

# PwC Australia Transparency FY21: Basis of preparation of our report

August 2021



# PwC Australia Transparency FY21: Basis of preparation of our report

This basis of preparation provides additional information on our reported data and disclosures in the [‘PwC Transparency FY21’ report](#), published on 24 August 2021. Data and disclosures provided in this report relate to PwC Australia business operations for the financial year ended 30 June 2021 unless otherwise stated in this basis of preparation. The scope of our report excludes offshore operations where PwC Australia has an equity interest.

In this basis of preparation we have provided a mapping of our reported disclosures to the World Economic Forum’s *Measuring Stakeholder Capitalism Towards Common Metrics and Consistent Reporting of Sustainable Value Creation* (White Paper, September 2020) framework, where applicable. We have presented our definition for each disclosure and where the reader can find that disclosure presented in our report.

Additional information on PwC Australia’s strategy and performance can be found on our website at [www.pwc.com.au](http://www.pwc.com.au).

Our people are our primary audience for the report, and therefore our materiality focus to determine the disclosures has been based on this. We look forward to extending our reporting in FY22 and beyond.



# Prosperity pillar

# Prosperity Pillar

## Core metrics

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
Employment & Wealth Generation	<b>Absolute number and rate of employment</b> Total number and rate of new employee hires during the reporting period, by age group, gender, other indicators of diversity and region. Total number and rate of employee turnover during the reporting period, by age group, gender, other indicators of diversity and region.	Number of employees	Employees include permanent employees including full time, part time, casual and fixed term employees as at 30 June 2021. It does not include external contractors.	People
		New graduates	Number of new graduates including vacationer roles commencing during FY21.	People
		Number of partners	Number of partners as at 1 July 2021.	People
		New partners	Partners admitted to PwC Australia partnership in the period from 2 July 2020 to 1 July 2021.	People
	<b>Economic contribution</b> 1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: – Revenues – Operating costs – Employee wages and benefits – Payments to providers of capital – Payments to government – Community investment 2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	Revenue (total)	Total Revenue includes PwC Australia's revenue from overseas entities (PNG and the ASEANZ Consulting businesses in SEA and NZ) which are controlled and consolidated in accordance with AIFRS, and disbursements (out of pocket expenses directly reimbursed from clients). It does not include PwC Indigenous Consulting.	Prosperity
		Revenue (Australian businesses)	Australian businesses revenue excludes revenue from overseas entities (PNG and the ASEANZ Consulting businesses in South East Asia and New Zealand) and excludes disbursements. It includes revenue attributed to our three business lines, Assurance, Consulting and Financial Advisory, and other sources of revenue. It does not include PwC Indigenous Consulting.	Prosperity
		Growth in Australia businesses	Growth is the difference in revenue from the prior financial year for Australian businesses by service line.	Prosperity
		Partner average total income growth	Growth in the average total income earned by partners of PwC Australia.	Prosperity
		Total incentive payments to our people	Total value of incentive payments made to employees of PwC Australia. This includes performance/incentive payments made to staff for FY21, as well as the special COVID-19 'thank you' payment made in December 2020.	People
		Social impact time	Hours allocated by PwC Australia partners and employees to volunteering, pro and low bono engagements and other social impact activities, excluding PwC Indigenous Consulting.	Prosperity

