

Being number one by working together

PwC Finland – corporate responsibility review 2017



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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 2016 – 30 June 2017. Read more about our responsibilities on our website (www.pwc.fi/yritysvastuu).

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*) PwC Finland Group and the review covers PricewaterhouseCoopers Oy 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. PwC Strategy& (Finland) Oy and PwC Services Oy merged with the parent company after the financial year. 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.

PwC in a nutshell

PwC Finland is a Finnish company that 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, a family-owned business, a listed company or a 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

PwC
Global

Turnover in the 2017 financial year

37.7
USD Billion

Countries

158

Experts

236 235

PwC
Finland

Turnover in the 2017 financial year

135.2
EUR million

Offices

20

Experts 30th June 2017

994

Clients

10 500

Overall client satisfaction



Net promoter score (NPS)



Staff

45%  **55%**

The staff spent an average of **8.3** working days in training.



The average age of our employees is **36.1** years.

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The past financial year was the first year when our Being number one by working together business strategy was realised. During last spring and the preceding autumn, our staff participated in the preparation of our strategy in various ways, and I believe this has helped us to concentrate our efforts on the desired focus areas.

Over the past financial year, we have implemented our new strategy systematically. You can read a summary of our strategy from this review or on our [website](#).

Consulting and Deals show the strongest growth

In light of our results and client feedback, we succeeded in offering high-quality services to our clients: We experienced a second consecutive year of growth, and our turnover increased by 8.7% to EUR 135.2 (124.4) million. Our profitability improved, as well.

The business deal, financing and capital markets were active, which was also reflected as increased demand in several of our competence areas. We have succeeded in expanding our service ability related to various areas of deal and capital market services: we improved our expertise and resources in areas such as Corporate Finance services, strategic planning related to deals (including Commercial DD), post-deal integration, negotiations on and preparation of sales agreements and performance of legal due diligence.

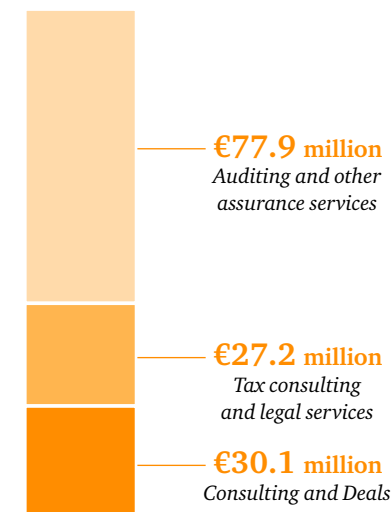
Our expanded service range covering the entire corporate deal process has been received extremely well by the markets. We were involved in the majority of Finland's largest corporate deals, along with offering support in an increasing number of smaller mergers across the country.

We also developed and expanded our risk management services, technology and digital consultancy operations and services in the financial sector successfully in line with our strategy.

At 15%, our business consulting and deal units showed the highest growth rate. Known as the cornerstones of our operations, our auditing and assurance services grew by 9%. We consolidated our position as an auditor for listed companies even further as we gained companies such as Sanoma, Wärtsilä, Outokumpu and Evli Bank as our clients. Our success in the auditing market is rooted particularly in our ability to perform modern auditing projects based on data analysis carried out utilising the latest technology. In tax and legal services, the growth lagged slightly behind expectations, remaining at two per cent.

In the course of the financial year, we succeeded in recruiting dozens of experienced experts as well as more junior professionals: our team grew by about 70 members, with the company now employing a thousand people. In addition, we offered internship positions to 121 students.

Turnover EUR 135.2 million



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The best customer experience as the goal

In light of measurements, our customer satisfaction is at a very high level. Hearing about our clients' experiences of our collaboration and receiving customer feedback are extremely important to us. I would like to take this opportunity to thank everyone who has taken the time to offer us feedback!

