Ideas, that inspire

Corporate Responsibility Report 2012
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PwC firms help organisations and individuals create the value they're looking for. We're a network of firms in **158 countries** with close to **169,000 people** who are committed to delivering quality in assurance, tax and advisory services.

“PwC” refers to the network of member firms of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.
What the leadership thinks

Dear ladies and gentlemen,

It is my pleasure to introduce you to the latest release of the PwC Czech Republic’s Corporate Responsibility Report. It summarises all our activities, results and news within our 2012 financial year.

Without question, the main motto and topic that recurred in our company within the past year was “innovation and new approaches”.

We are proud that we are one of the founding members of the new Česká inovace, o.p.s. (Czech Innovation) platform that supports innovation culture in the Czech Republic. With our innovative spirit we have set up an interactive creative thinking workshop and implemented Spark, a new internal social platform, within the entire company. In the last financial year we decided to give our clients and business partners a good feeling by taking the money that would otherwise have been spent on Christmas gifts and instead dedicating it to charitable projects.

To further deepen our relationship with the community of experts, we organise regular discussion meetings with Czech CEOs and we support dialogue between the corporate and public spheres. We endeavour to push through effective changes, especially in the area of the new tax policy reform and we believe that the first small successes will soon be followed by more.

In 2012 we are preparing to relocate to City Green Court, a new ecological building full of innovative technological solutions that will hopefully, as we believe, help us improve our long-term problem with the energy consumption.

For all the success we were able to achieve and for the start up of other activities, I would like to thank not only our partners from the commercial, public and non-profit sector, but also our employees.

Jiří Moser
Country Managing Partner PwC Czech Republic
What Corporate Responsibility means to us

At PwC, Corporate Responsibility (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 and thereby establish better practices within the firm, create wealth, and improve society.

The Strategy team, which includes the Country Managing Partner and senior management representing each of our lines of service, provides leadership and direction on our CR strategy. The team oversees key projects and embeds their implementation into the fabric of the firm.

The Strategy team is supported by the Corporate Responsibility coordinator and by cross-functional teams of departmental volunteers from across the business.

We approach Corporate Responsibility from four perspectives that represent all areas of our impact.

**Marketplace**
We promote ethical business conduct and transparency in the Czech market and help firms and organisations to increase their competitiveness. We intermediate dialogue between private and public sectors and create opportunities for experience sharing.

**People**
We invest in our people by providing a range of opportunities to support them in reaching 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.

**Community**
We are 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**
We respect the environment by raising awareness of the footprint we are leaving on our environment, taking measurable steps to reduce the environmental impact of our business operations and promoting sustainable business practices in the marketplace.
Czech innovation: Ideas that add value

The period of the economic crisis has significantly emphasised the meaning and importance of business innovation. Innovation, in the broadest sense of the term - ranging from new products, through innovative process models and marketing strategies, all the way to new forms of cooperation with the business partners - belongs among the most effective responses of companies towards the economic downturn. Support for innovation is also crucial for Czech competitiveness from the long-term point of view.

PwC Czech Republic is one of the founding members of the non-political platform Česká inovace, o.p.s. (ČIN, Czech Innovation). The goal of this group is to support the innovative environment; to reward particular ideas and successes; and to create opportunities for know-how sharing across the entire economy. Its focus is on universities and students, as well as new entrepreneurs, established business, all the way to innovation within the public sector. Within its first year of operation, ČIN’s main project was the organising of the Czech Innovation 2011 Award. The competition had five main and two special categories. PwC became a partner of the Innovation Star category that was intended for small and mid-sized businesses. PwC also awarded one of the special prizes - a one-day interactive workshop for management and business owners to steer and increase the effectiveness of the business in its pursuit of long-term strategic goals. PwC representatives were also members of the expert jury that selected the winning projects from among the 80 applications.

The award winners were announced on 22 February 2012 during the first Festival of innovation in the Czech Republic in the National Technical Library in Prague. The festival was attended by 350 visitors among which one could find Czech business people who have built their success on innovation and have used it to “conquer the world”, young people that are just preparing to commercially materialise their ideas, as well as public sector representatives. The festival offered an unprecedented compact package of particular recommendations and know-how on how to transform ideas and projects into real business opportunities. During the festival, PwC representatives presented a report on innovation in the Czech Republic and the world and led an expert workshop focused on innovation management.
About Czech Innovation
Česká inovace o.p.s. (ČIN, Czech Innovation) is a platform that supports innovative culture in the Czech Republic, it awards successful innovation and innovators and helps to find and capitalise potential ideas in the companies, academic sphere as well as ideas put forward by individuals. Project ČIN is supported by international companies, Czech businesses and successful managers.

