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# *Sustainable growth*

PwC Finland – corporate responsibility review 2016



**pwc**

# *Sustainable growth*

## PwC Finland – corporate responsibility review 2016

*This corporate responsibility review presents a summary of the measures and results of PwC Finland, i.e., PricewaterhouseCoopers Oy, and PwC Strategy& (Finland) Oy, a Group company wholly owned by PwC Finland, over the financial period of 1 July 2015 – 30 June 2016. Read more about our responsibilities on our website ([www.pwc.fi/yritysvastuu](http://www.pwc.fi/yritysvastuu)).*

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\*) PwC Finland Group and the review covers PricewaterhouseCoopers Oy and its operations, and PwC Strategy& (Finland) Oy, a company wholly owned by PwC Finland. The Group also includes PwC Services Oy, which is not engaged in business operations, and the operations of which are not included in this review. Furthermore, this review does not include our affiliate PwC Julkistarkastus Oy. The review period relating to environmental information differs from the financial year, and the calendar year has been used in the reporting of environmental information, excluding driven and flown kilometres. Our corporate responsibility review includes basic content of the GRI G4 guidance. Read more about our G4 index and our reporting principles at [www.pwc.fi/yritysvastuu](http://www.pwc.fi/yritysvastuu).

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# PwC in a nutshell

PwC Finland is a company owned by its Finnish shareholders and is part of the international PwC network. We support our clients during changes and help businesses to create sustainable growth, operate efficiently and secure reliable reporting – whether the client is a growing enterprise, family-owned business, listed company or public organisation. Our aspiration is to build trust in society and resolve the key problems of our clients.

### Our services

- Business management consulting
- Deals
- Auditing and other assurance services
- Tax consultancy
- Legal services
- Risk management services
- Corporate social responsibility services

### Clients

11 000

### Overall client satisfaction



### Net promoter score (NPS)



### Personnel



The personnel spent an average of 8.1 working days in training.



The average age of our employees is 36.1 years.

PwC Global

Turnover in the 2016 financial year

35.9  
USD Billion

Countries

157

Experts

223 000

PwC Finland

Turnover in the 2016 financial year

124.4  
EUR million

Offices

20

Experts

930

# Being number one by working together

## Review of the CEO



Mikko Nieminen

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The financial period closed in June 2016 was my first year as the CEO of PwC Finland. It has been a pleasure and an honour to lead a company with such a long tradition, leading experts, the best clients and a positive team spirit. However, I have not travelled this journey on my own: all of our employees have done an excellent job during this financial period, which is indicated not only by the positive atmosphere that can be sensed by walking along our corridors, but also by our positively developed key figures. For this, I wish to warmly thank every PwC employee!

### Changes challenge us to change our operations

Major changes in the market have an impact on all companies. There is high demand for changes in the economy and different businesses: the ongoing digitisation is the fourth major breakthrough of the industrial age, and it has brought along new types of competition, operating models and partnerships in the field. This, combined with never-ending changes in regulation, international competition and challenges in terms of profitability, drives companies and organisations towards a fundamental change – to upgrade their operations up to the 'Business 4.0' level.

When facing changes and growth challenges, PwC has the expertise to help companies and organisations succeed. At the same time, our PwC Purpose is put into practice: we are building trust in society and resolving significant problems. Our purpose is based on our heritage – to increase trust

in financial reporting and, therefore, between various parties and in our services, through which we are able to help both private and public companies and organisations succeed.

### Growth of 36% in consulting and deals services

In light of our results and client feedback, we succeeded in our mission of supporting our clients in changes, growth and reliable operations. Our turnover increased by double digits during the financial period closed in June 2016 after several years of slower growth: by 13.5% to EUR 124.4 (109.6) million. Our profitability improved, as well. We exceeded our goals when measured by both of these financial indicators.

Markets of deals, financing and capital remained active. We were involved in a number of transactions, ranging from early planning and preparations to the implementation of changes. This was reflected in growing demand in many of our competence areas and, in particular, in our consulting and deals unit, the turnover of which increased by up to 36% during this financial period.

This growth exceeded both our goals and our expectations. This was also supported by the integration of Strategy& (formerly Booz & Company), a company specialising in strategy consulting, into PwC. This is the first financial period over which Finnish Strategy& has been a subsidiary wholly owned by PwC Finland, and its strategy consultants are working closely with our consulting and deals unit. We are able to respond to our client de-

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mand through a full 'from strategy to implementation' service range in Finland and globally.

The turnover of our tax and legal services unit increased by 12%, and that of auditing and other assurance services, our largest business area, grew by nearly 8%.

We measured our performance during the financial year, not only using financial indicators, but also on the basis of personnel satisfaction and customer feedback. The satisfaction of both our employees and our clients improved further, which indicates that we have succeeded in what we do. You can read more about these results later in this review.

### Regulation reform in the auditing field takes effect

The national execution of the EU audit reform, which is significant both to our field and our clients, was completed in Finland after the end of our financial period. The changes in the Finnish Auditing Act entered into force on 19 August 2016, even though some provisions involve transition periods. What is more, the EU audit regulation is applied to the first financial period starting on 17 June 2016 or later. This also involves transition periods.

We are satisfied that these changes are now in effect and that there are no more uncertainties, even though questions still remain regarding the application of the regulation.

The most significant changes are associated with public interest entities (PIE) and their auditors. Changes concerning PIE include the mandatory audit firm rotation and the audit fee ceiling, which enters into force in 2020 and concerns services other than auditing. Another change in PIE is the increase in the duties of the audit committees

of Boards of Directors. In practice, the role of the audit committee as a supervisor of auditors and operations will be emphasised.

You can read more about these changes, for example, on our [website](#).

The market practice is looking for its final form, and the impact of this regulation can only be seen later. Nevertheless, we will continue to talk about questions related to changes in regulation and the implementation of the changes they require with our clients.

### Customer experience and the greatest place to work at the core of our strategy

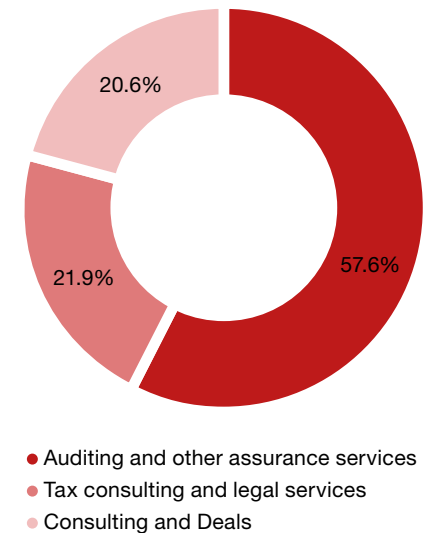
During the closed financial period, we prepared our new business strategy and defined a common direction. Our employees took part in this strategy work in many ways. For example, they were able to take part in the Päiväni toimitusjohtajana (Day as the CEO) survey, the purpose of which was to identify our employees' ideas of the future and to look for the kind of WOW effect that every employee would like to see at PwC by 2020.

After several workshops and discussions, it became clear what would inspire our employees the most: PwC being the greatest place to work in Finland. Being the greatest place to work is one of the cornerstones of our strategy, and we are working hard to this end.

However, working with our clients is what gives energy to our experts. It is obvious that offering the best customer experience is the other of our key focus areas. Every meeting with clients and colleagues is significant.

You can read a summary of our strategy from this review or on our [website](#).

Turnover EUR 124.4 million



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*I promise to do my best so  
that we can serve you in the  
best possible manner now as  
well as in the future.*

Mikko Nieminen

**We believe in growth**

Many are still predicting slow economic growth for Finland. According to the [PwC Global CEO Survey 2016](#), leaders of Finnish companies are, however, fairly confident in the growth of their companies, regardless of any challenges. We are also seeing that, in addition to cutback projects, companies are investing more in growth-supporting projects than in previous years.

I believe that there will be an even higher demand for diverse high-quality expert services originating from customer needs through the continually changing operating environment, digitisation and regulation. We will continue to invest in the skills of our experts and, according to our estimates, we will recruit 140 new employees and 120 trainees during this financial period in order to serve our clients as well as possible. We are still looking for strong growth in turnover.

During this financial period, we will continue to invest heavily in developing our stabilised services, such as auditing and tax consulting, and we want to remain the leading provider of these services in Finland. When it comes to the development and expansion of services, we will specifically focus on our services related to deals, digital and technology consulting, risk management services and the financial industry.

Sustainable operations form an essential part of our culture – after all, our operations are based on trust and sustainable cooperation with our clients. We support our clients in questions related to corporate responsibility and the development of sustainable operations, while acting sustainably ourselves and being a responsible employer. We are developing our sustainable operations one step at a time. This work is presented in more detail in the review of Sirpa Juutinen, our Corporate Responsibility Partner, and in this review.

