 2,156 | 1,917 | 1,826 |
| Employee engagement | Participation in team volunteering events | Number of staff & partners | 2,283 | 2,400 | 2,182 |
| | Time spent by partners and staff in team volunteering events | Hours | 17,123 | 16,800 | 15,270 |
| | Volunteer grants | Number of grants | 224 | 262 | 214 |
| Environment | | | | | |
| Employee engagement | Time dedicated by volunteers in PwC Environmental Committees | Hours | 800 | 1,030 | 970 |
| Earth Hour | Participation in Earth Hour | % of office space | 90 | 92 | 75 |
| Greenhouse gas emissions ³ | Scope 1 (natural gas and fuel oil consumption) | Tonnes of CO ₂ e | 1,360 | 1,440 | 1,450 |
| | Scope 2 (electricity consumption) | Tonnes of CO ₂ e | 3,670 | 3,890 | 4,040 |
| | Scope 3 (air travel, car rentals, rail travel and hotel stays) | Tonnes of CO ₂ e | 5,970 | 6,380 | 8,420 |
| Business air travel | Distance flown by PwC partners and staff | Thousands of kilometers | 48,232 | 48,660 | 60,340 |
| Paper usage | Office paper consumption | Thousands of sheets | 57,825 | 68,350 | 93,600 ⁴ |
| People | | | | | |
| Workforce | Partners | Number of partners | 425 | 413 | 423 |
| | Staff | Number of staff | 5,303 | 4,973 | 4,837 |
| | Voluntary departures | % Staff | 12 | 12 | 15 |
| Employee satisfaction | "I would recommend PwC as a great place to work." | % Favourable | 70 | 78 | 77 |
| | "I am proud to work at PwC." | % Favourable | 80 | 86 | 87 |
| Diversity and inclusion | Women | % Staff & partners | 57 | 55 | 56 |
| | Members of a visible minority | % Staff & partners | 27 | 32 | 32 |
| Work/life flexibility | Reduced schedule | % Staff | 4 | 4 | 4 |
| Coaching, learning and development | "I have the opportunity to work on challenging assignments that contribute to my development." | % Favourable | 73 | 76 | 78 |
| | "The learning and development I receive at PwC have adequately prepared me for the work I do." | % Favourable | 75 | 77 | 76 |
| Marketplace | | | | | |
| Revenues | PwC Canada revenues | Millions of CAD | 1,034 | 1,030 | 986 |
| Non-charitable sponsorships | Education sponsorships | Thousands of CAD | 545 | 475 | 505 |
| | Other sponsorships | Thousands of CAD | 1,826 | 1,604 | 1,612 ¹ |
| Business conduct | Completion of annual compliance confirmation ⁵ | % Staff & partners | 100 | n/a ⁵ | 100 |

¹ For FY 2008, total "Charitable donations and sponsorships" and "Other sponsorships" represent actual costs incurred. Apportionment between Community and Marketplace was estimated.

² FY 2010 value corresponds to the calendar year 2009 campaign. FY 2009 and FY 2008 values correspond to the 2008 and 2007 calendar year campaigns respectively.

³ Due to rounding, the subtotals may not add to the total. Emissions were calculated using the "GHG Protocol": A Corporate Accounting and Reporting Standard (Revised Edition)" developed by the World Resource Institute and the World Business Council for Sustainable Development. Scope 1 and 2 calculations are based on consumption data provided by 3rd parties. Where this information was not available, estimates were made based on average consumption. As a result, GHG emissions have been estimated for approximately 13 percent of PwC's total square footage. Scope 3 emissions related to business travel were calculated using data provided by Amex Canada Inc and calculation model provided by Atmosfair. Emission factor sources used in calculating the carbon footprint are taken from: National Inventory Report 1990 - 2008: Greenhouse Gas Sources and Sinks in Canada, Environment Canada, April, 2010; and Climate Change 1995, The Science of Climate Change: Summary for Policymakers and Technical Summary of the Working Group I Report, IPCC, 1995.

⁴ FY 2008 value was estimated for the first half of the year.

⁵ The annual compliance cycle is from September 1st to August 31st. Therefore, the FY 2010 value refers to the cycle ended August 31, 2009.

Looking ahead

This document presents highlights of our broader approach to reporting CR and is our second annual CR document. As with many other businesses, the economic climate in FY 2010 impacted our firm and some business units experienced a more challenging year than others. However, we are proud of the overall successes we have achieved in spite of these constraints and continue to see FY 2011 as an opportunity to build upon our positive results and work toward the priorities of our CR strategy as outlined on page 17.

We recognize that the effective integration of CR into our business operations, practices and decision-making requires a strategic mindset and approach. We are committed to continuing to embed CR into our activities and services to ensure that we realize business value and concrete results for ourselves, our clients and our many other stakeholders.

United Nations Global Compact

As a global network, PwC is a signatory to the UN Global Compact, which consists of ten core principles focused on the areas of anti-corruption, human rights, labour standards and the environment. Through this participation, PwC globally has committed to aligning the UN Global Compact's principles into our decision-making processes, business strategy and daily business activities throughout all levels of the firm.

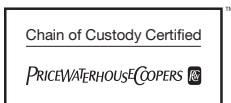


Forward-looking Information

Certain information included in this Corporate Responsibility Highlights 2010 publication and related information on our website contains “forward-looking information.” Forward-looking information means disclosure regarding our expectations concerning future events, conditions or results based on assumptions about future economic conditions and courses of action. In some cases, forward-looking information can be identified by terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “believe,” “estimate,” “predict,” “potential,” “continue,” “plan” and similar expressions or the negative of these terms or other comparable terminology. Although the firm believes that it has a reasonable basis for the forward-looking information included in this Corporate Responsibility Highlights 2010 publication and in the related information on our website, such information is subject to a number of risks, uncertainties and assumptions that may cause actual events, conditions or results to differ materially from those contemplated by the forward-looking information. Some of the factors that could cause such differences include social, legislative or regulatory developments, financial market conditions and general economic conditions. The firm does not undertake any obligation to update publicly or to revise any of the forward-looking information included in this Corporate Responsibility Highlights 2010 publication and in the related information on our website after the date thereof, whether as a result of new information, future events or circumstances or otherwise.

The paper in this publication (cover and text) was made by Finch Paper using 100% of its fibre from certified forests. Finch Paper has three SFI certificates from PwC: SFI Group Forest Management, SFI Procurement and SFI Chain of Custody.

The printing was completed by Transcontinental Inc., which also has a Chain of Custody system certified by PwC.



Certification by PricewaterhouseCoopers LLP (Canada):

Details of Finch Certificate # PwC-SFICoC-293 at <http://finchpaper.com/our-environment/where-we-live/>

Details of Transcontinental Certificate # PwC-SFICoC-272 at <http://www.transcontinental.com/en/3-who-we-are/3-7-2-sustdev.html>

Printing specifications refer to the original published document.