

*part
of it:*

***We create value
thanks to our
sustainable
and responsible
approach
to business***

A PwC Czech Republic report
summary on sustainable business
and corporate responsibility
for the 2014 financial year



Foreword

3

*Our biggest
successes*

4

*What corporate
responsibility
means to us*

5

About report
summary

21

**Table
of
contents**

Responsible business

7

Transparency in reporting
non-financial data

10

***Environmental
stewardship***

19

Reduction of impact
on the environment

20

Community engagement

13

Support for social enterprises
via skilled volunteering

15

Social enterprises as our
service providers

16

Philanthropic activities supporting
youth education

18

***People, diversity
and inclusion***

9

Diversity and inclusion

12

Foreword



Dear business partners,

I'd like to present to you the latest corporate responsibility report from PwC Czech Republic. In the report, we introduce you to our approach to responsible business, the activities we're dedicated to, and their results.

Our goal is to build public trust in our company in the greater context, which our services help achieve. By offering these services, our sustainable business positively influences the Czech market environment. We have defined the cultivation of the market as one of our main goals.

We have set up the following as our most important commitments:

- Better conditions for conducting business
- Development of our employees and advancement of an inclusive culture
- Support for social enterprises with our knowledge and experience
- Elimination of the impacts of our activities on the environment

We believe that the social responsibility of the government, entrepreneurs and individuals helps us create a sustainable economic environment. We act responsibly and strive to change the areas that we see as the most important.

We are certain that PwC has a strong vision and a clear path to progressing and creating a more sustainable model for future generations.

Jiří Moser

Country Managing Partner, PwC Czech Republic

Our biggest successes

Among our principal successes in the area of social responsibility in the last financial year are the following:

TOP Responsible large firm

finalist (2014 and 2013, 3rd place in 2010)

2nd place in the category of Most engaged employees (2014)

3rd place in the category of Care for the environment (2013)

Most desired employer (VŠE, 2013)

TOP employer

Graduates of economics faculties with the best grades want to work for PwC CR. (ČeSU TOP employer 2012/2013)

Tax stars

(Danař roku 2013, 2014)



**TOP
ODPOVĚDNÁ
FIRMA 2014**
DRUHÉ MÍSTO
NEJANGAŽOVANĚJŠÍ
ZAMĚSTNANCI



**TOP
ODPOVĚDNÁ
FIRMA 2014**
TŘETÍ MÍSTO
LEADER V ŽIVOTNÍM
PROSTŘEDÍ

Our vision and approach to sustainable business

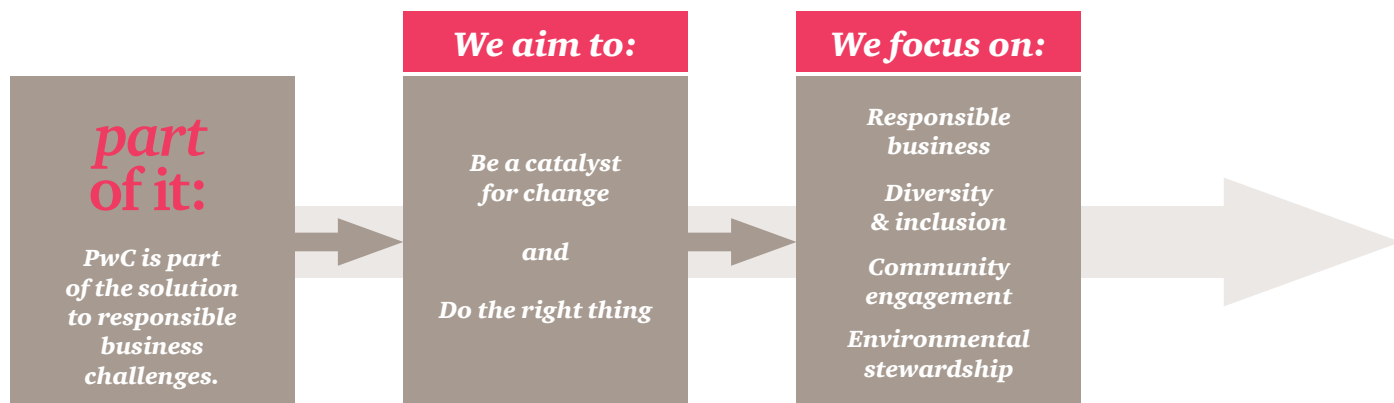
Success means responsibility

Our activities in the area of corporate responsibility

As a leading consulting company, we put a strong emphasis on increasing the competitiveness and development of the Czech market environment. We're also interested in the long-term impact of business on the social and economic development of the environment.