I wish to warmly thank all of our clients for the trust you have shown us! I promise to do my best so that we can serve you in the best possible manner now as well as in the future. I also wish to thank all of our partners with whom we have not only exchanged views and expertise, but have also had wonderful moments and significant meetings!



Mikko Nieminen



# *Bearing corporate responsibility does not stop during economic cycles*

## Review of the Corporate Responsibility Partner



Sirpa Juutinen

Corporate responsibility lives and breathes in time. It finds its form and statements under ever-changing conditions. It responds to developing needs and seeks opportunities in locations where changes take place.

For PwC, this has been a year of changes. We have a new leader, and our new strategy has guided us to this new financial period. The composition of our CR Steering Group has also been changed, and the world around us is not the same as it was a year ago. During such times, the challenge is that, as everything new is drawing our attention, we also need to continue our previously started good projects. Bearing corporate responsibility does not depend on economic cycles, and it does not stop when organisations or their strategies change.

Focus points of corporate responsibility must reflect all of the expectations and challenges presented from outside the company, i.e., from stakeholders and the market. The economic problems dating back several years seem to be getting better. Then again, the challenges posed by climate change are becoming more concrete. In terms of society, we are living in restless times as polarisation increases, and is only accelerated by the increase in emigration and immigration. These are the external conditions to which our clients, and we, must be able to respond.

The basic guidelines of the PwC network on

*Focus points of corporate responsibility must reflect all of the expectations and challenges presented from outside the company, i.e., from stakeholders and the market.*

Sirpa Juutinen

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*I also wish to thank our  
clients who challenge us to  
develop our corporate  
responsibility.*

Sirpa Juutinen

corporate responsibility carry us through the flow of changes. We continued our work in all of the four areas shared within the PwC network: responsible business, diversity and inclusion, environmental stewardship, and community engagement.

We continued to implement different objectives set for each of these areas. In the year of changes, we focused on keeping the development process running and moving forward by taking steady steps aimed at permanent changes. I am particularly happy that we have been able to maintain the viewpoint of corporate responsibility in services related to company acquisitions, and it has become stabilised in our practices.

We have also considered and investigated the willingness of our employees towards volunteer work. On the basis of our latest employee satisfaction survey, our employees are more committed than ever before. We want to be a good employer, which we can be proud of, now as well as in the future. As a result, we have evaluated whether the arrangement of opportunities for volunteer work could add a new element to this.

Activities in terms of environmental stewardship are equally important – these help us to bear our responsibility for combating climate change. At the same time, we have achieved cost savings and increased our employees' awareness of the theme.

There is no shortcut to improve corporate responsibility in our operations and those of our clients. We need to engage in various discussions, consider our options, calculate our costs and repayments, identify our possibilities and do all of this in a systematic and persistent manner. In the end, the expectations of our clients help us to identify needs and increase our understanding.

I wish to warmly thank everyone who has taken part in the corporate responsibility of PwC. You are in every part of our organisation: in management, all business areas, support functions and also in organisations that provide services for us. I also wish to thank our clients who challenge us to develop our corporate responsibility. We can do this by working together and keeping our eye on the target.



Sirpa Juutinen



## Our strategy

During the closed financial period, we revised our strategic guidelines for the strategy period extending to 2020. Our strategy is summarised in the theme of becoming number one by working together. We support our clients in changes and help them to succeed and grow and, by working closely with our customers and within PwC, we can also succeed.

### Strategy 2020: Being number one by working together

Working life, technology and markets are in a state of constant change. Digitisation is the fourth major breakthrough of the industrial age. Companies and organisations need to upgrade themselves and their operations to the level required by their clients and competition. At the same time, internationalisation, changes in regulation and other challenges associated with profitable growth urge companies to change the way they do business.

We at PwC have the expertise to help our clients in the field of changes and growth. In this way, we can also fulfil our PwC Purpose: we will build trust in society and resolve the most significant problems of our clients.

Our operations are based on our four business areas: auditing and other assurance services, consulting and deals, tax consulting and legal services, and segment-based private company services that combine different competence areas. We are looking for growth in all of these areas.

In addition, we will invest in four separately designated areas:

- **Deals:** We will support our clients in business restructuring with our entire range of expertise earlier than before and longer than before.
- **Technology and digitisation:** We will help our clients to create new digital business and improve their processes using technology.
- **Risk assurance services:** We will provide our clients with consulting related to business risks by heavily utilising technology and data, as well as the solid expertise of our international network.
- **Financial sector:** The financial sector is undergoing significant changes. We will support our clients in these changes and serve them comprehensively through our various forms of expertise.

Considering our growth and success, it is essential that we offer the greatest place to work for our excellent experts and the best possible experience for our clients. Every meeting with clients and colleagues is significant. We will also be engaged in close cooperation across business boundaries and cleverly utilise technology in our operations.

Our objective is to be the best partner for our clients in expert services and to help them succeed. We are on a journey to becoming number one, together with our clients.



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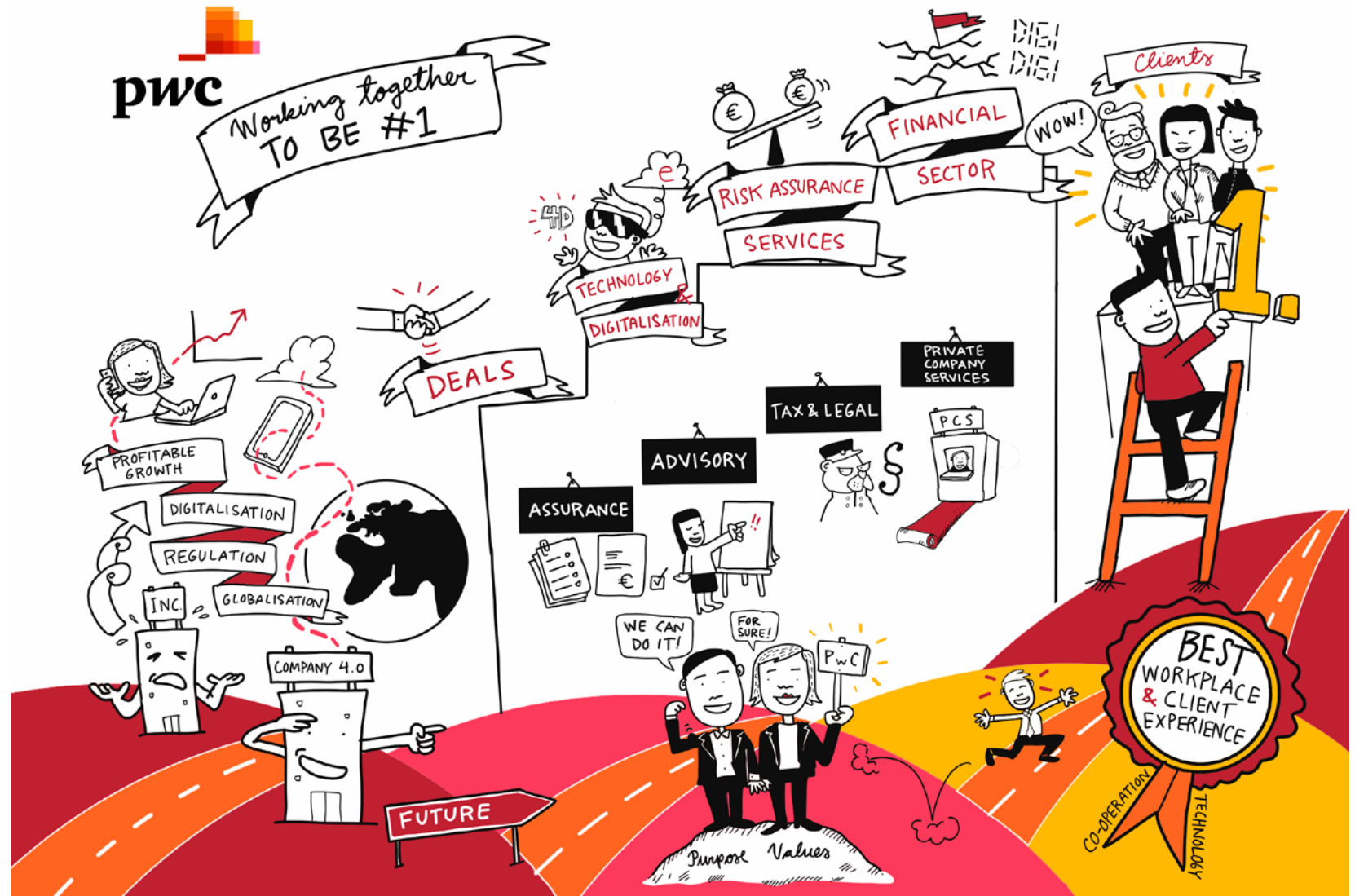
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## Creating value for companies

*It is important for us to understand how corporate responsibility and the related decision-making influences the company's value.*

One way of exploring this connection is to examine how the company describes its value creation. The international integration reporting framework issued by the International Integrated Reporting Council (IIRC) in 2013 has guided companies towards this process. Accordingly, it is necessary to describe the capital types required in business operations more broadly than in traditional thinking.