The best customer experience is one of the four cornerstones of our strategy, which we continuously develop in order to offer the appropriate services and to serve our clients in the best possible manner. Launched in autumn 2016, our digital tool MyBusiness is an excellent example of an initiative that helps us to offer even better services to our clients using digital technology.

PwC granted the Great Place to Work certificate

We can only produce the best customer experience when our employees feel that PwC is the best workplace for them. Work must be rewarding and fun. It's not enough for us that everything is ok. Generating the ultimate customer experience is dependent on people and the atmosphere at work. Our goal is that collaboration with our team gives rise to positive feelings and willingness to recommend us to others.

During the financial year, we launched several initiatives, including the BeWell project, which is aimed at promoting well-being among our employees, and Leadership Academy, targeted at our partners. We also challenged ourselves and participated in the Great Place to Work competition for the first time ever. As the first company in the category for large companies, we were granted the Great Place to Work certificate. But even more than the recognition itself, we valued the insightful obser-

vations and fresh ideas that the process generated to assist us in the development of our activities.

In the course of the financial year, we also actively discussed our updated values and their significance to each and every one of us: Act with integrity, make a difference, care, work together and reimagine the possible. Each of these values are important, but if I had to choose one of them, it would be 'care' - caring about colleagues and clients alike.

The auditing industry undergoing changes

Auditing both as a profession and a business field has been faced with changes for several years now. These changes are being accelerated by digitisation, but also regulatory reforms have had an impact on the performance of audits and the auditing field in general.

Auditing clients are digitalising their operations, which offers us new opportunities for making better use of digital tools in auditing. We already have an exceptional capacity to process and analyse unlimited quantities of data during the auditing process. As Finland's largest auditing firm, we are at the forefront of adopting the latest technologies, enabling us to improve the quality of our auditing services even further in an environment that is increasingly digital.

The national execution of the EU audit reform – one of the most significant regulatory changes to take place in recent times - was completed in Finland at the beginning of our financial period. The completion of the reform served to clarify the issues and uncertainties surrounding the topic. The first statutory auditing bidding processes have now been performed and no considerable impact was seen on the market.



Mikko Nieminen

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*‘Demand for high-quality
expert services is increasing
as companies are faced with
various changes.’*

In Finland, the regulations pertaining to audits are now being developed on the basis of national needs. A report by the senior officials working group set up by the Ministry of Employment and the Economy on 27 April 2016 is nearing completion, with the group’s term coming to an end on 30 September 2017. The issues the working group looked at included audit of administration as part of statutory auditing and the limits of obligation to carry out an audit.

Continued growth now and in the future

Confidence in the growth of the Finnish economy is evident in economic predictions as well as in discussions with colleagues from various companies. According to the results of PwC’s Global CEO Survey 2017, Finnish business leaders now feel more confident about growth in the Finnish and global economies. We believe that the upward trend seen in the corporate deal market will continue into the new year.

At the same time, demand for high-quality expert services is increasing as companies are faced with various changes.

This offers us a strong foundation for continued growth: after all, we can offer a broad range of expertise to help our clients to grow and adapt to changes. Our goal is to increase our turnover by around 10% during the new financial period, boosting our profitability even further. We will also continue our bold recruitment policy: our budget was prepared to allow for about a hundred new employees, increasing the number of our employees to 1,100, and we will also offer internship positions to 120 trainees.

We will continue to operate in line with our Be-

ing number one by working together strategy: We will develop our established services, such as auditing and tax and legal consultancy, even further. When it comes to expansion of services, we will specifically focus on our services related to deals, digital and technology consulting, risk management services, and services related to the financial industry. We will also continue to take steps to be Finland’s best workplace and to offer the best customer experience.

Corporate responsibility is an integral part of all our operations. Our goal is to operate in a responsible manner and to be a responsible employer, while offering support to our clients in related matters. The work we carry out to achieve this important goal is presented in more detail in the review by Sirpa Juutinen, our Corporate Responsibility Partner, and in this review.