Responsibility for us means community support, adherence to ethical principles, development of our employees and efforts to improve the conditions for business in the Czech Republic.

We impart courage and self-confidence to companies to develop their business with an emphasis on innovation and long-term sustainability. Among our biggest values are knowledge, competencies and experience in the areas of business management, finance, audit, tax and law. Thus, we focus our activities on developing qualifications and passing on our experiences in these areas. In the non-profit sector, we mainly support the development of capabilities, talents and education by inspiring and leading organisations and individuals. We help them gain self-confidence and take charge of their own responsibilities.



Our vision for corporate responsibility is focused on two key elements:

Doing things right reflects our endeavour to promote a responsible approach to our business – from providing high quality services and building an open workplace to cooperating with the community and dealing with the ecological impact of our activities.

Being a catalyst for change, where with the help of our capabilities, our relationships and our voice we cooperate with others and perform activities that create change and have a permanent impact on the world around us. These activities are especially aimed at developing the market and the competitiveness of the Czech economy and at passing on our knowledge to the non-profit sector via skilled volunteering.



Responsible business

We strive to cultivate the Czech market environment by supporting ethical and sustainable business. We fulfil this commitment by taking advantage of our expert capabilities and getting involved in professional and thematic discussions with the goals of solving the current problems of Czech companies, supporting the transparency of the Czech market and increasing the competitiveness of Czech companies. See more on page 7.



Diversity and inclusion

Our long-term goal is to create a healthy and motivating environment for the professional and personal development and education of our employees. It's important for us to be a responsible company with a fair approach to its employees. We support creativity, diversity and the development of responsible thinking so that our employees can grasp the interconnectedness of our activities and their impact on the company and our surroundings. See more on page 9.



Community engagement

We believe that especially by sharing the knowledge and experience of our experts we can help non-profit organisations fulfil their goals and positively affect the development of social enterprises, thereby affecting the society we live in. Our vision as a professional consulting firm is to focus our activities on developing qualifications and passing on our experience in areas we deal with on a daily basis. In the non-profit sector, we particularly support the development of the capabilities, talents and education of those who are somehow excluded from society. See more on page 13.



Environmental stewardship

A major part of our interest is increasing awareness of the impact of our activities on the environment and taking measurable steps to reduce our impact. We measure our carbon footprint according to the Greenhouse Gas Protocol global standards. As a large company, we are aware of our potential to influence our supplier chain, so we have implemented a sustainable supply chain policy. We purchase goods and services based not only on financial criteria, but also on respect for the environment and society. See more on page 19.



Responsible business

Our goal is to abide by responsible business processes and the principles of sustainable development. By using our capabilities and relationships, we want to become the leading player in influencing and cultivating the Czech market environment and supporting ethical and sustainable business.

Key focus in this area:

- We offer responsible services which help to increase the trustworthiness of information that our clients make public.
- We promote ethical business processes and transparency on the Czech market, and we help companies and organisations be more competitive. We create opportunities for sharing experiences. We mediate the dialogue between companies and the public sector, and we promote effective changes especially in the area of reforms to the tax system. We support an innovative environment and opportunities for sharing know-how across the whole economy – from colleges and students, entrepreneurs and start-ups, to well-established companies and the government.
- We also support sustainable processes, ethical behaviour and responsible company management for our clients, providers and other partners we cooperate with. We offer services in the area of sustainable business, where we help clients create or further develop a sustainability strategy closely aligned with their business and results.
- We advocate the development of financial reporting of sustainable development activities in the Czech Republic. Employees, investors and clients will not know about companies' approaches without quality evidence of sustainable business. The time is coming when a report on sustainable development will be a regular part of the annual statements of every responsible company. We see education in the area of measuring and reporting sustainable development as one of the ways to speed up this trend.

100 %

**Our independence
was confirmed by
100% of employees
and partners**

Transparency in reporting non-financial data as a part of corporate strategy

Sustainable development reporting

Nowadays, a report on social responsibility and sustainable business often only plays the role of a well-tuned marketing instrument. But if the approach to reporting is strategic and complex, it offers concrete answers on how the organisation deals with the impacts it has on its surroundings, and it can become an active tool for managing the organisation.

Our goal is to help develop non-financial reporting in the Czech Republic, thereby aiding the spread of best practices and transparency in sustainable development activities. With workshops, seminars and specific consultations for individual companies, we make reporting accessible according to international standards.