These capital types include financial, manufactured, human, intellectual, social & relationship and natural capital.

In order for companies to obtain a comprehensive view of the factors that create value, they need to identify all of the capital types required in sufficient detail. This enables the effective management of the input required from these capital types in order to optimise high returns and cash flow in the long term. Future success factors can also be perceived using different capital types, by analysing the future development of their quality, availability and price.

### **Towards an integrated way of thinking**

We described our value creation model in a process, involving members of our management who represented different capital types. Our aim was to move closer to integrated thinking, which is a precondition for development towards integrated reporting.

“We had a number of fruitful and productive discussions as we considered all of the inputs we need from different capital types and all of the impact our operations have”, says **Sanna Pietiläinen**, our corporate responsibility expert who led the process.

“The key capital type raised in our discussions was human capital, which centres around our inspired and motivated experts. We have this important asset which allows us to identify and understand all of the service needs of our clients, and to respond to them successfully”, Sanna says in summary.

*In order for companies to obtain a comprehensive view of the factors that create value, they need to identify all of the capital types required in sufficient detail.*

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## Value creation at PwC Finland

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### Capitals

#### Financial capital

- Equity
- Liabilities

#### Natural capital

- Electricity consumption: 886,466 kWh (100% green electricity)

#### Manufactured capital

- Operations in 20 locations
- ICT, effective infrastructure, tools and software

#### Human capital

- Competent, skilled and diverse personnel
  - 933 employees at the end of the financial period
  - 118 trainees during the financial period
- People Engagement Index (PEI): 79%
- Wellbeing at work and ability to work

#### Intellectual capital

- Customer base
- Customer satisfaction (NPS: 59.2)
- Known reliable brand
- Methodology, tools and operating methods related to customer consulting

#### Social capital

- Community engagement and impact:
  - Partnerships
  - Charity
  - Thought leadership, competence development and sharing

### PwC Finland

**PwC Finland** is a company owned by its Finnish shareholders and is part of the international PwC network. If required, our clients have access to more than 200,000 experts of the PwC network in 157 countries.

**We support our clients in changes and help companies build sustainable growth, operate effectively and report reliably.**

According to the PwC Purpose, **our aspiration** is to build trust in society and resolve the key problems of our clients.

**Our organisation** is divided into three business areas: auditing and other assurance services, tax consulting and legal services, and consulting and deals, which also includes Strategy&, a unit of strategic consulting. Our private company services act as a matrix organisation. In addition, our organisation consists of the following internal services: brand and communications, HR, legal affairs, financial administration, data management, and office and facility services.

**Our strategic growth ventures:** deals, technology & digitalisation, risk assurance services and financial services

**Large customer base:** we have roughly 11,000 clients, including listed companies, entrepreneurs, growth and startup companies, foundations and associations, public organisations, and private persons.

### Output

#### Services received by our clients

- 737,747 working hours
- Continuously developing expert services in the following business areas:
  - Business management consulting
  - Deals
  - Tax consulting and legal services
  - Auditing and other assurance services

#### Other output generated through the production of expert services

- Carbon dioxide emissions (business travel, facilities and paper consumption)



### Impact

#### Financial impact

Turnover of PwC Finland: EUR 124.4 million

#### Distribution of financial added value

1. Salaries of employees and shareholders:
  - salaries (include social security contributions) EUR 70.1 million, other taxable employment benefits and other employment benefits
2. Partners:
  - Dividends EUR 2.2 million
3. Public sector
  - Taxes and tax-related fees EUR 76.6 million
4. Property owners and financiers
  - Rents and leases EUR 5.0 million
5. Non-profit investments and subsidies
  - Cooperation with educational institutes and organisations, sponsorship and donations EUR 486,000



#### Environmental impact

- Fewer emissions**
- More sustainable production of services
  - Positive impact via our own services
  - Encouraging employees towards recycling and sustainable consumption
  - Fewer emissions via supplier requirements



#### Social impact

- Building trust**
- Employment
    - 139 new permanent employees
  - Helping young people to enter the field through the trainee programme
    - 118 trainees during the financial period
  - Impact of intellectual capital and expertise on the field and society on a broader level



**In addition, our services have an impact on the operations of our clients and, therefore, on society.**

## Creating value for society: Our tax footprint



Petri Seppälä

*Our tax footprint indicates our impact on the surrounding society. By reporting our tax footprint, we want to build trust in our operations.*

Our operations produce financial added value, not only to our personnel and shareholders, but also to the surrounding society in the form of taxes and tax-like charges.

Information about taxes paid does not offer sufficient information about the value our operations produce to society through various charges.

“When evaluating the financial impact of an expert organisation like ours, we need to consider not only the taxes paid by the company, but also the significance of income taxes paid to the state and municipalities through rewards paid to employees and shareholders”, says **Petri Seppälä**, director of tax consulting and legal services.

We also consult our clients on how to report taxes and tax-like charges when it comes to regulatory reporting. We also support our clients when they want to report on these charges to a larger extent and in more detail.

### **PwC Finland’s tax footprint**

All of our operations are carried out by PricewaterhouseCoopers Oy, a company wholly and directly owned by its shareholders living in Finland, and by PwC Strategy& (Finland Oy), a company wholly owned by PwC Finland. Our operations are not funded from abroad and we do not have any inter-

est-bearing liabilities.

The variable salary portions paid by the company to its shareholders and personnel are determined according to the company’s results, the fulfilment of personal goals and high-quality operations based on our values.

Shareholders are remunerated by a salary divided into a fixed monthly payment and a variable portion. Over the 2016 financial period, we will, for the first time, pay the variable salary portion in dividends that are handled as input-based dividends in our company’s taxation, and that are determined on the basis of performance and paid for out of the profit for the 2016 financial period. In-

*Our operations produce financial added value, not only to our personnel and shareholders, but also to the surrounding society in the form of taxes and tax-like charges.*

Petri Seppälä

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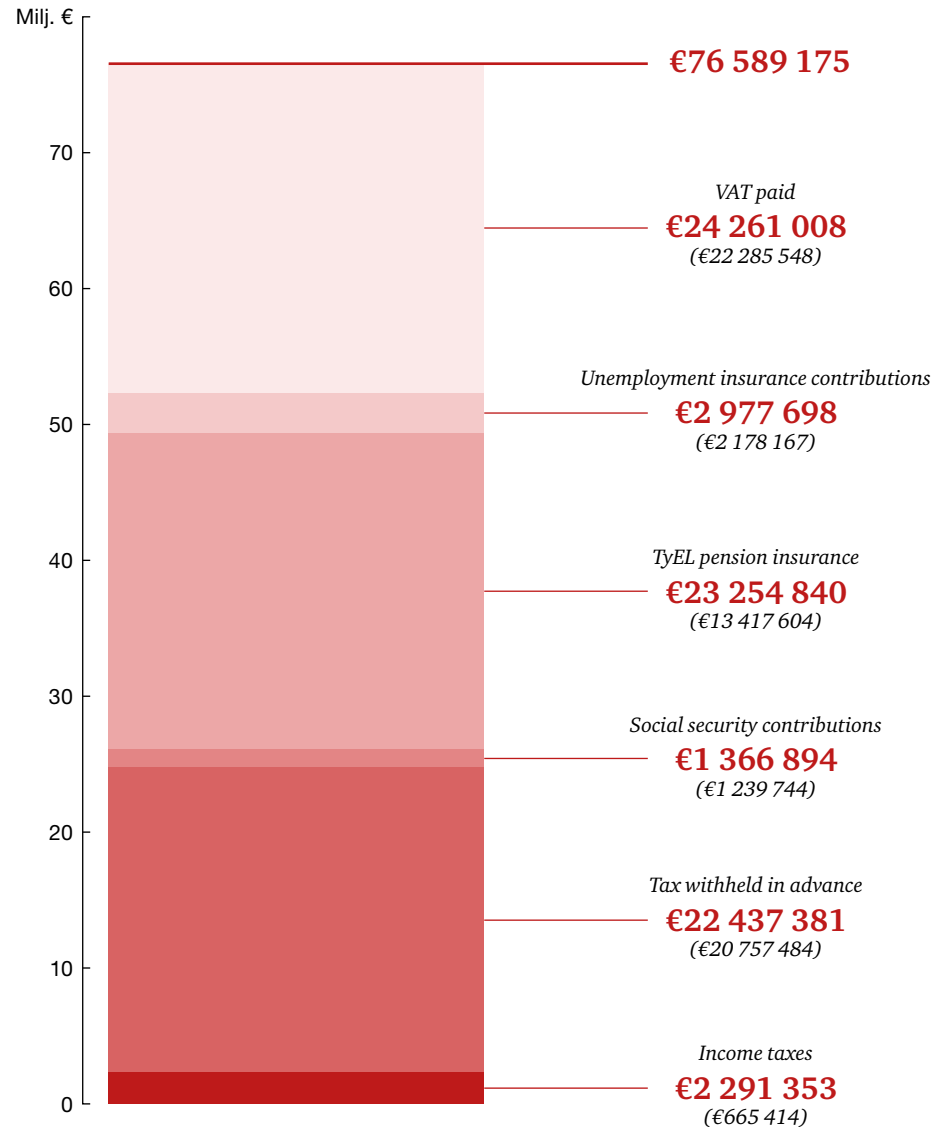
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Taxes paid/debited during the 2016 (2015) financial period