Czech Innovation Award
The award is intended for individuals and companies in the Czech Republic. It helps to turn ideas into reality thanks to the sharing of experience, contacts and know-how. Every applicant can receive a package that offers a set of concrete recommendations on how to commercially benefit from the ideas and projects.

Věra Výtvarová hands over a special award from PwC Czech Republic for successful innovation - highly-interactive planning workshop Maestro.

“Many of our current top managers and directors learned how to steer a double figure growth in the nineties, but they lacking experience about what to do with a company when the economy is going down and commissions are diminishing. The answer to such problems doesn’t lie in thoughtless cost-cutting and massive lay-offs. By taking this course of action, the company rather undercuts its possibilities for further growth and can lose its key employees. The correct answer is innovation; looking into ways how we can do things differently, in a better and effective way; and eventually, selective cost-cutting that won’t jeopardise long-term business goals.”

Jiří Moser, Country Managing Partner

“It is crucial to know how to support a great idea with a quality project management and business plan.”

Věra Výtvarová, Partner, Private Company Services

The winner of the Innovation Star category:
JIMIPLET s.r.o.: replace the input material used in orthopaedic orthotics.

Winner of the PwC Czech Republic special award:
Elko EP: The wireless touch control unit

www.pwc.cz/inovace
www.ceskainovace.cz
Competitiveness and innovation through the eyes of the Czech business leaders

For the third consecutive year, PwC Czech Republic conducted the Czech CEO Survey. In this edition we analysed responses from a hundred CEOs and owners of major companies in the Czech Republic. The survey, with the title Smarter Growth, was released together in cooperation with the weekly magazine Ekonom.

The Czech study is a follow-up to the 15th Global CEO Survey that is traditionally presented at the World Economic Forum in Davos.

Transparency and ethical behaviour

Our success depends on the credibility, professionalism and integrity of each and every partner and employee. We conduct our business within the framework of applicable professional standards, laws, regulations, internal policies and values summarised within our PwC Code of Conduct:
• Code of Conduct
• Ethics helpline and ethics training
• Independence policy
• Client selection process

Preventing business crime in the Czech market

Fraud Forum is a platform to share the knowledge and experience of managers and experts who, in their roles, prevent, detect and investigate fraud and economic crime. Currently the member base accounts for over 200 experts who regularly meet to share their experience of preventing business crime in the Czech Republic.

Global Economic Crime Survey 2011

Every two years, PwC has published a global Crime Economic Survey that is the most complex study of its kind.
The sixth edition points out, especially, the increasing risk of cybercrime. We managed to collect experience and answers from 3,877 experts in 78 countries, including 84 representatives of companies in the Czech Republic.

Competitiveness and innovation

Smarter Growth

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through the eyes of the Czech business leaders

**Today, in a year, in another generation**

Small and medium-sized companies set up and owned by private individuals were always a pillar of the Czech economy. PwC offers expert consulting services in this area to help them find new opportunities for growth.

Succession planning, a topic that PwC has been focusing on for several years now, is one of the main challenges that businesses are facing. We share with the Czech business experience of foreign owners, we enable owners to meet and discuss their experience and find answers to succession planning as well as other topics of interest.

Last year we released a second Czech CEO Survey that was conducted between owners and managers of privately owned Czech companies. The focus of last year’s survey was on the topic of succession planning. The survey showed that one third of privately owned Czech companies will change their owner within the next two years.

“Owners of Czech businesses realise that change in the ownership structure is not an easy process, so two fifths of them already have succession plans ready. It’s a strategy about how to resolve problems with the withdrawal from the company without endangering future prosperity. Another fifth of owners intend to set up such a plan within the next two years.”

David Borkovec,
Partner, Tax and Legal Services

**Effective tax system**

Our goal is to support the active dialogue and regular and open discussions between the Czech private sector and government in order to find changes in the Czech tax system that will not only benefit both sides, but with also improve the image of the Czech Republic abroad. We see such opportunities especially in - decreasing the difficulty of paying taxes and related costs and time-consuming administrative burden; managing tax risks in real time by improving cooperation based on open dialogue and trust. We strive to bring and share experience from abroad and we look for simple and effective means to make these ideas work.