I wish to thank all of our clients for the trust you have shown towards us! I would also like to extend a warm thank you to all our partners with whom we have collaborated and engaged in fruitful exchanges of ideas. We are also extremely grateful to our employees for their important contribution and commitment to our joint effort and to those numerous people who helped us compile the main events that occurred during the year into this review!



Mikko Nieminen
CEO

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Changes in the Accounting Act are a sign of the significance of corporate responsibility

Review by the Corporate Responsibility Partner

Our responsibility work has progressed in line with our established practices. At the same time, this work has been integrated into the day-to-day operations of our various business areas and functions, as planned. This shift has been supported by the growing awareness of the role played by corporate responsibility in the creation of added value. Also, our clients' expectations with regard to corporate responsibility have spurred our efforts in this area.

Some changes have taken place that signal the societal significance of corporate responsibility, including the amendment made to the Accounting Act obligating large companies that constitute a public interest entity to also report non-financial information either separately or as part of their annual report. Global warming and the Paris climate agreement are topical and ongoing concerns which inevitably contribute to an increasing focus on sustainable development and corporate responsibility.

Reporting non-financial information, or preparing responsibility reports, has gained new importance as these reports have become part of the board's reporting duties. This was shown by our 2017 Corporate Responsibility Barometer, the only Finnish survey of its kind, which we published in August.

Reports on non-financial information are approved by the CEO and the board. An auditor is responsible for ensuring that the reports have been



Sirpa Juutinen

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*‘The amended Accounting Act
offers new opportunities for
emphasising the significance
of corporate responsibility.’*

prepared in compliance with applicable regulations and that they are in keeping with the financial statements.

The amended Accounting Act offers new opportunities for emphasising the significance of corporate responsibility. However, this is only possible if the non-financial report referred to in the act includes responsibility-related content that is essential and relevant, similar to the information provided in the annual report. The content should encompass information that is required for gaining an overall picture of the company’s financial situation and status. In this connection, the role of corporate responsibility in the creation of added value can be analysed and described, which also helps make corporate responsibility matters relevant from the perspective of the board.

PwC is always prepared to help its clients to meet this important requirement. With a view to achieving this, our corporate responsibility experts have conducted numerous discussions with auditors on the new statutory requirements and the practical measures that the reform will entail.

The Paris Agreement has met some setbacks due to the actions of certain countries. In contrast, a surprising number of companies have actively advocated for the pact and expressed concern about the general risks related to global warming and its impact on the companies’ business opportunities.

On numerous occasions over the past financial year, I have been asked whether I think the Paris Agreement and related climate measures will take a back seat in the future. Every time I have answered that even though government actions play

a huge role, we can place our hope in the market forces and companies’ climate work. Meetings with clients have offered support for this view.

Over the past financial year, a growing number of our employees have encountered matters related to the new reporting requirements and the challenges and opportunities presented by climate change. In this area, PwC’s Sustainability & Climate Change team and our Corporate Responsibility Steering Group focused on our internal corporate responsibilities have been able to be of assistance. We are all more aware of the need to merge our expertise with our other resources to be able to offer our clients the solutions they require. Our relatively long traditions in responsible business operations promote the achievement of these goals.

I would like to thank everyone at PwC who has participated in our corporate responsibility work. We have come a long way, but there is still work to be done. I believe that we will soon reach a point where corporate responsibility is so integrated into our activities that we do not identify it as a separate entity. However, we will not reach this goal by becoming complacent. The coming financial period will also offer interesting challenges to conquer. By working together, we can be number one in this area too!



Sirpa Juutinen
Corporate Responsibility Partner

Our strategy



Launch event for the strategy, August 2016

At the beginning of the financial period, we initiated measures for implementing the strategic decisions prepared and updated earlier in spring. Our strategy is summarised by the theme of becoming number one by working together. We support our clients in changes and help them to succeed and grow and, through collaboration with our customers and among various experts at PwC, we can also succeed.