put-based dividends constitute earnings subject to taxation. In addition, shareholders have access to share-specific dividends that are divided between capital income and earnings in taxation. Shareholders do not receive any salary or other personal benefits from the PwC network.

The company's annual operating profit is mainly used to remunerate the personnel and shareholders, while part of the profit is distributed as dividends and part of it is added to the company's capital.

The added financial value produced by the company for society, i.e., the company's tax footprint, consists significantly of withholding tax collected and paid by the company. The amount of withholding tax is presented in the figure below.



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# Sustainability and its management at PwC

*The PwC network has a global corporate responsibility strategy, on which the sustainability of PwC Finland is based. It is built around these four areas: responsible business, diversity and inclusion, environmental stewardship, and community engagement.*

In addition to broader guidelines set by the network, each country defines more detailed objectives for these areas, and monitors their results. Our objective is to develop continuously in these areas, seeking good practices and the leading position in our field.

## Corporate responsibility comprises part of our business operations

We lead corporate responsibility as part of our other business operations. The performance and development of corporate responsibility is led by the corporate responsibility partner who reports to the CEO. The corporate responsibility partner also acts as a partner responsible for equality.

The corporate responsibility partner is supported by the CR Steering Group, which consists of PwC leaders and experts representing different businesses. Separate teams operate under the CR Steering Group. The CR Steering Group sets objectives for corporate responsibility, coordinates practical measures, monitors their fulfilment, and takes part in the preparation of the corporate responsibility review. During the closed financial period, the CR Steering Group convened five times.

The PwC Territory Leadership Team holds overall responsibility for corporate responsibility, and the corporate responsibility partner presents

## PwC Finland's corporate responsibility organisation



the general status of corporate responsibility to it a few times a year and, if required, provides it with accounts of progress in different areas of corporate responsibility. The Board of Directors discusses and approves the corporate responsibility review.

Directors of business areas are responsible for the practical implementation of activities, being supported by the corporate responsibility partner and members of the CR Steering Group. If required, experts of the sustainability and climate change business area offer their help.

## Sustainable services at the core

Of the different areas of corporate responsibility, we invested the most in the development of sustainable business operations during the closed financial period. On the basis of a previously conducted stakeholder survey, our clients expect us to include the viewpoint of corporate responsibility in all of our services.

We conducted a survey on our employees' ideas and expectations concerning volunteer work. We also prepared preliminary plans on the allocation of volunteer work.

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We want to hold on to the sustainability and ethics of our operations. During the financial period, we adopted the sustainability requirements we set for suppliers the year before. We also revised our Code of Conduct regarding hospitality.

We continued to invest in the diversity and equality of our personnel, focusing on equality between sexual and gender minorities. We have emphasised the importance of equality between men and women at various events.

In terms of environmental affairs, we have operated according to Green Office objectives and plans. For example, we started to use fully green electricity and organised events for our personnel to increase their awareness of the environment.

In the development of PwC's corporate responsibility, our principle is that we make sustainable changes, also in this area, by occasionally taking smaller steps, while aiming at permanent change.

### Our new objectives

During this new financial period started in July 2016, we will continue to develop our sustainability in the following four areas:

- Diversity and inclusion
- Community engagement
- Responsible business
- Environmental stewardship

Our key stakeholders and our way of working with them are described on the next page.

## Objectives of corporate responsibility



### Diversity and inclusion

- We want to be an even better workplace and employer in the future. In the 2017 financial period, we will focus particularly on the wellbeing of our employees.
- We will increase awareness of diversity by holding a theme week and investing in employee training.



### Responsible business

- We will continue to present corporate responsibility as part of all PwC services.
- We will continue to implement sustainability requirements for our suppliers.



### Community engagement

- We will provide our employees with opportunities to take part in volunteer work.
- We will enable skilled volunteering by developing cooperation with social actors.



### Environmental stewardship

- We will develop our operations towards a more environmentally friendly direction using the Green Office programme.
- We will increase our employees' awareness of the environment by holding various environment-related events throughout the year.

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Stakeholder	Forms of interaction	Example of stakeholder cooperation during the financial year	Plans to develop cooperation
<b>Clients</b>	Client meetings, client events, customer feedback, brand survey, PwC publications, newsletters, social media channels.	<p>We organised a number of events aimed at networking and information sharing, such as the CFO Roundtable event series and the annual Capital Markets seminar for the top management.</p> <p>We issued various surveys and reports, such as the Corporate Responsibility Barometer which is the most comprehensive survey in Finland, identifying how sustainable companies are.</p>	Offering the best customer experience is one of key focus areas of our new strategy. We will work hard to reach this goal by investing, for example, in even better interaction and better utilisation of technology.
<b>Personnel</b>	Global People Survey, People group, reviews of the CEO and the Territory Leadership Team, intranet, internal social media, personnel magazine, personnel and group events.	<p>Our employees took part extensively in the preparation of our new strategy in the form of an electronic survey, different workshops and various discussions.</p> <p>We introduced a new intranet which is based on an internal social media platform. Our new modern intranet supports an interactive corporate culture and makes sharing information more effective.</p> <p>We increased the use of videos in internal training and communications issued by the Territory Leadership Team to all employees.</p>	Our objective is to have our employees committed and engaged in making PwC an even better place to work.
<b>Educational institutions</b>	Partnership agreements with educational institutions, lectures, recruitment events and exhibitions at educational institutions, visits to PwC, <a href="#">trainee programme</a> of PwC Finland.	<p>We held a number of events together with student associations, such as the case event for business students in Turku.</p> <p>We signed new partnership agreements with, for example, HankIn-vest, the student association for financial economics at the Hanken School of Economics in Helsinki.</p>	We will develop cooperation with our current partners and aim to increase our presence at educational institutions.
<b>Cooperation partners</b>	Events, training events, publications and books.	We took part in various projects that support entrepreneurship, such as the Nordic Business Forum and Slush. We extended our long-term cooperation with Slush: the PwC network became one of main partners of Slush in autumn 2015.	Our objective is to ensure that all cooperation is valuable to both parties.

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# *Responsible business*

- We set up a team with the purpose of identifying responsibility themes significant for our clients' business operations and developing service solutions for them.
- We introduced ESG (Environment, Social, Governance) as part of our processes related to deals.
- We developed the process of handling sustainability requirements issued by our clients.
- We adopted sustainability requirements for our suppliers.
- We received an excellent score in the field of client satisfaction.

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# Responsible business

## Supporting our clients in sustainable operations

*Responsible business means to us not only that we operate in an ethical and sustainable manner, but also that our clients receive services that do not put their sustainable method of operation at risk.*

### Corporate responsibility services and sustainability as part of other services

The experts of our Sustainability & Climate Change team provide services for corporate responsibility management and reporting, as well as for needs related to ESG and climate change. The climate change agreement signed in Paris in December 2015 to keep the increase in global average temperature below 2 °C, and preferably at 1.5 °C, causes changes in many operations of our clients in various fields. We have prepared for this increase in client needs.

In addition to separately sold services, the expertise of the Sustainability & Climate Change team will be needed as part of other PwC services, in which we have invested in recent years.

During the closed financial period, we set up a team with the purpose of identifying responsibility themes significant for our clients' business operations and developing service solutions for them.

We focused particularly on our services related to deals, and set up more standardised procedures to include corporate responsibility and ESG in, for example, the due diligence process. We also provided our clients with theme-related training.