**Paying Taxes**

Paying Taxes, a unique study from PwC and the World Bank Group, measures the ease of paying taxes across 183 economies worldwide by assessing both the cost of taxes and the administrative burden of tax compliance. Although the Czech Republic has one of the most time-consuming tax systems, the situation significantly improved in the past few years thanks to continuous changes in the tax system and efforts to support voluntary tax compliance. We will continue our efforts to help both our clients and government in this process.
What value we bring to clients and the marketplace

How we support sustainable businesses

Stories that inspire

There is a long tradition in the Czech Republic of companies behaving in a responsible and sustainable way, especially in regards to support of the region where the company is active and towards its employees. This is also one of the reasons why PwC Czech Republic became a partner for the third consecutive year of the VIA Bona Awards and its category for small and mid-sized companies. The VIA Bona Awards honours the philanthropic efforts of individuals and companies in the Czech Republic that are an inspiration for others. PwC representatives are members of the expert jury that evaluates nominations.

Influence and development of women in Czech business

Also in the past year, the managing partner of PwC became one of the jury members that nominates and creates a ranking of the most influential and successful women in the Czech business. The project is run by Hospodarske noviny and is seen as an important signal of the increasing role and influence of top female managers in the Czech market. Yet again, we participated in the Odyssey mentoring programme that supports talented female managers to develop their career. For the second consecutive year, managers from the non-profit sector also attended this programme. Our managing partner is one of the mentors.
Engagement of responsible suppliers

As a large company, we are aware of our potential to influence our supplier chain. In 2010, we implemented a new purchasing policy. We purchase goods and services based not only on financial criteria, but also on respect for the environment and society.

Our Sustainable business solutions

In response to the needs of the clients, we offer services to companies that want to:
- create or further develop a sustainability strategy closely aligned with their business and results
- strengthen their ability to create long-term value for their shareholders and other stakeholders
- analyse strengths and weaknesses and identify areas of new opportunities or key risks
- increase operational efficiency and limit the negative impact of their business on the environment
- improve communication and cooperation with stakeholders
- measure and report sustainability activities

Business for the Community

We are a member of the Leadership team consisting of CEOs and owners who develop the platform strategy and turn the ideas and goals of the platform into reality. The platform brings together companies that are aware of their impact on the environment and the society they operate in and support employee development or want to improve in these areas. We are actively involved in several expert working groups operating within the platform.

Chris Skirrow, Forum for Sustainable business

www.pwc.cz/udrzelnost
Innovation and creativity are the current hot issues, not only in well established businesses, but also in start-up projects. In 2012, PwC became a partner of a new project whose main goal is to activate and execute new ideas with the potential to benefit the entire society. Social Impact Award (SIA) is a new student contest that was brought into the Czech Republic by HUB Prague. The competition is open for students with viable ideas that solve societal problems through entrepreneurial and creative solutions and benefit both its creators and clients. SIA is simultaneously an educational platform for developing relevant business and project management skills. The contest was first organised in 2009 in Austria and as at 2012 was joined by the Czech Republic and Romania.

In the Czech Republic, thirty-two projects overall entered the contest and were evaluated by an expert jury that included PwC representatives. The jury selected five projects that were nominated for the international round, where these projects competed against ten other student projects from Austria and Romania. The great quality of the contest and the job that the jury has done was only further highlighted by the fact that, despite fierce competition, a Czech project called “A small school of social entrepreneurship”, was one of the winners of the EUR 4,000 award. These funds will be used as a start investment in the further development of the project.

The Community Voting Prize was awarded to the project Pragulic - get to know Prague differently, which received a special bonus of EUR 1,500.

In addition to the expert jury, PwC employees were also actively involved during the educational workshop and coaching for selected teams.

“Why people want to work with us

**Social Impact Award:**
**Small things can make a big difference**

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“*The energy and enthusiasm that the students showed was inspirational to our internal efforts for higher levels of innovation and creativity. It was an honour to push the button and support projects that change or can change the world.*”

**Aleš Pokorný**, Assistant Manager

“It is amazing that the Pragulic project was only created in the moment when the contest was already running and managed to win the Community Voting in the end. Now it has already passed the testing phase and has successfully launched a new service that was introduced in a press conference in August 2012 in HUB Prague - an untraditional guided city tour that is led by homeless people. I have participated in the tour personally and I can fully recommend it as a wonderful experience.”

**Lucie Lankanášová**, HUB Prague member and coordinator of the Social Impact Award
“In past years I acted on behalf of PwC as a coach of several teams that were successful in student organisations and Corporate Responsibility projects. The cooperation on this project was very pleasant and I am looking forward to the regular meetings with the Pragulic team that will be enriching for both sides.”