Our strategy in a nutshell: 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 Promise: we will build trust in society and resolve the most significant problems of our clients.

Our operations are founded on our four business areas: auditing and other assurance services, consulting and deals, tax consulting and legal services, and segment-based private company servic-

es 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:

- **Business reorganisation:** We will support our clients in business reorganisation 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 management:** 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 industry:** The financial industry 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 experiences 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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To a larger extent than ever before, corporate responsibility is seen in terms of value creation

Creating value for companies

By describing its value creation model, a company can illustrate to its investors and other central stakeholders the factors its value creation is based on and how it plans to create and maintain value in the future.

The International Integrated Reporting Council (IIRC) published its Integrated Reporting Framework in 2013. One of the main messages conveyed by this framework was that companies do not only create value from financial capital. Other sources of value are manufactured, human, immaterial, social and natural capital.

We have monitored the latest trends in companies' value creation definitions through our Corporate Responsibility Barometer since 2015. The 2017 barometer revealed that the number of companies that have prepared a description of their value creation model has increased to 45, having been 28 the year before.

'I am pleased to see that companies are striving to integrate numerical data into their value creation definitions, which gives insight into the goals set for various capital types and the KPIs for monitoring them. This also supports the generation of analyses that are important to stakeholders', explains our corporate responsibility expert, Sanna Pietiläinen.

'Under the amended Accounting Act that entered into force at end of December 2016, compa-

nies are required to include a brief description of their business model in their non-financial report. A carefully prepared description of the value creation model offers excellent tools for meeting this requirement in keeping with government guidelines'.

PwC's value creation model

This year is the second time that we will publish a depiction of our own value creation model. The



Sanna Pietiläinen

model description was created over the course of the 2016 financial period in a process that involved representatives from the management teams of functions related to various capital types. This represents yet another step towards the kind of thinking that is required for integrated reporting.

We listen to the views and expectations of our stakeholders in order to develop our value creation model in terms of its content and visual form.

Value creation at PwC Finland

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Capitals

Financial capital

- Equity
- Liabilities

Natural capital

- Electricity consumption: 922,041 kWh (100% green electricity)

Manufactured capital

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

Human capital

- Competent, skilled and diverse staff
 - 994 employees at the end of the financial period
 - 121 trainees during the financial period
- People Engagement Index (PEI): 73%
- Wellbeing at work and ability to work

Intellectual capital

- Customer base
- Customer satisfaction (NPS: 57.9)
- 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 236,000 experts of the PwC network in 158 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 10,500 clients, including listed companies, entrepreneurs, growth and startup companies, foundations and associations, public organisations, and private persons.

Output

Services received by our clients

- 786,984 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 135.2 million

Distribution of financial added value

1. Salaries of employees and shareholders:
 - salaries (include social security contributions) EUR 76.2 million, other taxable employment benefits and other employment benefits
2. Partners:
 - Dividends EUR 2.4 million
3. Public sector
 - Taxes and tax-related fees EUR 75.5 million
4. Property owners and financiers
 - Rents and leases EUR 5.8 million
5. Non-profit investments and subsidies
 - Cooperation with educational institutes and organisations, sponsorship and donations EUR 522,000



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
 - 121 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.

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Reporting practices related to the corporate tax footprint have been a topic of lively debate for several years now. The number of companies preparing reports on their tax footprint increases every year. Our goal is to be an active participant in this discussion, while setting an example with our reporting practices.

Our tax footprint indicates our financial impact on the surrounding society. By offering public reports on our tax footprint, we want to build trust in our operations.

We distribute financial added value generated by the sale of our services to our employees and shareholders. A considerable share of this added value also benefits the surrounding society in the form of taxes and tax-like charges. In the assessment of social impact, factors that should be taken into account include not only taxes paid by our company, but also taxes and tax-like charges arising from incentives and bonuses distributed to our employees and shareholders.