### More sustainable consumption through life cycle management

Business operations of PwC Finland do not involve any equipment manufacturing or other production processes straining the environment, but we want to ensure, in our procurement activities, that our partners are also acting sustainably, while respecting environmental values.

During the financial period, we adopted sustainability requirements we set up the year before, and we require all of our suppliers to comply with them. We allocate our purchases to partners who we know are investing in circular economy and sustainable processes.

### Client satisfaction continued to improve

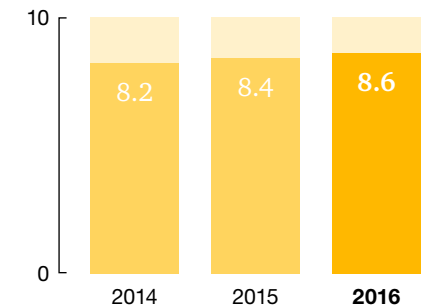
We are continuously collecting feedback from our clients to learn more and to serve them even better. During the financial period, we collected feedback from 2,915 clients.

The response rate to our electronic surveys was 39.3% (41.5% the year before). Our aim is to improve the allocation of our surveys, to update our contact information files and to obtain as comprehensive feedback as possible.

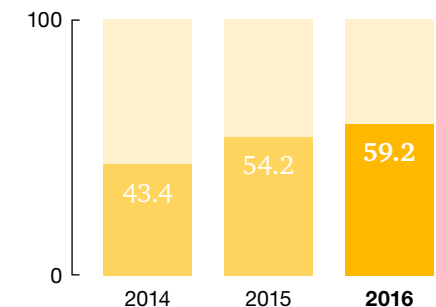
The overall client satisfaction improved from 8.4 to 8.6 on a scale from 0 to 10. This was above our objective.

Our second client satisfaction indicator is the Net Promoter Score (NPS\*). If NPS is positive, the status quo is good. If the figure is higher than 50%, then the situation is excellent.

Overall client satisfaction (0–10)



Net promoter score (NPS)



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Our clients' NPS increased by as much as five percentage points from 54.2% to 59.2%, which exceeded our expectations.

However, key indicators alone do not explain everything. On the basis of our results and open feedback received, we are heading in the right direction and our investments made in recent years in the competence of our employees, an increase in customer-orientation and our objectives to listen more closely to our clients have paid off.

On the basis of feedback, our clients appreciate, for example, our commitment to teamwork, our uncompromising expertise and vision, flexibility and our good client teams and team members. We still have work to do in terms of communicating, understanding the business operations and fields of our clients, sharing best practices with clients and utilising experts of the PwC network.

We are highly committed to developing these areas.

“Offering the best customer experience is a key focus area in our new strategy and, during this financial period, we will carry out concrete measures to improve the customer experience and satisfaction”, says CEO **Mikko Nieminen**.

#### **A brand which supports responsible business**

To us, it is important that our brand supports our business and it reflects a high level of quality and sustainability.

We measure the strength of our brand and related images using a survey throughout the PwC network. The most recent survey was conducted in early 2016.

According to the survey, we have a strong brand. Results have improved from the previous survey conducted two years earlier.

“We have a high-quality brand. According to respondents, we are also able to offer the correct experts to our clients and we can help them to keep it

simple. However, we need to be able to communicate the progress of our work better and more regularly to our clients”, says **Kaisa Heikkinen**, brand and communications leader.

We have discussed the results within the Territory Leadership Team and communicated them to all employees. During our strategy period, we will continue to strengthen our brand even further.

## Responsible partnership

*A good example of our sustainable partners is 3 Step IT Oy, a company specialising in the life cycle management of IT and terminal devices, through which we acquire and recycle all of our workstations and terminals.*

*According to our partnership agreement, we deliver all of our hardware assets to 3 Step IT after an agreed operating period. 3 Step IT removes all data saved in the assets to guarantee 100% information secu-*

*rity, after which the assets are classified into four categories on the basis of their condition. Of all assets, 95% are circulated as secure devices via certified partners. The remaining 5% of all assets are crushed into raw materials.*

*3 Step IT has provided our company with an environmental certificate for compliance with the life cycle management model for IT assets.*



Kaisa Heikkinen



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# *Diversity and inclusion*

- The work satisfaction of our employees improved even further.
- Our new CEO visited different teams and offices, and set up meetings with employees.
- Our employees were closely involved in building our strategy for 2020.
- We continued to develop supervisory work and communicated our principles of leadership at PwC.
- We offered a position for 118 trainees.
- The People group performed valuable work between the management and personnel.

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## Diversity and inclusion

### An increase in interaction paid off

*The work satisfaction of our employees improved further during the financial period. We offered diverse training opportunities to our experts, developed our supervisory work and invested in strengthening our everyday feedback culture.*

#### The engagement of our personnel improved

Results from our personnel survey improved for the third year in a row. We are continuously developing our operations and aim to communicate our development activities extensively. Openness improved and our employees took part in the exchange of ideas in various different forums. We believe that this is also reflected in results.

Our key indicator, the People Engagement index, went up by five percentage points to 79%. The response rate to the survey fell slightly from the previous one, from 73% to 65%.

Our results improved clearly in many key areas, even though we still have work ahead of us.

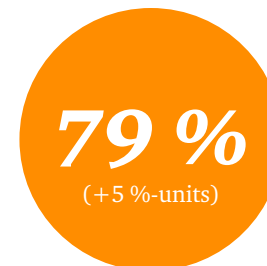
“For example, trust in the will and ability of the management to build a diverse working community increased, as did understanding of our strategy”, says HR director **Leena Tiensuu**. With regard to career discussions, the results also improved, but not enough: this is now among our key development areas.

#### Inspiring Coach programme will continue

Our personnel spent an average of 8.1 working days in training (8.5 days the year before). We offered training not only regarding professional



#### People Engagement -index



Leena Tiensuu

skills, but also regarding supervisory work and self-management. Furthermore, we supported the adoption of various new tools and processes through training.

We improved the visibility of the training path available to every PwC employee by career level and area. PwC Professional, our career development and management model, sets a framework for this. Our objective is that development discussions, visible career paths and diverse possibilities

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to learn at work give every PwC employee an opportunity to build a unique career at PwC.

“When it comes to development, constructive feedback is important, and building a stronger feedback culture was a significant part of our supervisory training”, Tiensuu says.

One of the key parts in the development of supervisory work was our Innostava valmentaja (Inspiring Coach) programme, which we extended from the previous period. The programme supports our positive and open leadership culture by giving supervisors tools for adopting a coaching leadership model and for giving feedback which supports development.

Some 170 people have already taken part in this programme. We will support the permanence of the outcome of the programme using group meetings held every six months. At these meetings, we will emphasise the importance of the recognition of successes, openness and concrete feedback.

Our CEO Mikko Nieminen started in his new position at the beginning of the financial period. He is highly committed to developing and revising leadership practices. During the year, Mikko visited nearly all teams and offices, explaining what our new leadership vision means to him.

### **Our number of personnel increased by more than 10%**

During the financial period, there were 916 of us on average, referring to an increase of more than 10% from the previous period. We recruited 139 new employees, with employee turnover being 10.4% (11.9% the year before). In addition, we recruited 118 trainees.

During the financial period, we also had four trainees under the Further Education with Com-

panies employment project. The project promotes the employment of highly educated people who are either unemployed or at risk of becoming unemployed. One trainee became a full-time employee.

The gender distribution remained unchanged: Women accounted for 55% and men 45% of the personnel. Instead, the average age of personnel followed the decreasing trend of previous years and fell to 36.1 (36.7) years.

## The diversity week raised discussion of different aspects of equality

*According to the diversity guidelines of the PwC network, PwC Finland also pays attention to diversity and, in particular, to equality between men and women, the equal treatment of sexual and gender minorities, and the acceptance and appreciation of other diversity.*

*In February–March, we named two weeks as diversity weeks. We demonstrated projects related to the promotion of diversity within the PwC network, especially our significant investments in the UN HeForShe campaign, and challenged all PwC men to support equality. The objective of the network is to have 80,000 men committed to equality through the HeForShe promise. Of course, women will also be challenged to*

*take part in the campaign.*

*During the diversity weeks, we hosted the PwC club where CEO Mikko Nieminen presented his ideas of what PwC should be like as a diverse workplace. In panel discussions, many PwC employees described what diversity and the acceptance of difference mean to them.*

*During the weeks, we also held the Aspire to Lead event, discussing how the careers and leadership of women could be supported. The event witnessed lively discussion inspired by the PwC network’s video stream, and it provided us with valuable information about development needs and successes.*

### **The People group offers sparring and support**

The People group acts as the official representative of employees. The personnel selected its new members for a two-year term in autumn 2014. During the year, we heard the group’s ideas at preparation stages of different projects, and representatives of the group brought out the employees’ points of view regarding other issues. Their role is to support individuals when necessary.