Moreover, we became an expert partner of the Responsible reporting award in the competition TOP Responsible firm, where we awarded the strategic and complex approach of organisations towards managing the impacts they have on their surroundings.



Jiří Moser, PwC CR Country Managing Partner, handing over the award to the winner in the Responsible reporting category, Drahomíra Mandlíková from Plzeňský Prazdroj.





Diversity and inclusion

Our long-term goal is to create a healthy and motivating environment for the professional and personal development and education of our employees. We are a responsible company with a fair approach to employees. We support creativity, diversity and the development of responsible thinking in such a way that our employees understand the impacts of our activities on our surroundings.

Key focus in this area:

- We support an open environment, which does not limit individuals by their gender, age, race or handicap.
- We offer professional development and career growth. We strive to be a desired employer offering skilled work in a motivating environment.
- We develop responsible leaders. We invest in our employees and create opportunities for them to achieve their personal and professional goals. We want responsible leading figures to rise from the ranks of PwC employees, able to build relationships based on trust among colleagues, clients and other partners.
- We create a healthy environment to work in with an emphasis on ethics, transparency and flexibility. We conduct regular satisfaction surveys among employees that help us find out how people in the firm feel and what they would like to improve.

What else are we concentrating on?

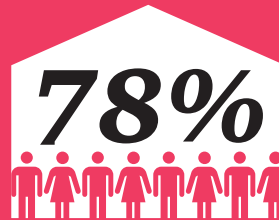
- We have a sophisticated system of benefits, education and career development and individual coaching. We carry out employee performance assessments throughout the year, as well as a survey on their satisfaction. We created a global mobility program and a program for key talents.
- We cooperate with a range of colleges and student organisations, and we hold workshops and competitions for students. What's more, we take an interest in their opinions and beliefs through the annual study, Student barometer.
- We support flexible work possibilities and equal opportunities in Czech business (we supported the project of equal opportunities for men and women on the labour market, Memorandum 2013+) as well as the social integration of excluded groups – we offer handicapped people inclusion in our work collective.

79 %
of employees are
proud to work at PwC
(a 7% increase over
last year)

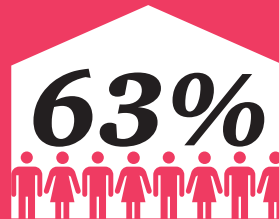
How are our efforts perceived by the employees themselves?

**More employees
than last year:**

1 participated in the annual
feedback



2 would recommend PwC
as a great place to work



3 are proud to work at PwC



in 2014

in 2013



Diversity and inclusion

Support and development of women in senior positions

We took part in the working group Leadership of women on the Business for Society platform, which among other things is dedicated to supporting women in career development and educating the public on recommended steps for combining work and private life. We raise the public's awareness of these problems and create opportunities for discussion among firms.

This year we prepared a discussion platform for sharing experiences, “role model” presentations and the possibility of working with women coaches. The internal project “women coaches” offers our

employees individual coaching by our female colleagues who have attained higher manager positions and who can give advice based on their own experiences on how to successfully synchronise work commitments with family life.

We want to expand on this theme with the European Diversity Charter, which includes the themes of gender equality, age management and integration of handicapped people and people over the age of 55.

Jiří Moser, PwC CR Country Managing Partner, together with 17 prominent representatives of the private sector in the American center, signed the Diversity Memorandum 2013+ on support for equal opportunities on the labour market and active application of the principle of gender equality.



UPINA ČEZ



Nepřetížná odborná platforma pro
a interdisciplinární podniku v ČR. Národní partnerská organizace
Europe a CHROB Global Partner Network.





Community engagement

We believe that particularly by sharing the knowledge and experience of our experts we can help non-profit organisations fulfil their goals, thus having a positive effect on the society we live in. Our vision is to focus our activities on developing skills and passing on our experience in areas we deal with. In this sector, we mainly support the development of the capabilities, talents and education of the clients of non-profit organisations by inspiring and engaging with them. We also support non-profits, which have been chosen by our employees or where our employees volunteer, with philanthropic collections.

Key focus in this area:

- We have developed skilled volunteering (pro-bono mentoring), through which we focus on passing on our experiences especially to social enterprises, so that their plans and business models can be sustainable and competitive over the long term.
- We support social enterprises both with our consulting and individual mentoring and by using the services of social enterprises as our providers – for example, eco-friendly promotional materials or the operators of our company cafe.
- We support educational programs in particular for young people who have somehow been excluded from society, whether due to their physical or mental handicaps or the social situation of their families. We support non-profit organisations who are dedicated to educating and developing these individuals and who strive to increase their chances for self-sufficiency and independence.