‘We operate in a sector where the value we generate is formed by the services produced by our employees and partners. Therefore, remuneration paid to them is our principal method of distributing the value we create. Income taxes and social security and pension payments are, of course, deducted from these wages,’ explains our Tax and Legal Leader **Markku Hakkarainen**.

We also advise our clients on how to report taxes and tax-like charges in compliance with regulations on reporting. We also support our clients

when they want to report on these charges to a larger extent and in more detail than required by regulations.

PwC Finland’s tax footprint

All of our operations are carried out by PricewaterhouseCoopers Oy, which is wholly and directly owned by its shareholders living in Finland. Our operations are not funded from abroad and we do not have any interest-bearing liabilities.

The variable salary portions paid by the company to its shareholders and staff 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. During the 2017 financial period, we will, similarly to the previous period, pay the variable salary portion as dividends that are treated 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 2017 financial period. Input-based dividends constitute earnings subject to taxation for the recipient, while they are a deductible cost for the company during the year when they are paid out.

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.



Markku Hakkarainen

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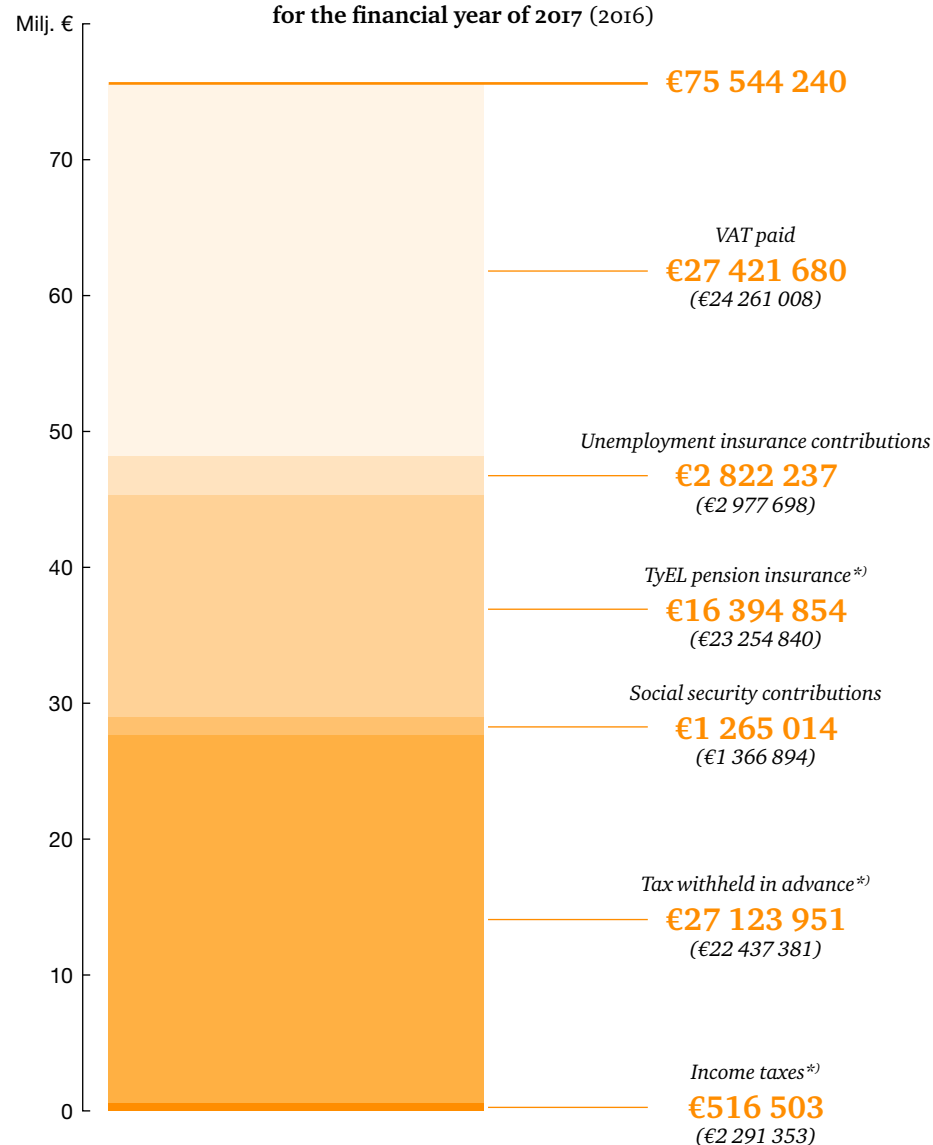
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PwC Finland Group's taxes and tax-like charges for the financial year of 2017 (2016)