For example, the group discussed work resource-

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es and wellbeing at work, a wellbeing project, the company's financial standing and the preparation of the new strategy.

Members of the People group regard the group as a significant channel to have an impact. Its members will be selected for the next two-year term in late autumn 2016.

### **Involvement of the entire personnel in the preparation of the new strategy**

CEO Mikko Nieminen challenged all employees to take part in the preparation of the new strategy for the following four-year period. Every employee had the opportunity to respond to the Päivä toimitusjohtajana (CEO for a Day) online survey and describe what kind of a company and workplace they want PwC to be in 2020. The survey offered valuable insight in the preparation of the strategy.

At the same time, it supported the culture of open ideas and development.

In addition to the survey, we held a number of workshops consisting of different experts to work on our strategy or related themes.

International assignments to offer new perspectives or a career boost

Increasing employee mobility between PwC countries is one of our global objectives in order to ensure that we have access to all of the expertise of the network and to all career opportunities. As our clients are facing new challenges, the significance of international expertise and cooperation is increasing.

During the financial period, we had 19 employees on assignments of different durations in foreign PwC offices. Correspondingly, we had 14 employees from other PwC countries.

## Assignments help you grow

*Panu Vänskä, our latest partner, considers his foreign assignment to have had a paramount impact on his career. He worked as a young Senior Manager in Boston in 2012–2014, and says that the experience was highly important to him, both professionally and personally.*

*Panu encourages everyone to consider an international assignment because we can learn many new things out in the 'big world' and by working in a large organisa-*

*tion and with different clients.*

*"Moving to another country can come as quite a shock when everything is new – teams, clients and culture. When you realise that you can make it, you gain a new type of confidence", Panu says.*

*"The ability to work in different international situations is a key factor that our clients expect from us. By working together, we can set up networks that produce both enjoyment and benefits".*



Panu Vänskä

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# Community engagement

- We shared our expertise in networks, during lectures and by offering training, holding events and issuing publications.
- We continued to work closely with a number of partners working in the field.
- We took part in a number of entrepreneurship projects, such as Slush. The PwC network is one of main partners of Slush.
- We organised approximately 150 events and training courses for clients, students and partners.
- We investigated the expectations and wishes of our employees regarding volunteer work.

# Community engagement

## Impact through networks

*We work with several businesses, industry and vocational organisations and associations, as well as educational institutions. We want to have an impact on the development of our business field and take part in and promote the discussion of themes that are important to us, such as entrepreneurship and work conducted by the Board of Directors.*

By setting up networks with other industrial operators, we obtain new ideas and information, and can also share our expertise by offering lectures and training, holding events and issuing publications.

During the 2016 financial period, our key long-term partners included **the Finnish Association of Auditors, the Finnish Family Firms Association, the Boardman competence network, the Directors' Institute of Finland, the Finnish Venture Capital Association (FVCA) and Chambers of Commerce. Board Professionals Finland (BPF)** was our new partner, with which we held a seminar and different thematic events.

“Our cooperation with Boardman and the Directors' Institute of Finland continued to be active. Representatives of PwC were actively involved in Boardman development forums and we took part in holding various events, such as the Kaamos Forum. For members of the Directors' Institute of Finland, we offered thematic seminars regarding strategy, activities of the audit committee, business re-organisation and taxation”, says **Mirel Leino**, markets leader.

We continued to work with and create an impact with **the Finnish Foundation for Share Promotion**. We are engaged in cooperation in order to help companies during the listing process and, as a result, improve the development of capital markets.

“We have worked with **the Association of Finnish Tax Professionals** since its establishment. It takes active part in the development of tax legislation, tax proceedings and legal protection related to taxation, and we were involved in this by issuing statements for the drafting of laws”, says **Petri Sepälä**, director of tax consulting and legal services.

From the point of view of corporate responsibility, **FIBS** forms a significant partnership network for us. We are also one of its members. We also continued as a member of the jury of the Responsibility Reporting Competition, in addition to which a partner of PwC acted as the chair of the competition's organising body, representing the Finnish Association of Auditors.

### **Aalto and Hanken, the largest educational partners**

We constantly require new potential to join us, which is why cooperation with educational institutions is valuable to us. We also want to share our expertise with students. During the 2016 financial period, we worked as a partner company for the **Aalto University School of Business** and **Hanken**, and worked actively with student unions and subject associations. We also intensified our interaction with universities of applied sciences. We

mainly worked with students of commerce, law and technology.

We organised dozens of events for students, the largest of which were the recruitment events Assurance Day, Advisory Day and Tax Day. These events serve to demonstrate the operations of our business units and allow us to learn the content of expert work in practice. In addition, our offices were visited by several student groups seeking to learn more about our services and career opportunities. During these events, we aim to engage in direct dialogue between students and our experts.

### **A total of 150 events for stakeholders**

During the financial period, we organised a total of 150 events and training courses for clients, partners and students. Additionally, we took part in several events organised by our partners.

The largest client events were the annual Capital Markets seminar organised by PwC and the Aalto University for the top management and professional Board employees, and the PwCwomen event aimed at female decision-makers.

We held various thematic events for Board members together with the Boardman competence network, the Directors' Institute of Finland and Board Professionals Finland (BPF).

We offered current themes and best practices through our series of CFO Roundtable events.

During the financial period, our Sustainability & Climate Change team held a number of events from different areas of corporate responsibility, such as

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the publication event of the Corporate Responsibility Barometer for Board members and CEOs and a separate Corporate Responsibility Barometer event for those working with corporate responsibility.

A significant number of our events are organised around Finland outside the Helsinki region. For example, the Merkur Lectures in Business seminar

was again held in Turku. It was organised for the 13th time together with **Ekonomföreningen Merkur** and **Handelshögskolan vid Åbo Akademi**.

When organising events, we follow the guidelines of sustainable procurement set within our organisation.

## Supporting entrepreneurship

*Throughout its over 60-year history, PwC has supported entrepreneurs in Finland. We have 250 professionals in Finland who serve and support family-owned companies. We consider this to be a socially important task because, also on a global level, family-owned companies have been found to be a source of growth.*

*“Family-owned and private companies form a special customer group in the entire PwC network”, says Marko Korhikoski. He is the leader of PwC’s family and private company services in the Helsinki region.*

*“Family-owned companies form the engine of our economy”.*

*During the financial period, we continued our long-term cooperation with the Finnish Family Firms Association. We are its strategic partner. The purpose of this partnership is, through events, training and publications, to promote planned generational changes and the professional management of companies, for example, using the shareholder strategy.*

*Examples of our other activities that supported*

*entrepreneurship included the Nuoret Innovatiiviset Yritykset (NIY, Young Innovative Companies) funding programme of the Finnish Funding Agency for Innovation (Tekes). This is the most significant public form of funding offered to small growth companies in Finland, and we have supported its activities for all of the eight years it has been in existence. We hosted an alumni event for everyone who has taken part in the NIY programme over the years, sharing our experiences in internationalisation and funding.*

*Entrepreneurship was also a major theme in our largest marketing partnerships during the financial year: We took part in the Nordic Business Forum, the Taivas+Helvetti project, the organisation of the associated PwC’s Most Valuable Entrepreneur competition, and Slush. Key development projects associated with our services included the launch of MyBusiness, a digital service portal. Through the MyBusiness service, our services are even closer and more easily available to our clients. We developed the service portal together with our clients, and we will continue to develop it on the basis of customer feedback.*

### Surveys and publications for the benefit of clients

During the financial period, we issued a number of reports and surveys that our client companies can utilise. The PwC network has several publication series that concern, for example, leadership, financial reporting and good corporate governance. The various publications issued by Strategy&, our strategic consulting unit, on trends in different business fields, for example, provide our clients with new perspectives.

Strategy That Works was the most significant publication issued by Strategy& in 2016. The book uses a real-life example to help readers to understand how successful businesses all over the world have found a way to put their selected strategies into practice in order to become leaders in their fields.

PwC Finland’s annual Corporate Responsibility Barometer increased awareness of the state of corporate responsibility management in Finland. In our global publications, we discussed Industry 4.0, the ideas of the next generations of family-owned companies regarding the future, the impact of FinTech on the financial sector, and international mobility from women’s point of view.

Read more about our publications at [www.pwc.fi/julkaisut](http://www.pwc.fi/julkaisut).

### Making a presence in social media together with our stakeholders

PwC Finland has a profile on LinkedIn, Twitter, Facebook, YouTube, SlideShare and Instagram. Social media channels offer us an opportunity towards open, current and meaningful discussion and interaction with our stakeholders.