# Prosperity Pillar

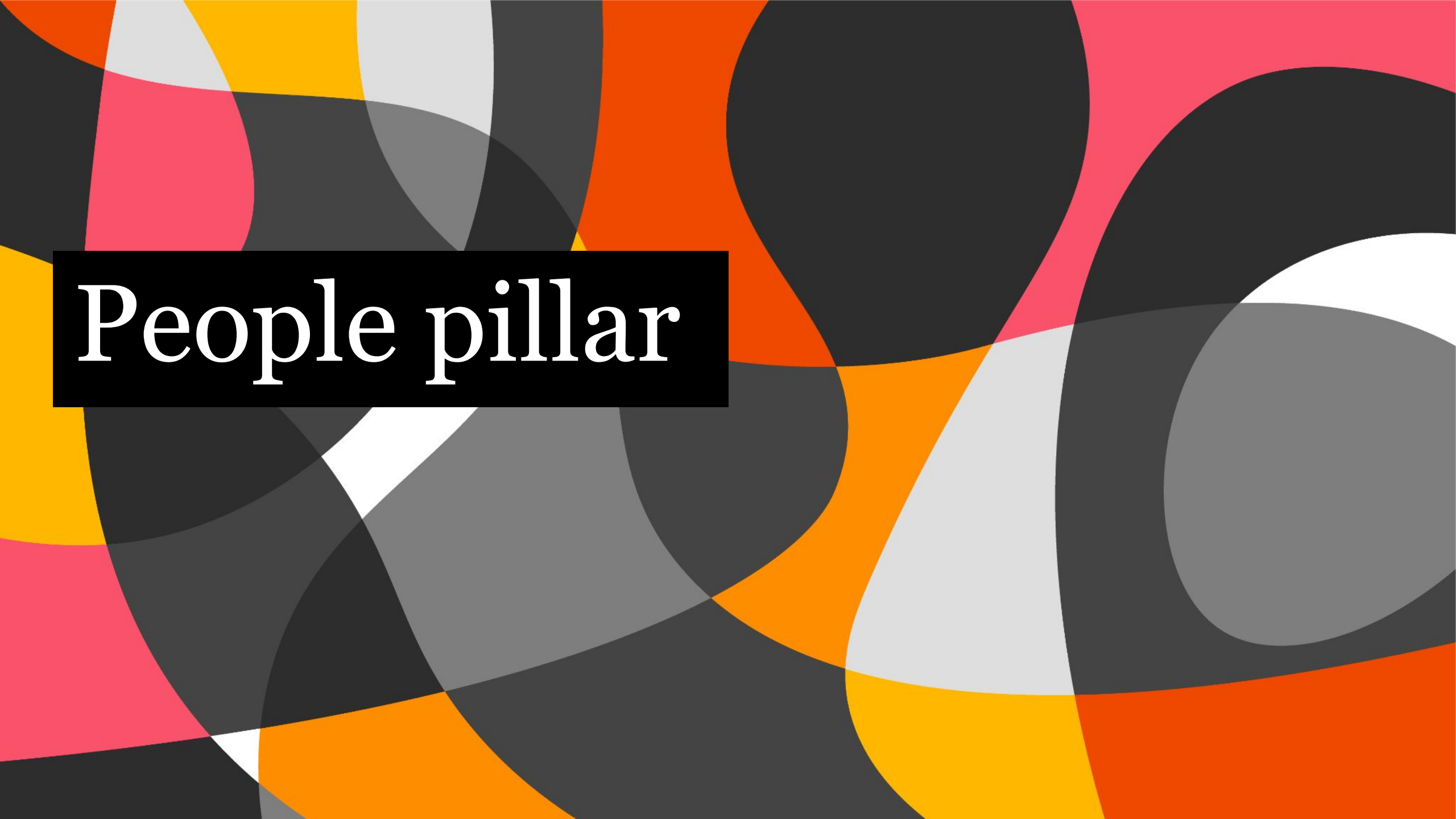
## Core metrics (cont'd)

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
<b>Employment &amp; Wealth Generation</b>	<b>Economic contribution</b> 1. Direct economic value generated and distributed (EVG&D), on an accruals basis, covering the basic components for the organization's global operations, ideally split out by: – Revenues – Operating costs – Employee wages and benefits – Payments to providers of capital – Payments to government – Community investment 2. Financial assistance received from the government: total monetary value of financial assistance received by the organization from any government during the reporting period.	Board roles including community & not-for-profit board roles (number of people holding board roles)	PwC Australia partners and employees holding roles on boards including community and not-for-profit boards and committees, including advisory roles. Excludes PwC Indigenous Consulting.	Prosperity
		Community & not-for-profit board roles (number of board roles)	Number of unique roles held by PwC Australia partners and employees on community and not-for-profit boards, including advisory roles. Excludes PwC Indigenous Consulting.	Prosperity
		Contestable spend with Aboriginal and Torres Strait Islander businesses	Percentage of contestable procurement spend on goods and services from providers self identified as Aboriginal and Torres Strait Islander, as a percentage of total spend. Excludes PwC Indigenous Consulting.	Principles of governance
<b>Community and social vitality</b>	<b>Total tax paid</b> The total global tax borne by the company, including corporate income taxes, property taxes, non-creditable VAT and other sales taxes, employer-paid payroll taxes, and other taxes that constitute costs to the company, by category of taxes.	Estimated average percentage of tax paid by partners	Estimate of average percentage of tax paid by PwC Australia partners (estimated average effective tax rate).	Prosperity
		Total tax contribution	Total taxes paid by PwC Australia (excluding PNG, South East Asia & New Zealand Consulting, PwC Indigenous Consulting), its partners and employees. It includes corporate income taxes, property taxes, non-creditable goods and services tax, fringe benefits tax, payroll tax, stamp duty, foreign taxes, tax deducted from employee salaries and tax payable by partners on income earned. It does not include GST paid to us by our clients and passed on to the Australian Government, nor GST we have paid but are able to be claimed as input credits.	Prosperity