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

Our turnover for the financial year totalled EUR 135 million, while the total amount of taxes and tax-like charges and payments was EUR 76 million. Totalling EUR 48 million, corporate taxes, withholding taxes and social security and pension payments accounted for the majority of these taxes and tax-like charges.

The added financial value produced by our 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.

^{*)} The difference between the taxes for the financial periods of 2016 and 2017 is due to the adoption of an input-based dividend model and consequent payment periods: input-based dividends are deductible from the profit of the year when they are paid out and not the year on the basis of which they are paid. Therefore, the input-based dividends for the 2016 financial year were not deducted from the profit of that year but from the profit of the 2017 financial year. In addition, input-based dividends increase the amount of prepayment taxes while decreasing pension payments as they do not constitute salary referred to in the Employees Pensions Act. In the 2015 financial year, we paid the variable salary portion as salary to the partners.

Sustainability and its management at PwC

The corporate responsibility of PwC Finland is based on the PwC network's global corporate responsibility strategy. It consists of four sectors: responsible business, staff and diversity, environmental stewardship, and community engagement.

Each company in the PwC network sets its own targets for each subarea and monitors their achievement. All countries are committed to the continuous development and improvement of their results. Our goal is to be at the forefront of corporate responsibility 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 coordinated 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 Corporate Responsibility Steering Group, which consists of PwC experts representing different business functions. 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 last financial period, the CR Steering Group convened four times.

The PwC Territory Leadership Team holds overall responsibility for corporate responsibility, and the corporate responsibility partner presents the general status of corporate responsibility to it a

The line organisation, together with supporting functions, implements corporate responsibility.

PwC Finland's corporate responsibility organisation

Board of Directors

Approval of corporate responsibility reports

CEO & Territory Leadership Team

Approval of the corporate responsibility programme and objectives

Corporate responsibility partner & corporate responsibility steering group

Coordination and development of corporate responsibility

Teams prepare corporate responsibility themes together with the steering group

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.

Our responsibility highlights from the 2017 financial period

Over the past financial year, we continued our cor-

porate responsibility measures in our four focus areas in line with the targets set. We enjoyed the opportunity to apply our new responsible business services and approaches to numerous client assignments.

We created practices to enable employees to participate in voluntary work and engaged in extensive collaboration with a variety of private and public sector operators. We paid attention to equality matters in terms of gender equality and sexual minority rights.

With regard to environmental matters, we proceeded in line with the goals of the Green Office programme. We organised several events aimed at

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increasing our employees' awareness of environmental questions.

Ethics and responsibility are aspects of our operations that we do not want to compromise on. To ensure this, we carry out continuous training and assessment activities. We also continued our corporate responsibility work with our suppliers by preparing a self-assessment form to assist them in the evaluation of their own operations.

We describe our activities related to various areas of corporate responsibility in the subsequent sections of this review.

Our corporate responsibility strategy to be updated

The PwC network will update its corporate responsibility review in the latter part of 2017, which will also have an effect on PwC Finland's corporate responsibility work. Even though the strategy will undergo changes, we will continue our work in all the areas (sustainable operations, diversity and staff, environmental stewardship, and community engagement).