During the closed financial period, we trained

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## PwC became the main sponsor of Slush

*PwC Finland has sponsored Slush, the international technology and startup company event, since 2010. In autumn 2015, the PwC network became one of the main sponsors of Slush, together with Supercell, a Finnish game company.*

*Over the years, Slush has grown into Europe's leading event in the field, in addition to which Slush is a household name around the world. In addition to Helsinki, major Slush conferences are held in Tokyo, Shanghai and Singapore, and smaller warmup events are held in different parts of Europe, Asia, Africa and the USA. These events have tens of thousands of participants from hundreds of countries every year.*

*"Slush is one of the most important projects supporting Finnish startups – in Finland and other parts of the world. Through the digital revolu-*

*tion, it attracts founders of startups, capital investors, and top management of major corporations", says Lauri Lehtovuori, who guides cooperation with Slush at PwC.*

*"We have a strong presence at Slush because we want PwC to support startups in Finland and internationally, develop our international operations and operating methods, and support our international clients in whole new ways".*

*"Our partnership with Slush actively engages PwC companies from ten different countries whose experts support the building of a global entrepreneurship community. Through our Slush partnership, we provide our clients with new contacts, as well as information and vision, in terms of technology, digitisation and entrepreneurship", Lehtovuori says.*





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PwC experts on how to use social media channels. We encouraged them to take an active part in discussions in social media services, particularly on LinkedIn and Twitter.

### Many ways to have an impact and do well

During the financial period, we supported some 20 organisations through our expertise pro bono, such as **the New Children's Hospital 2017** project.

At the end of the financial period, we also investigated our employees' ideas of volunteer work. Of all respondents, nearly 25% hope to take part in volunteer work, where they are able to utilise their professional skills, while a little more than 25% say that they would rather take part in volunteer work not related to their profession. Half of all respondents are interested in both forms of volunteer work. During the 2017 financial period, we will offer opportunities to our employees to take up volunteer work.

In September 2015, we organised a collection of winter coats at our Helsinki office. Our employees took an active part in the collection, and we sent bags full of warm coats to **the Finnish Red Cross**.

We have a tradition to remember those who are in need at Christmas time. For several years, we have donated Christmas funds to associations selected by the personnel. The recipient of the Christmas donation will be selected from among the best nominees in the PwC Avoin Raportti (Open Report) competition by voting. In Christmas 2015, the donation was given to the **Finnish fund of the WWF**.

We also took part in the Joulupuu (Christmas Tree) collection, for which the personnel of our Helsinki office donated a number of packages. The gifts will be given to children within the scope of child protection in Helsinki. The collection is or-

ganised by **the Central Park Junior Chamber of Commerce**, together with other local chambers and the Helsinki Department of Social Services and Health Care.

For the third year in succession, we supported

the Nordic **Team Rynkeby** charity cycling team, which collects funds for local cancer organisations. In Finland, donations went to **Sylva**, an association of children with cancer, to which Team Rynkeby donated nearly EUR 240,000 in 2015.



Risto Lähdesmäki

## The Most Valuable Entrepreneur of Finland

*In autumn 2015, we, together with the Taivas+Helvetti group (T+H), were looking for the second recipient of PwC's Most Valuable Entrepreneur award. The candidates were selected according to entrepreneur stories presented in the Taivas+Helvetti 3 book on the basis of votes by readers.*

*According to the selection criteria, the Most Valuable Entrepreneur of Finland must be engaged in sustainable business, take good care of its employees, and bear its responsibilities for the environment and the surrounding community. In addition to rewarding the selected entrepreneur, the recognition serves to raise discussion of the social significance of entrepreneurship and to in-*

*spire others to start their own business.*

*Selected by the readers of the third entrepreneurship book and the jury, the winner was Risto Lähdesmäki, the founder of Idean Enterprises Oy, who has moved from Helsinki to California. The recognition was handed out at the Nordic Business Forum at the Helsinki Expo and Convention Centre on 1 October 2015. PwC was one of the main partners of the Nordic Business Forum (NBF).*

*In 2015, teamwork with T+H also included several events organised for decision-makers all over Finland. They were attended by 100–150 decision-makers and entrepreneurs in each municipality.*

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**Diversity and inclusion**

**Community engagement**

**Environmental stewardship**

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# *Environmental stewardship*

- We were among the first major corporations to conduct a statutory energy review.
- We started to use 100% green electricity at our offices in Helsinki, Hämeenlinna, Kuopio, Lahti, Lappeenranta, Mikkeli, Oulu, Raahе and Rovaniemi.
- We significantly increased the use of remote and videoconferencing equipment.

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## Environmental stewardship

### Various actions for the good of the environment

*In our operations, we pay systematic attention to our environmental impact, and are continuously developing our operating methods in a more sustainable direction.*

We were among the first major corporations to conduct a statutory energy review at the end of 2015. We had already completed a significant portion of the procedures proposed in the review beforehand. The review provided us with a good understanding of the factors that affect our energy consumption, and ideas on how to reduce our consumption.

#### 100% green electricity

On 1 July 2015, we started to use 100% green electricity at our offices in Helsinki, Hämeenlinna, Kuopio, Lahti, Lappeenranta, Mikkeli, Oulu, Raahe and Rovaniemi.

At our Helsinki office, our electricity consumption fell by 4% from the year before.

As a result of the rapid increase in our business operations and the number of personnel, our paper consumption increased by 0.9% at our Helsinki office, but fell by 12.7% on a personal level.

Air travel regarding the entire personnel of PwC Finland increased by 8% in terms of kilometres flown, which can also be explained by the increase in the number of personnel and travel comprising a significant part of our customer work.

We have monitored the use of remote conferencing for two years. The results show a clear in-



Johanna Niemelä (on the left) and Mervi Kujala, members of the PwC Green Office team, feel that, through the Green Office, every PwC employee interested in the theme can have an impact on the environmental activities of our office according to the best of their ability and interest. The Green Office team takes care of reporting to the WWF, creates ideas of new ways to have an impact and make changes, and organises events for its personnel.

crease in use: The use of videoconferencing equipment increased by 25% and that of other remote conferencing equipment increased by 17.6% over the previous year.

During the financial period, we allocated our purchases to partners who are committed to our sustainability requirements.



#### Green Office encourages towards continuous development

The PwC Helsinki office has had the Green Office certificate since 2010. We are committed to continuously developing our operations to be more environmentally friendly. The Green Office team, consisting of representatives of different business areas of PwC, coordinates operations and reporting towards WWF, and organises projects that increase environmental awareness throughout the year.

The first WWF Consumer Habit Questionnaire was conducted for employees at the PwC Helsinki office in November 2014. On the basis of the Questionnaire, every employee is able to measure the environmental impact of their own actions from the viewpoint of energy savings, paper consumption, waste sorting, recycling and travel. In 2015,

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*This was the third year  
PwC has taken part in  
Kilometrikisa (Kilometre  
Race) with its PwC team.  
In May–September 2016,  
the team pedalled a total  
of 26,288 kilometres.*

there were 252 respondents, i.e., 56% more than the year before, and the average score was 64.8/100 (compared to 64.5/100 in 2014).

The Green Office team actively communicates environmental issues to employees and organises thematic events.

PwC has taken part in Earth Hour several times, as well as in February 2016. The logo of our Helsinki office was switched off during the entire weekend and our office lights were off during Earth Hour.

During the Fair Trade week, we have served coffee to our employees in the past two years and, in May 2016, the Helsinki Office was home to PwC's environmental event with the theme 'Take your bike to breakfast'. The purpose of the event was to encourage PwC employees to come to work on a bicycle, on foot or by using means other than a motor vehicle. The event included WWF personnel to give tips on how the environmental load can be reduced through everyday choices.

This was the third year PwC has taken part in Kilometrikisa (Kilometre Race) with its PwC Ketjunpyörittäjät (Wheel Spinners) team. In May–September 2016, the team pedalled a total of 26,288 kilometres. In July 2015, we provided our employees with two Jopo bicycles to encourage them to take short work-related trips using CO<sub>2</sub>-free means.

Every three years, a representative of the WWF conducts an office audit to decide whether the Green Office certificate can be extended. The next office audit will be conducted in November 2016, when we will also set new goals for the next three-year period in cooperation with the WWF.