# Prosperity Pillar

## Expanded metrics

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
<b>Community and social vitality</b>	<b>Total Social Investment (\$)</b> Total Social Investment (TSI) sums up a company's resources used for "S" in ESG efforts defined by CECP Valuation Guidance	Value of social impact time, workplace giving, donations and cash contributions	Financial value of social impact time in dollar equivalents, including PwC Australia partner and employee social impact hours (at an estimated average hourly rate), workplace giving, firm cash donations and contributions to the not-for-profit and charity sector, PwC's Foundation Trust distributions, individual donations and in-kind support. It excludes revenue collected from low bono services and time spent by people in community and not-for-profit board roles. Refer also to <a href="#">our commitment to social impact and our communities</a> for further information on our social impact activities and projects.	Prosperity



# People pillar

# People Pillar

## Core metrics

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
Dignity & equality	Diversity and inclusion (%)  Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	Gender profile (employees)	PwC Australia employee gender profile is based on self disclosed gender information as at 30 June 2021, rounded to the nearest whole percentage. We note that gender data includes <1% of our people who do not identify with traditional genders.	People
		Percentage of employees from diverse cultural background	Diverse cultural background is defined as being from an non-Anglo-Celtic or non-European background, as self-disclosed by PwC Australia employees, as at 30 June 2021.	People
		Average age	Average age of PwC Australia permanent employees, rounded up to the nearest year, as at 30 June 2021.	People
		Gender profile (partners overall)	PwC Australia partners gender profile is based on self disclosed gender information, rounded to the nearest whole percentage, as at 1 July 2021.	People
		Gender profile (new partners)		People
		Percentage of partners from diverse cultural background (partners overall)	Diverse cultural background is defined as being from an non-Anglo-Celtic or non-European background, as self-disclosed by PwC Australia partners, as at 1 July 2021.	People
		Youngest partner	Years of age of the youngest and oldest partner of PwC Australia as at 1 July 2021.	People
		Oldest partner		People
		Percentage of partners 55 years or older	Percentage of PwC Australia partners that are 55 years of age or older.	People



# People Pillar

## Core metrics (cont'd)

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
Dignity & equality	<b>Diversity and inclusion (%)</b> Percentage of employees per employee category, by age group, gender and other indicators of diversity (e.g. ethnicity).	Percentage of people who agree PwC is an inclusive work environment	Percentage of people who completed the people survey called 'Mojo', and agreed with the statement that PwC is an inclusive work environment, as at May 2021.	People
		Percentage of people who agree they work in teams that prioritise wellbeing	Percentage of people who completed the people survey called 'Mojo', and agreed with the statement that they work in teams that prioritise wellbeing, as at May 2021.	People
		Percentage of people accessing some form of parental leave who were male	Percentage of PwC Australia partners and employees who were male that accessed flexible and full-time parental leave in accordance with PwC Australia policies in FY21.	People
		Percentage of parental leavers who remained with the firm after the first 12 months	Percentage of parental leavers who started parental leave within the reporting period and remained with the firm during that period.	People
	<b>Pay equality (%)</b> Ratio of the basic salary and remuneration for each employee category by significant locations of operation for priority areas of equality: women to men, minor to major ethnic groups, and other relevant equality areas	Gender pay gap (like for like)	Gender pay gap for employees and partners by comparing men and women at the same pay band ("like for like").	People
		Gender pay gap (employees)	Gender pay gap for employees is based on comparing the average total remuneration for men to that of women, where total remuneration includes base pay and superannuation, as at April 2021.	People
		Gender pay gap (partners)	Gender pay gap for partners is based on annualised target incomes for all partners within the year, as at March 2021.	People
<b>Risk for incidents of child, forced or compulsory labour</b> An explanation of the operations and suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour. Such risks could emerge in relation to: a) type of operation (such as manufacturing plant) and type of supplier; and b) countries or geographic areas with operations and suppliers considered at risk.	Responsible supply chain activities	Summary list of key activities undertaken to support responsible supply chain management, including new supply chain policies, training and compliance activities.	Principles of governance	