Ladislav Král, Senior Manager, Transactions

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**The winning project of the Community Voting**

**Pragulic - get to know Prague differently**

The winner of the community voting came up with a truly original idea. It plans to focus on the integration of homeless people back into society through the means of special guided tours that will be led by this group. The team members are currently actively working on this project.

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**The winning project in the Czech Republic**

**The small school of social entrepreneurship**

The project reacts to the severe situation in Czech primary and high schools that are dealing with a lack of funds. The project rationale is to support schools in developing socially entrepreneurial activities while engaging students and teachers in such activities. The profit from such activities will be used e.g. for educational workshops for both students and teachers, cooperation with a school psychologist, student clubs or to purchase modern technologies. The project members already have pre-approved cooperation with the first school and are preparing the future strategy.

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www.socialimpactaward.cz
Developing young talents

Fibres connecting business and science

In April 2012 last year, the Academy of PwC Czech Republic entered into the project Supervlakna (Superfibers). Supervlakna 2012 project was a student contest intending to support young talents from both technical and non-technical fields. It was open for all university students and was launched by DuPont, KATZ Graduate School of Business and PwC Academy.

The project was accompanied by a series of workshops, out of which one, called Crash Course of Business Thinkin’, was led by PwC Academy. PwC experts advised the students on how to work on their business skills and equip themselves with a range of practical experience on how to make one’s inventions succeed in the business sector. The students also improved their communication skills and learn about the benefits and effectiveness of team work.

Stability and values are more important than starting salary

For the second year in a row, PwC Czech Republic has organised a regular student barometer, a Czech survey of student conduct, mainly at business universities. The research primarily focuses on monitoring student approach towards the selection of a future employer.

From the long-term perspective we see a trend in which students are approach their careers in a more responsible way. Among the issues that matter to students more than starting salary is the long-term stability of the company on the market, company values or their future job description. As well as last year, almost half of the students (49%) consider corporate responsibility to be one of the key factors when considering a future employer. The students want to get personally involved in the corporate responsibility projects of their new employer.

We are the most sought-after consulting firm by Czech business university students

- In the 2011 Student Barometer conducted by the Berlin Trendence Institute among several thousand students from 22 Czech schools, we ranked as the most desired employer among the consulting firms on the Czech market.
- In a survey conducted by the Czech Student Union among 7,955 business students, we also won the top position in the Ekonom category.
- Globally, PwC ranks as the third most sought-after employer (Universum 2011 survey)

“*The technical knowledge of Czech students is on a very high level. What they are lacking however, is targeted development of skills that would help their great ideas and innovation succeed in the business sector. Through the means of the Crash Course of Business Thinkin’ we intended to chip in the development of young talents and to increase the quality of Czech university graduates, already in the prime stages of their career.*”

Jonathan Appleton, the Academy Director

www.supervlakna.cz

www.pwc.cz/kariera
Supporting creativity and interaction among employees

**Constant access to ideas and colleagues**

We go hand in hand with the new global trends in internal communication and adjust to the needs of the young generation among our employees. In the last year, we have implemented a new internal social network - Spark - that was tailored specifically to the needs of PwC. The platform combines various features of social networks such Facebook, Twitter, WordPress, LinkedIn and Wikipedia across the entire international PwC network.

**Can creativity be learned?**

Our employees now have the opportunity to participate in an unusual and highly interactive creative thinking workshop. Our trainers prepared a course where they can learn about the whole set of various techniques and approaches to creative and innovative thinking about anything - work tasks, daily problems or daily routines.

**Employee training and development news**

Similarly as in recent years, we support the development of professional and management skills, as well as personal development of our employees, through means of a wide range of programmes. Among these you can find e.g. the Academy, Advisory University, Tax Academy, business and management trainings, global mobility, training for new managers, buddy system for new employees, key talents programme, individual coaching and more. You can find further information about other trainings and development opportunities in the 2011 Corporate Responsibility report.

Besides these traditional programmes, we launched a set of new ones in the last year:

- **Besides these traditional programmes, we launched a set of new ones in the last year** – a programme mainly for administrative personnel. The Forum is highly interactive and serves mainly for the mutual sharing of practical knowledge and experience of personal assistants.