Anne Karanta

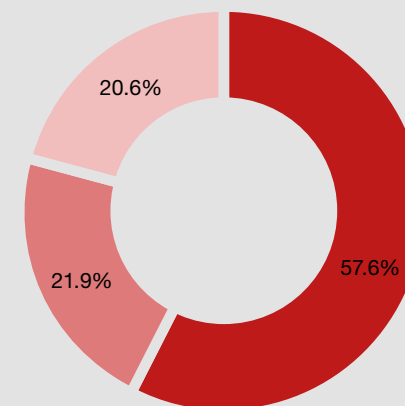


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Business operations		FY 2016	FY 2015	FY 2014
Turnover	EUR million	124.4	109.6	104.1
- Auditing and other assurance services	EUR million	71.6	66.6	63.7
- Tax consulting and legal services	EUR million	27.2	24.2	23.7
- Consulting and Deals	EUR million	25.6	18.8	16.7
Personnel expenses	EUR million	77.2	73.7	70.0
Purchased services and other operating expenses	EUR million	33.8	30.7	29.2
Operating profit <sup>1)</sup>	EUR million	12.2	3.7	3.7
Taxes <sup>1)</sup>	EUR million	2.3	0.7	0.7
Profit for the period <sup>1)</sup>	EUR million	10.0	3.0	2.9
Overall client satisfaction	(0–10)	8.6	8.4	8.2
Net promoter score (NPS)	%	59.2	54.2	43.4
<b>Social impact</b>				
Cooperation with educational institutions and associations, sponsorship and donations	EUR thousand	468	336	461

Environment <sup>2)</sup>		FY 2016	FY 2015	FY 2014
<b>Carbon dioxide emissions <sup>3)</sup></b>				
Scope 1: direct emissions	tn CO <sub>2</sub> e	0	0	0
Scope 2: power consumption <sup>4)</sup>	tn CO <sub>2</sub> e	87	199	202
Scope 3: air travel <sup>5)</sup>	tn CO <sub>2</sub> e	607	568	-
Scope 3: road travel	tn CO <sub>2</sub> e	147	152	192
Scope 3: paper consumption <sup>4)</sup>	tn CO <sub>2</sub> e	11	11	11
Total emissions	tn CO <sub>2</sub> e	707	930	405
Total emissions per person (average)	kg CO <sub>2</sub> e	0.77	1.12	0.50
<b>Business travel</b>				
Air mileage <sup>5)</sup>	km	4 662 812	4 329 500	-
Road mileage	km	1 111 155	1 140 238	1 149 152
Air mileage/turnover <sup>5)</sup>	%	3.7	4.0	-
Road mileage/turnover	%	0.9	1.0	1.1
<b>Energy</b>				
Power consumption <sup>4)</sup>	kWh	886 466	922 780	977 770
<b>Use of materials</b>				
Paper consumption <sup>4)</sup>	Ream	4 730	4 689	4 655
Relative paper consumption per person	Ream/person	7.0	8.0	8.3



### Turnover breakdown

- Auditing and other assurance services
- Tax consulting and legal services
- Consulting and Deals

1) The key figures are not fully comparable because the Board of Directors proposes that an input-based dividend be distributed for the 2016 financial period, which has an impact on operating profit, taxes and results.

2) Environmental figures have been reported per calendar year, apart from driven and flown kilometres.

3) We report our greenhouse gas emissions according to international GHG Protocol reporting principles. We report Scope 2 emissions by using a market-based calculation method, which takes the rated emissions of electricity bought into account. Our location-based emissions caused by electricity consumption are 152 tn CO<sub>2</sub>, which is based on the average rated carbon dioxide emissions caused by electricity procurement in Finland.

4) The paper and electricity consumption figures cover the Helsinki office.

5) Due to the change in the reporting period, comparable information is not available from the 2014 financial period.

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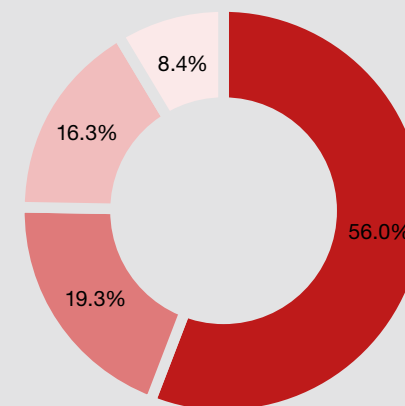
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Personnel		FY 2016	FY 2015	FY 2014
Average number of personnel during the financial year	Persons	916	830	806
Average number of personnel at the end of the financial year	Persons	933	833	790
- Auditing and other assurance services	Persons	523	481	473
- Tax consulting and legal services	Persons	180	156	145
- Consulting and Deals	Persons	152	112	97
- Internal services and support functions	Persons	78	84	75
Voluntary employee turnover	%	10.4	11.9	15.5
Recruited employees (regular) during the financial year	Persons	139	105	107
Number of trainees during the financial year	Persons	118	113	102
Average number of part-time employees during the financial year	Persons	63	67	75
Average number of employees on family leave <sup>1)</sup>	Persons	35	33	40
Average number of employees returned from family leave <sup>1)</sup>	Persons	68	44	57
Average service period	vuotta	6.6	7.1	8.9
<b>Personnel diversity and equality</b>				
Personnel gender distribution	F/M %	55/45	55/45	55/45
Board of Directors	Personnel (F/M)	1/5	1/6	1/6
Territory Leadership Team	Personnel (F/M)	3/8	3/6	3/7
Average age of personnel	Years	36.1	36.7	37.1
<b>Personnel satisfaction and wellbeing</b>				
Response rate to the Global People Survey	%	65	73	71
People Engagement Index (PEI)	%	79	74	65
Sick leave rate	%	2.3	2.1	1.9
Occupational accidents	Pcs	6	5	3
<b>Development of personnel expertise</b>				
Total number of training days	Days	6666	6428	4611
Training days/person (FTE) <sup>2)</sup>	Days	8.1	8.5	6.5
Training costs/person (FTE) <sup>2)</sup>	EUR/person	2040	1911	1725
Training offered by PwC experts	Days	651	854	677
Number of KHT/HTM/JHTT/CIA degrees completed	Persons	9	11	24
<b>Personnel rewarding</b>				
Salaries (including other expenses) <sup>3)</sup>	EUR million	70.1	63.5	60.2
Profit-based bonuses and variable pay (including other expenses) <sup>3)</sup>	EUR million	7.1	10.3	9.8
Dividends paid	EUR million	2.2	2.2	2.3



**Personnel breakdown**

- Auditing and other assurance services
- Tax consulting and legal services
- Consulting and Deals
- Internal services and support functions

1) The figures from the 2014 and 2015 financial periods include maternal and care leave, whereas the figures from the 2013 financial period include maternal leave only.

2) FTE = Full Time Employees.

3) The key figures are not fully comparable because the Board of Directors proposes that an input-based dividend be distributed for the 2016 financial period, which has an impact on salaries paid in the 2016 financial period.

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Average training hours		
Grade	Male	Female
Equity Partner	38.40	56.50
Associated Partner	34.30	46.70
Director	34.50	39.80
Senior Manager	44.90	38.80
Manager	41.50	47.00
Senior Associate / Senior Consultant	72.60	55.20
Associate / Consultant / Process Center Assistant	43.20	42.70
CAA	18.00	27.30
Trainee	20.90	20.90
Other / Admin	11.50	14.60
Leased employee	8.00	-
<b>Total</b>	<b>44.80</b>	<b>41.20</b>

Recruitment		
Age group	Male	Female
Less than 30 years	96	105
30–50 years	39	36
More than 50 years	2	1
<b>Total</b>	<b>137</b>	<b>142</b>

Personnel turnover	Starting employees		Leaving employees		Personnel		Turnover, %	
	Male	Female	Male	Female	Male	Female	Male	Female
Age group								
Less than 30 years	35	44	12	15	136	160	8.82	9.38
30–50 years	30	27	27	22	237	302	11.39	7.28
More than 50 years	2	1	7	5	46	52	15.22	9.62
<b>Total</b>	<b>67</b>	<b>72</b>	<b>46</b>	<b>42</b>	<b>419</b>	<b>514</b>	<b>10.98</b>	<b>8.17</b>

Age and gender distribution of members of the Board of Directors		
Age group	Male	Female
Less than 30 years	0	0
30–50 years	2	1
More than 50 years	3	0
<b>Total</b>	<b>5</b>	<b>1</b>

Fixed-term vs. permanent employees		
Form of employment	Male	Female
Fixed-term	44	45
Permanent	375	469
<b>Total</b>	<b>419</b>	<b>514</b>

Full-time vs. part-time employees		
Type of employment	Male	Female
Full-time	384	449
Part-time	35	65
<b>Total</b>	<b>419</b>	<b>514</b>

Employees vs. temp workers		
Employees / temp workers	Male	Female
Employees	418	514
Temp workers	1	0
<b>Total</b>	<b>419</b>	<b>514</b>



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