# People Pillar

## Core metrics (cont'd)

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
Health & wellbeing	<b>Health and safety (%)</b> 1. The number and rate of fatalities as a result of work-related injury; high-consequence work-related injuries (excluding fatalities); recordable work-related injuries; main types of work-related injury; and the number of hours worked. 2. An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided for employees and workers.	Percentage of people who accessed Employee Assistance Program	Percentage of people who accessed the Employee Assistance Program (EAP) delivered by Assure Services. EAP offers PwC Australia partners and employees and their immediate family members access to confidential counselling and advice to assist them when they experience events, times or situations that are stressful or deal with emotions that are overwhelming.	People
		Bullying, harassment, sexual harassment and serious misconduct complaints reviewed by the Employee Relations Panel.	Total number of bullying, harassment, sexual harassment and serious misconduct complaints reviewed by the Employee Relations Panel.	People
		Lost time injury frequency rate (LTIFR)	Number of work-related lost-time injuries (physical and/or psychological) relative to the total number of hours worked in the reporting period for PwC Australia employees.	People
Skills for the future	<b>Training provided (#, \$)</b> Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of hours of training provided to employees divided by the number of employees). Average training and development expenditure per full time employee (total cost of training provided to employees divided by the number of employees).	Learning & development hours	Hours recorded in the Vantage learning portal for participation in learning and development undertaken by PwC Australia partners and employees for the reporting period.	Principles of governance
		Percentage of people who completed First Nations cultural awareness training	Percentage of partners and employees who completed First Nations cultural awareness training.	Principles of governance



Planet pillar

# Planet Pillar

## Core metrics

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
Climate Change	<b>Greenhouse gas (GHG) emissions</b> For all relevant greenhouse gases (e.g. carbon dioxide, methane, nitrous oxide, F-gases etc.), report in metric tonnes of carbon dioxide equivalent (tCO <sub>2</sub> e) GHG Protocol Scope 1 and Scope 2 emissions. Estimate and report material upstream and downstream (GHG Protocol Scope 3) emissions where appropriate.	Total greenhouse gas emissions	Total greenhouse gas emissions include scope 1, 2 and selected scope 3 emissions within PwC Australia's operational control emissions boundary, prepared in accordance with PwC's Global CR reporting Manual which is aligned with the Global Reporting Initiative and the Greenhouse Gas Protocol. Therefore, the emission sources included and emission factors used are those required for reporting under PwC's Global CR Reporting Manual. Our Climate Active submission for FY21 is due in October 2021 and will differ from the globally reported number due to these different sources, factors and methods used. In addition, some estimates have been applied.	Planet
		Certified carbon neutral for our Australian business operations	Climate Active certification was for our FY19-20 report. Our report for FY20-21 is due for submission to Climate Active in October 2021.	Planet
		Renewable energy as a percentage of total electricity purchased	Renewable energy purchased from GreenPower for 100% of electricity usage across five offices.	Planet
		Number of Green team employee network members	The number of employees who are members of the Green team, which is a voluntary network of employees focused on supporting PwC Australia to be cleaner and greener.	Planet