CZK
1 247 830
*for charities and
sponsorships*

How are our efforts perceived by the employees themselves?

1 People's awareness of our corporate responsibility and sustainable business activities



2 Our employees are satisfied with our corporate responsibility activities



2014

2013



Support for social enterprises with skilled volunteering

Acceleration of social start-ups with the Social Impact Award competition

This is already the third year that we have been supporting the Social Impact Award competition for young people with socially beneficial ideas. In this financial year and the next, we are preparing a summer acceleration program for the start-up winners, where our employees as mentors will be working on business plans with the goal of making

them sustainable. Consultations between individual mentors and the teams will run during the third summer month of 2014.

At the same time, we also want to offer thematic mentoring to start-ups in the areas of tax, law and finance.



Five of our colleagues have joined the intensive summer mentoring program. This included personal mentoring of individual teams that were successful in the Social Impact Award competition. Markéta Jechová launched the most intensive cooperation. Markéta will provide advice on financial planning and formulating offers for potential clients during regular meetings over the summer to three students who started alternative eco-friendly funeral services under the brand Ke kořenům.

"The theme of ecology, as Ke Kořenům has unconventionally approached it, interested me at the very first moment. I was motivated to help enthusiasts with ideas on how to positively affect society. And they are hungry for a solution. The opportunity to push them in their thinking inspired me. The whole concept is at the beginning, and the more the project is gradually elaborated, the more concrete my consultations with the team will be," said Markéta Jechová, PwC CR.



**TOP
ODPOVĚDNÁ
FIRMA 2014**
DRUHÉ MÍSTO
NEJANGAŽOVANĚJŠÍ
ZAMĚSTNANCI

We were awarded in the competition TOP Responsible firm for activities connected with skilled volunteering in the 2014 financial year.

Our people devoted
334 hours
to skilled
volunteering



Social enterprises as our providers

At the formation and launch of a new and beneficial social enterprise

We witnessed the birth of the start-up Forewear, which produces notebook and tablet covers from used clothing that is no longer useful for charity purposes or ordinary use. As the winner of the Social Impact Award one year ago, Forewear received consulting from PwC CR on their business plan, financing, taxes, law and marketing. The idea which PwC helped to develop a year ago has come full circle back to PwC in the form of customised promotional materials.

Forewear collects and separates unworn clothing that's hanging uselessly in people's closets. Unusable pieces that can no longer be offered to charity shops are then recycled, and the resulting unwoven textile is used to produce the notebook covers. PwC CR helped Forewear hold its first collection of old clothes with PwC employees, from which new products custom-made for PwC CR were produced.

When we won the Social Impact Award in 2013 as the project Clothing exchange, we had a big task ahead of us. The goal was to create a socially beneficial enterprise from our project. Along the way, we were supported by PwC CR, whose consultants advised us on our business plan, taxes, law and marketing. Our first corporate clothing collection in cooperation with our project, FOREWEAR, also took place among PwC employees. We were very happy that during our cooperation we were able to produce beautiful notebooks from old clothing in two of the company's colours, sewn together in a sheltered workshop in Chotěboř, which PwC used as gifts for interns and company partners.

Markéta Borecká, founder of FOREWEAR, www.forewear.cz



Daniela Čapková, responsible for student-related activities, together with Markéta Borecká of Forewear with notebooks specially designed for PwC CR, which are intended for students and new employees.



Social enterprise, Startujeme o.p.s., as the operator of our company cafe

We started cooperating with them this year, and we will continue next year.



13th Christmas charity

Our philanthropic activities also help educate youth

PwC CR employees gave financial gifts to non-profit organisations in the form of salary deductions, and every donated Czech crown was subsequently doubled by the firm.

As part of the Charity initiative, we also added an amount to the total donation representing the amount which in the past would have been given as gifts to business partners. In addition, as we've done in previous years, we added on the amount collected during the charitable breakfast, where our employees sold homemade baked goods to their colleagues.

So that our philanthropic activities correspond with our vision to support the education and development of the clients of non-profit organisations, we contributed our financial collections last year to our long-term partners from the non-profit sector who undertake such programs.

They are focused on children and young people who are socially neglected or who have been somehow excluded from society. The programs help them overcome their “handicap”, find self-confidence and stand up on their own feet.

