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***PwC's Communication  
on Progress for  
the United Nations  
Global Compact CEO  
Water Mandate  
2011***



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Launched in July 2007, the United Nations Global Compact CEO Water Mandate is a unique public-private initiative designed to assist companies in the development, implementation and disclosure of water sustainability policies and practices. PwC continues to endorse, engage and support its efforts.

While PwC does not have a large direct water footprint, as one of the world's largest professional services firms working with many of the largest global companies, it is our responsibility and an opportunity to help our clients and suppliers more sustainably manage their water use. We have a vested interest in seeing our clients effectively manage water.

For many companies, water is an even more pressing issue than climate change: Water is temporal and regional, meaning there are times and places where it affects the communities in which companies operate and operations themselves. Further, the presence or absence of water and its quality directly impacts community health, and business cannot prosper where communities cannot thrive.

Since PwC works in communities around the world, we have taken steps to help companies and governments deal with water consumption, scarcity and quality. Our collective actions address these three central issues and support the CEO Water Mandate's six pillars - *Direct Operations; Supply Chain and Watershed Management; Collective Action; Public Policy; Community Engagement; and Transparency*. Specific activities across these six pillars and three central issues form the basis for our approach and are key to any responsible water management program.

### **Consumption, scarcity and quality**

A significant challenge we are addressing is that, in many cases, we secure space in buildings as tenants. As such, measuring water consumption within the spaces occupied by PwC partners and staff is often a challenge (and in some cases impossible) given the contractual agreements with landlords in our supply chain. We continue to work closely with our building management representatives across the territories to gather more specific data on our water usage. For example, in some territories we are looking at ways to integrate the need for sub-metering of energy and water into our leases.

Even without the raw data, many facilities throughout our global network of offices have conducted water audits and have made material improvements in water use efficiency. For example, PwC Taiwan works with their building management companies to develop and deploy strategies designed to reduce water use, including the use of water-saving appliances and the efficient use of water for air conditioning. They also provide professional services related to water issues to several non-governmental organizations (NGOs) that are conducting water conservation activities, education and research, and working on Public Policy. PwC has also long encouraged Community Engagement by supporting staff volunteer activities in the local communities on issues related to water, wetland conservation and tree planting.

Importantly, companies are realizing that, relative to the size of the water footprint associated with their supply chain, water consumption as a result of their business operations is fairly small. For PwC, this means we need to focus on two primary areas: water used to cool our workspaces and water used in the production of the paper we use. This does not relieve us or lessen our responsibility to manage the consumption of water in the kitchens, bathrooms and other parts of our work spaces, but it helps inform where we place our focus and where we can make the most positive impact. For example, some territories are using the United Nations Global Compact as a framework for Supplier Code of Conduct and Vendor Assessment Surveys, which help PwC identify ways to partner with our suppliers to source more sustainable materials and supplies. In the US, nearly all the paper used is certified by organizations such as the FSC (Forest Stewardship Council) or the SFI (Sustainable Forestry Initiative). Certifications by these independent organizations ensure that the papers we purchase are harvested and manufactured under strict regulations, and in a manner that helps to purify water and air while promoting sustainability and responsible management of the world's forests. As we identify room for further conservation of water we will set goals to reduce our water consumption accordingly.

Our work with the public sector is predicated on finding ways to measure water footprints in a meaningful and comparative way. We are also working with the public sector to think through the appropriate policy instruments that need to be developed and deployed. Examples of ways in which we are engaging are:

<b>Water Footprint Network</b>	As a member, we are engaged with businesses and NGOs on the emerging methodology of water footprinting.
<b>WBDS Water Working Group</b>	As a member, we are engaged with businesses on the business response to emerging issues around water, especially water scarcity and valuation.
<b>World Water Council</b>	As a member, we promote awareness and foster action on critical water issues at all levels.

Through our support of the UNGC and the CEO Water Mandate, PwC is committed to taking responsible actions that contribute to a sustainable marketplace, community and environment. We aim to serve as a leader by being transparent with our actions and outcomes, and encourage other organizations to take meaningful actions that align with both the principles of the Compact and the CEO Water Mandate.