- **Lunch & Learn workshops** – in the past year we started to more often use a new format of trainings or discussions that are organised in the form of short informal meetings. After a popular set of meetings that dealt with successful projects and client services (InBusiness Forum), we also applied the same format to a set of career development workshops.
10 let pro komunitu: Charity instead of gifts

During the pre-Christmas period in 2011 and on the occasion of the 10th anniversary of our annual Christmas Charity, we decided to give money to those who need it the most, and we dedicated the year’s entire budget for Christmas gifts to charity. These means were matched by additional proceeds from the traditional Christmas Charity employee fundraising projects and the company itself. The overall sum of CZK 500ths was then distributed among selected charity projects.

We believe that the decision to dedicate the budget, originally planned for Christmas gifts, to the charity was appreciated by all sides and brought a pleasant change. We will continue with this approach in future years and we believe that more and more companies will follow our example.

The sum was evenly distributed among selected subjects chosen internally by our employees.

Christmas Charity is a long-term fundraising project of PwC Czech Republic. In the 10 years of the project’s existence, we have raised and distributed more than CZK 4 million.

Part of the project is a traditional clothes collection that is then sold throughout the Sue Ryder charity shops.

“We would like to thank PwC and its employees for the long-term support and help that is very much appreciated. In 8 years since its beginning this accounts for an incredible CZK 1,612,290. These generous annual contributions help us to maintain the Kangaroo houses, since the state contributions and subsidies fail to cover all operational costs. Therefore, we are really glad the donation can be used for the operational management based on the actual needs and is not purpose-bound, which is quite often the case with subsidies, grants and private donations. Yet again I would like to express my thanks to PwC and its employees.”

Marie Vodičková, President of Fond ohrožených dětí
How were these proceeds invested?

**Fond ohrožených dětí** used the proceeds to maintain the Kangaroo houses that replace institutional care with temporary family care.

![Christmas in Kangaroo house Hostivice](image1)

**Dům tří přání** used the donations for the operations and equipment of the residential area of the House of Přemysel Pitter and the operations of their care centre. Part of the finance was used for a programme for children during summer holidays and to purchase educational equipment.

![Cafe Rozmar employees](image2)

**Rozmarýna** dedicated the proceeds to projects supporting children and young adults without families, especially in the maintenance of the Café Rozmar restaurant and employment of a trainer. Café Rozmar employs young people who leave institutional care and helps them to get their first work experience.

![A client of Asylum House Gloria](image3)

In the **Asylum House Gloria**, managed by the Caritas of the Archdiocese of Prague, our donation went to socially therapeutical help for single mothers. The aim is to also strengthen the parental capabilities of mothers from other asylum houses and help them repair their broken relationships and communication with their children.

![Partly reconstructed Strahov Monastery Library](image4)
Making own ideas happen

Employee Community Projects and fundraising breakfasts motivate our employees to come up with their own ideas for community projects, apply for internal PwC grants and win up to CZK 10,000 in seed money for the projects’ realisation.

In the last year, the PwC grant committee, consisting of PwC employees from different departments, selected four projects that were executed during the year. These projects involved dance lessons for disadvantaged children and teenagers, reconstruction of a kindergarten in Rudá, support of the European days of autism and development of a new communication plan and promotional materials of the Association for Probation and Mediation in Justice.

**Dance lessons for socially disadvantaged children**

“My goal was to teach the children the basics of ballroom dancing and manners. Very often, these children have no opportunities for leisure time activities. I wanted to fill their time up with useful activities that would help them to cope better with the environment they are coming from.”

Lenka Olejníková, Assistant in Assurance Services

**European days of autism**

“I wanted to use my project to raise public awareness about autism, what it really is and the possibilities of how to integrate people with this condition into Czech society. I believe that learning how to treat people with autism will benefit the entire society.”

Roman Smetana, Senior Manager, Assurance Services

**New brand identity for the Association for Probation and Mediation in Justice**

Association for Probation and Mediation in Justice (SPJ) is a non-profit organisation operating in the Czech Republic for 17 years in the field of crime prevention and effective solutions to crime. It strives to support and develop people with criminal and isolated backgrounds and decreased ability to resolve their own problematic situations.

“The project followed upon previous cooperation with the manager of the association during the Odyssey mentoring programme. I wanted to help the association to define its new vision and, above all, to express and highlight their vision through a change in their title, visual identity and improved communication. Since June 2012, SPJ has been renamed Rubikon Centrum.”

Lenka Čábelová, Marketing and Communications Leader

**Reconstruction of kindergarten in Rudá**

“Thanks to this project we were able to make the environment much nicer for the children in the Kindergarten Rudá. The playground items purchased now decorate the garden and children can have fun with them when playing outdoors.”