# Planet Pillar

## Expanded metrics

WEF theme	WEF definitions of metrics and disclosure	PwC metric / disclosure included in our FY21 report	Basis of preparation	Section of PwC report
Climate Change	<b>Paris-aligned GHG emissions targets</b> Define and report progress against time-bound science-based GHG emissions targets that are in line with the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. This should include defining a date before 2050 by which you will achieve net-zero greenhouse gas emissions, and interim reduction targets based on the methodologies provided by the Science Based Targets initiative, if applicable. If an alternative approach is taken, disclose the methodology used to calculate the targets and the basis on which they deliver on the goals of the Paris Agreement.	Actions related to the Net Zero commitment	Actions PwC Australia has agreed to take in order to deliver on the commitment to be Net Zero by 2030. In FY21, additional renewable energy was purchased, travel emissions were significantly reduced due to COVID-19 impacts, we engaged with clients and suppliers on their commitments, and we continued to purchase offsets through our PwC global network. We also engaged with our people on Net Zero through learning sessions and webcasts. Our ESG team of practitioners produced thought leadership and publications on climate change and environmental related topics.	



# Principles of Governance pillar

# Principles of Governance Pillar

## Core metrics

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
<b>Governing purpose</b>	<b>Setting purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Our Purpose	PwC's stated Purpose and Values	Principles of governance
		Our Values		Principles of governance
<b>Quality of governing body</b> <b>Governance body composition</b>	Composition of the highest governance body and its committees by: competencies relating to economic, environmental and social topics; executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; stakeholder representation.	Governance bodies - gender: <ul style="list-style-type: none"> <li>Executive Board</li> <li>Governance Board</li> </ul>	The gender percentage of members of PwC Australia's two peak governing bodies. The Executive Board members are appointed by the CEO. The Executive board data includes the CEO. The Governance board members are elected by our partners. The Governance board gender percentage includes only elected members and excludes our CEO.	Principles of governance
		Employee networks	Inclusion@PwC Employee led networks open to all permanent employees where participation is optional.	Principles of governance
		List of advisory groups	A selection of advisory groups and committees that support and advise management on social, environmental and governance matters, including PwC Australia partners and employees and external representatives.	Principles of governance
		Number of meetings with external Audit Quality Advisory Board	PwC Australia's external Audit Quality Advisory Board provides advice and an external perspective on the elements of our business that have an impact on audit quality. These include leadership, communication, independence, learning and methodology, technology, inspection outcomes and our accountability framework.	Principles of governance
		Number of tax advice matters referred to the firm's Tax Policy Panel	PwC Australia (together with 35 countries across the PwC Global Network) has a Tax Policy Panel to which certain complex tax advice matters must be escalated. The Panel comprises senior partners and subject matter experts, who determine whether a potential tax project or advice position fits with our brand values and our commitments and alignment to <a href="#">PwC's Global Tax Code of Conduct</a> . Of the 56 matters referred to the Tax Policy Panel, 16 matters were reviewed by the full panel.	Principles of governance
<b>Stakeholder engagement</b>	<b>Material issues impacting stakeholders</b> A list of the topics that are material to key stakeholders and the company, how the topics were identified and how the stakeholders were engaged.	Represented by content covered in the FY21 Transparency report	Materiality was defined with reference to our people as the key stakeholder for the report.	Overall report commentary

# Principles of Governance Pillar

## Expanded metrics

WEF theme	WEF definitions of metrics and disclosure	PwC disclosure included in our FY21 report	Basis of preparation description	Section of PwC report
<b>Governing purpose</b>	<b>Setting purpose</b> The company's stated purpose, as the expression of the means by which a business proposes solutions to economic, environmental and social issues. Corporate purpose should create value for all stakeholders, including shareholders.	Our Purpose	PwC's stated Purpose and Values	Principles of governance
<b>Ethical behaviour</b>	<b>Anti-corruption</b> 1. Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. a) Total number and nature of incidents of corruption confirmed during the current year, but related to previous years; and b) Total number and nature of incidents of corruption confirmed during the current year, related to this year. 2. Discussion of initiatives and stakeholder engagement to improve the broader operating environment and culture, in order to combat corruption.	Ethics and Code of Conduct Training	Percentage of PwC Australia partners and employees who completed ethics and code of conduct training	Principles of governance



# Thank you

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