CZK
370 000
for non-profit
organisations from this
year's Christmas
charity collections

Jiří Moser, Country Managing Partner of PwC Czech Republic, presents a symbolic cheque of our financial donation to Ms Marie Vodičková, Director of the Fund for Children in Need. “I would like to thank PwC and its employees for their long-term support. We really appreciate this interest, and it's also a big psychological support,” said Ms Vodičková.





Environmental stewardship

We pledged to manage and reduce all of the impacts of our business on the environment. Our main goal is to reduce our carbon footprint in all the relevant areas, such as:

- paper usage
- waste production and sorting
- transport regulation on business trips and measurement of trips by plane, train and car
- energy usage and measurement in our offices
- cooperation with providers

*In the 2014
financial year, we were
able to reduce the carbon
footprint of our office by
32 %.
Measured according to the
Greenhouse Gas Protocol
global standards*



**TOP
ODPOVĚDNÁ
FIRMA 2014**
TŘETÍ MÍSTO
LEADER V ŽIVOTNÍM
PROSTŘEDÍ

*We were awarded in
the competition TOP
Responsible firm for our
activities in 2014
connected with care
for the
environment.*

Key areas of interest and activities to reduce our impact on the environment:

Measuring energy usage and minimising CO2 emissions (CO2 equivalent)

We make processes more effective, and we invest in technological innovations, especially concerning our building. You can learn more about our building in our previous reports from 2012 and 2013.

Recycling in the office

We continuously work with our employees and providers to reduce the amount of waste. Waste liquidation is carried out by a provider that we cooperate with on measuring and posting the amount of waste from each of our offices. We currently recycle paper, plastic, glass, batteries, lights, metal and leftover waste.

Supporting eco-friendly travel

We recommend that employees use alternative means of travel when commuting to work or to clients. Our new building has facilities available for cyclists that make commuting to work by bike easier. To a greater extent we also use videoconferencing and carpooling.

Internal campaign focused on the environment

Every year we organise the Green days informational campaign, where we inform employees about energy usage in our building and recycling, and encourage them towards a more sustainable lifestyle.

Other eco-friendly initiatives within the office

We support double-sided printing and printing on recycled paper. These are both set up as the default settings on all printers in our offices.

Green volunteering

as a non-traditional team-building activity, we help the environment around us: we clean up forests and environments that create a positive impact on the ecosystem, thereby giving back what our activities took from nature.



About report summary

This is just a summary of the original PwC Czech Republic Report of Sustainable business and Corporate responsibility activities the 2013 financial year. We have summarised our strategic approach and highlighted the main areas of our interest.

The full version of the Report is available in Czech, where you can find all relevant data, definitions and reporting criteria we apply.

PwC Czech Republic reports annually on Corporate Responsibility issues that we – in dialogue with our stakeholders – believe to be the most relevant to our company. We apply the Global Reporting Initiative (GRI) G3 guideline to the extent that it is applicable to our organisation. More information can be found in our Czech report.

Our Corporate Responsibility Governance

The PwC Corporate Responsibility Strategy team helps to embed Corporate Responsibility into the fabric of the firm. By overseeing our sustainability strategy and continuously assessing our of our achievements and challenges, it provides leadership and direction on key policies and actions for implementation. The team includes the Country Managing Partner and senior management representing each of our lines of service and our operations.

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

UN 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.

Why you should read this report and what you can learn from it

The report summary is intended for anyone who wants to learn more about how a business strategy can be aligned with the concept of corporate responsibility. Hopefully, you will not only learn about our activities and approach, but you will also get to know us better as a company, and perhaps find some inspiration.

We look forward to your reactions and remarks!

Your ideas and comments are important information tools for us to improve our future activities. We welcome your feedback and we thank you for reading.

Contact

Pavla Zemanová

Corporate Responsibility Coordinator

pavla.zemanova@cz.pwc.com

www.pwc.cz/odpovednost

The brochure is printed on 100% recycled paper.

We can help you create your own corporate CSR report



Are you preparing a report on sustainable business and corporate responsibility or considering starting reporting?



Would you like to increase the quality of your report and the impact of the communication to your stakeholders?



Are you looking for an answer as to why you should report based on international standards?



Would you like to learn about the principles of GRI methodology (Global Reporting Initiative)?



Would you like to know how to correctly prepare a sustainable business report based on GRI?

We are offering one-on-one consultancy to address these questions or your own concrete requests

Contact:

Radka Nedvědová

Manager, The Academy, PwC Czech republic

+420 251 152 029

radka.nedvedova@cz.pwc.com