Paul Inman, Assurance Services
**On your own skin**

**Vesmírna week**
It’s already been four years since PwC started cooperating with Máme otevřeno?, o.s. on its job training programme, the Vesmírna café. The programme aims to educate and integrate young mentally challenged people. During the past year we have hosted 8 clients of Vesmírna training programme. During their internship in the PwC Club café they learned to work in a different environment, with new processes and integrate with our employees.

**We go with you**
The aim of this project, organised by Asistence o.s., is to improve barrier-less transport in Prague. The project participants, CEOs or managers of major Czech companies set off to work on their traditional routes, using public transportation while riding on a mechanical wheelchair with assistance. In the past year, PwC Czech Republic was joined e.g. by the CEOs of Metrostav, Reiffeisenbank, Veolia Transport, E15, Internetmall.cz and many others.

**Other activities and cooperation**
In the last year we supported a series of activities dedicated to the development of the non-profit sector or solving societal issues through the means of pro bono work or by donating our premises. Among these you can find e.g. International Summit of Donations and Philanthropy 2011, the Club of social entrepreneurship or conference on employing physically challenged people. For many years now we have been a consultant to the quantitative categories (e.g. amount of money donated) of the prestigious Most Responsible Business awards.

In the last year we have also participated in one of the expert working groups of the Business for the Community platform. Our specialists from the marketing, tax and legal departments helped to create a brochure about employee engagement in volunteering and philanthropic projects. It is intended primarily for companies and non-profit organisations that are new to these activities.

*We go with you - Lenka Čábelová has successfully conquered travelling to work on a mechanical wheelchair.*

*Vesmírna café clients on internship in PwC*
How we treat the environment

**City Green Court:**

*Office that is worth it*

With the expiration date of our lease contract on the administrative building in Kateřinská, Prague 2 coming closer, we decided last spring to move to another building. The relocation is planned at the end of 2012. Our new seat will be found in the new ecological administrative building City Green Court in Pankrác, Prague 4. There are quite a few reasons why we did this. Actually, it was the high ecological standard of CGC fully aligned with our philosophy of corporate responsibility that was one of the main reasons why we specifically chose this project.

We endeavour to send a signal, not only to our employees, but also to our clients and the public that high quality working conditions and our impact on the environment matter to us. This project will also help us to attain changes in certain areas that would have hardly been otherwise achievable in the current location due to the limited possibility for improvements, especially in regards to keeping the lights on during late night hours and decrease in energy consumption connected with the regional data centre located in Prague.

Our building obtained a Platinum LEED pre-certificate and became, as such, the first building in the Czech Republic to do so. Among the **new innovative technical features are**

- sophisticated lighting systems employing occupancy and daylight sensors
- high-efficiency fixtures, a green roof
- a high efficient irrigation system
- an impressive closed atrium utilising natural ventilation

“The decision to move to a new ecological building was, for us, only a natural step. We believe that an office with the LEED certification can help us mitigate our negative impact on the environment, as well as create a healthy, comfortable and inspiring working environment for our employees and clients. We perceive the fact that the applied technologies that enable us to decrease the energy and water consumption, as well as operation costs, as a very important benefit. Due to a great building concept, we possess greater flexibility as well the opportunity to support a modern working style and active team interaction.”

**Glen Lonie**, Partner, Tax and Legal Services
What green features and innovation can you find at City Green Court?

**Heating, cooling and ventilation**
- Monitoring interior and exterior CO2 emissions
- Cooling beams for distribution of cool and fresh air
- Automatic regulation of fresh air feeding as determined by CO2 level

**Lightning**
- Occupancy sensors, daylight intensity and fully darkening lights
- Automatic light switches
- Reduction of light pollution of the project’s surroundings

**Waste management**
- Communal waste separation

**Water efficiency**
- Use of rainwater for irrigation and air-conditioning
- Very efficient irrigation system
- Limiting water wastage

**Materials**
- Use of regional materials
- Wood-based products with FSC certificate
- Recycling building waste

**Comfortable building management**
- The option of work stations automatically switching off after working hours
- Modern site management system
- Support of biodiversity (green roof, planted areas)
- Maximum use of atrium space
- Ecological and energy efficiency

**What is LEED certification?**
LEED (Leadership in Energy and Environmental Design) is an international certification system measuring sustainability of buildings. It was developed by the U.S. Green Building Council (USGBC). It classifies buildings based on their compliance with the environmental protection criteria during their design, construction and operation.
PwC Czech Republic has set itself a challenging target of cutting our carbon emissions by 25% per employee by financial year 2013, from a 2008 baseline. To achieve this target, we have created an Environmental Action Plan that you can read about in the Corporate Responsibility 2011 report.

Among our main green office initiatives, we have adopted double-sided printing on recycled paper, recycling of various materials, use of recycled items and materials, support of greener travel, internal awareness activities and many more.

In 2011 and up to February 2012 we became a patron of a new expert working group focused on standardisation of environmental approaches of companies. The group consisted of thirteen members of the Business for the Community platform that have voluntarily agreed to discuss the impact of their businesses on the environment. The goal of the group was to create a standard for responsible business behaviour towards the environment and enable the creation of a benchmark in this area in the Czech Republic.

**A Firm and the Environment**

The main output of the working group was transformed into the publication “A firm and the Environment”. This unique material offers a summary of the key benefits of having an environmental strategy and a step-by-step guide on how to implement such a strategy in a company. The brochure is also filled with best-case practices from companies in the Czech Republic.

**Ecological footprint of the business**

The publication “A Firm and the Environment” was officially launched at Ecological Footprint of the Business conference in March 2012 on the premises of our Prague office. The event was attended by over 60 participants, from both the corporate and non-profit sectors.
“One of the facts I liked the most about working in this group was the overall participants’ enthusiasm about getting involved in this project. We have even exceeded our expectations as the final publication was far more complex than originally planned.”

Markéta Jechová, Senior Consultant, Advisory, leader of the working group
PwC Czech Republic reports annually on the Corporate Responsibility issues that we – in dialogue with our stakeholders – believe to be the most relevant to our company.

The definitions and reporting criteria we apply are largely unchanged compared to last year. Those changes that have taken place are identified and explained. For reference, see the Corporate Responsibility report 2011 available at www.pwc.cz/responsibility.

The information in this report is confined to PwC’s activities in the Czech Republic. For extensive information on the corporate sustainability activities of our international organisation, please refer to the website www.pwc.com/globalcommunities.

The qualitative and quantitative data in this Corporate Responsibility report relates to the past financial year 1 July 2011 – 30 June 2012).

The quantitative information is based on measurements, unless other methods are stated. The information was obtained through our internalised central systems, including our financial records. The carbon footprint is measured based on the Greenhouse Gas Protocol methodology.

We apply the Global Reporting Initiative (GRI) G3 guideline to the extent that it is applicable to our organisation. The GRI G3 is a generally accepted format used internationally to report a firm’s corporate sustainability. Under the GRI G3 guidelines, we have achieved a reporting level of “C” by reporting the appropriate number of protocols and amount of information regarding the firm. For more information regarding GRI G3 guidelines, visit www.globalreporting.org.

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<thead>
<tr>
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<th>C+</th>
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About the report
## Key performance indicators

<table>
<thead>
<tr>
<th>Quadrant</th>
<th>Performance indicator</th>
<th>Unit</th>
<th>FY</th>
<th></th>
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<tbody>
<tr>
<td><strong>Marketplace</strong></td>
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<tr>
<td>Business conduct</td>
<td>Completion of annual</td>
<td>% staff</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
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<tr>
<td><strong>People</strong></td>
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<tr>
<td>Workforce</td>
<td>Compliance confirmation</td>
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</tr>
<tr>
<td>Partners</td>
<td></td>
<td>Počet partnerů</td>
<td>26</td>
<td>25</td>
<td>21</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>Staff</td>
<td></td>
<td>Počet zaměstnanců</td>
<td>831</td>
<td>826</td>
<td>825</td>
<td>688</td>
<td>688</td>
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<tr>
<td>Employee engagement</td>
<td>Response rate in Global People Survey (GPS)</td>
<td>% Favourable</td>
<td>84</td>
<td>84</td>
<td>85</td>
<td>70</td>
<td></td>
</tr>
<tr>
<td>Employee satisfaction</td>
<td>“I would recommend PwC as a great place to work.”</td>
<td>% Favourable</td>
<td>55</td>
<td>64</td>
<td>64</td>
<td>71</td>
<td></td>
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<tr>
<td></td>
<td>“I am proud to work at PwC.”</td>
<td>% Favourable</td>
<td>73</td>
<td>76</td>
<td>74</td>
<td>80</td>
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<tr>
<td><strong>Environment</strong></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Greenhouse gas emissions</td>
<td>Scope 2, scope 3 (energy, gas, business travel, waste, water, paper)</td>
<td>Tonnes of CO₂e</td>
<td>3,986</td>
<td>3,746</td>
<td>3,452</td>
<td>3,640</td>
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<tr>
<td>Business air travel</td>
<td>Distance flown by partners and staff</td>
<td>Thousands of kms</td>
<td>2,900.3</td>
<td>3,177.2</td>
<td>2,202.8</td>
<td>2,774.8</td>
<td></td>
</tr>
<tr>
<td>Paper usage</td>
<td>Office paper consumption</td>
<td>Thousands of kms</td>
<td>6,631.2</td>
<td>7,676.5</td>
<td>6,848.5</td>
<td>6,896.7</td>
<td></td>
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<tr>
<td><strong>Community</strong></td>
<td></td>
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<tr>
<td>Giving</td>
<td>Charitable donations and sponsorships</td>
<td>Thousands of CZK</td>
<td>1,071.2</td>
<td>1,067.6</td>
<td>895.0</td>
<td>1,011.3</td>
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<tr>
<td></td>
<td>Contributions by partners and staff during the Christmas charity project</td>
<td>Thousands of CZK</td>
<td>219</td>
<td>277</td>
<td>195.2</td>
<td>200.250</td>
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<tr>
<td>Employee engagement</td>
<td>Participation in volunteering events</td>
<td>Number of staff and partners</td>
<td>57</td>
<td>73</td>
<td>93</td>
<td>92</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Time spent by partners and staff in volunteering events, pro bono work and other projects</td>
<td>Hours</td>
<td>373</td>
<td>819</td>
<td>1,049</td>
<td>1,039</td>
<td></td>
</tr>
</tbody>
</table>

*1 Measure based on the global Greenhouse Gas Protocol standards.
## Who we engage with, how and why

We focus on cooperation with stakeholders and subjects we influence the most and the ones that are the most relevant to the success of our organisation.

<table>
<thead>
<tr>
<th><strong>Stakeholder group</strong></th>
<th><strong>Types of engagement</strong></th>
<th><strong>Benefits</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees &amp; partners</td>
<td>Annual Global People Survey, focus groups, regular career meetings, training programme Recruitment fairs, university lectures and contests, publications and webcasts Alumni events and newsletters</td>
<td>Inform about our talent strategy and working opportunities Wellbeing assessment of our people Create a diverse and inclusive workplace Recruitment, retention, referral</td>
</tr>
<tr>
<td>Potential recruits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alumni</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clients</td>
<td>Relationship management, annual satisfaction surveys, participation in industry and client forums</td>
<td>Understand the client’s industry and business challenges Identify opportunities to improve our services and products Building trust-based relationships Connecting clients and sharing experiences</td>
</tr>
<tr>
<td>Government regulators</td>
<td>Participation in expert forum reports, publications and surveys</td>
<td>Contribute to marketplace thought leadership Help shape policies, regulations and standards Sharing experience from abroad</td>
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<tr>
<td>Professional bodies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General marketplace</td>
<td></td>
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</tr>
<tr>
<td>Local communities and non-profit organisations</td>
<td>Board positions, participation in forums, collaboration on non-profit projects, dialogue about the needs, provision of professional expertise, volunteering</td>
<td>Inform about community investment decisions Shape joint community programmes Develop opportunities to broaden our people’s experiences Work in partnerships to develop solutions on specific challenges</td>
</tr>
<tr>
<td>Suppliers</td>
<td>Formal supplier assessments, regular dialogue with suppliers</td>
<td>Understand supplier concerns Mutual support to enhance quality of services and sustainability standards in our supply chain</td>
</tr>
<tr>
<td>Media</td>
<td>News releases, surveys and results announcements, conferences and roundtables, and continuing conversations with journalists</td>
<td>Opportunity to communicate our performance and success stories Share our thought leadership, insight into public and business concerns</td>
</tr>
</tbody>
</table>
Contact

We look forward to receiving your feedback!

Your ideas and comments are important for improving our activities in the future. Please let us know your feedback. It is welcome and appreciated.

**Lenka Čábelová**
+420 251 151 828
lenka.cabelova@cz.pwc.com
Why you should read the report and what you can learn

The report is intended for everyone who wants to learn more about how a business strategy can be aligned with the concept of corporate responsibility; to get to know us better or to find inspiration. You will learn not only about what we do, but hopefully you will also get to know us better as a company and the approach we take. What can you find on other pages?

www.pwc.cz/responsibility

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