With the PwC network's corporate responsibility strategy changing, we will set new targets for our responsibility work, the success of which we will continue to monitor and report on.



The UN Sustainable Development Goals gain support from companies

In autumn 2015, 17 sustainable development goals and 169 targets for 2030 were agreed upon. The Sustainable Development Goals (SDGs) are aimed at eradicating abject poverty, promoting equality and preserving environmental resources.

Even though states and governments are the initiative's principal participants, companies' contributions are also required. PwC's Corporate Responsibility Barometer indicates that numerous companies have embraced the goals as part of their corporate responsibility programmes and they also include information on their sustainable development goals in their corporate responsibility reviews.

Companies should focus their sustainable development measures on those SDGs that they have the most influence on through their core

business operations - either by increasing positive or decreasing negative forms of impact - along with those goals that are the most critical to achieve and come under the focus areas of the countries in which the companies are based.

PwC's operations and SDGs

PwC promotes sustainable development by creating added financial and social value for society through its services. Thanks to the skills of our staff, we can solve some of the most pressing problems, thereby increasing trust in society.

We prioritised the SDGs that are the most important to PwC Finland by determining which SDGs our sector can have the most influence on and which of the goals create the best opportunities for us. In this analysis, we utilised tools created by the PwC network, such as the

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PwC Selector tool, which can be used to assess sector-specific impacts on various SDGs. In addition, we used the Global Business Navigator tool designed on the basis of more than 200 data sources to provide information on how various countries have succeeded in the achievement of SDGs.



Excellent training

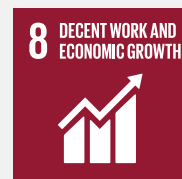
Considering our growth and success, it is essential that we offer the greatest place to work for our excellent experts. We invest in equal and diverse on-the-job training for our experts to offer all the employees the opportunity to forge a career at PwC that suits them best. Each year, we also offer training opportunities to more than 100 trainees via our apprenticeship programme. We provide our staff with information on matters related to sustainable development, such as eco-friendliness and equal treatment of people, via various schemes and training.



Gender 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 apprecia-

tion of other diversity. We have drafted an equality plan, and its main goal is to promote the equality of women and men in working life. We also conduct a regular salary survey, which examines the potential differences in pay between men and women.



Decent work and economic growth

One of the main themes of our corporate responsibility activities is to identify solutions that promote sustainable development and responsible business both locally and globally. To serve as an engine of change, we support our clients in their sustainable development programmes, utilise modern technology in our operations and create additional financial value for our society by offering jobs and paying taxes.

We also promote sustainable development within our company and among our clients via the services offered by our Sustainability & Climate Change team. In recent years, we have invested in making corporate responsibility an integral part of our other services. In addition to customer assignments, our staff's expertise is put to good use in selected pro bono projects and we provide our employees with opportunities to take part in volunteer work.



Climate action

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

tion. Travelling is an integral part of our customer work, and travel by air forms the single largest factor in our carbon footprint, with driving being the second largest contributor. We have set climate targets for our operations in order to tackle global warming. We have committed to these goals as part of the Climate Partners initiative. With the help of our Sustainability & Climate Change team, we can support our customers in recognising and controlling environmental impacts, and in verifying environmental information.

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- Our internal working group continued its work to identify responsibility themes significant for our clients' business operations and developing service solutions for them.
- An increasing number of clients wanted to know about our corporate responsibility policy. We were successful in meeting various criteria.
- We prepared and implemented a responsibility-related self-assessment form for our suppliers in order to promote responsible procurement operations.
- Our customer satisfaction remained at a high level.

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Making a difference through our operations and services

For us, responsible business is two-fold. While we ourselves need to operate ethically and responsibly, we also need to offer our clients services that enable them to realise their own sustainability goals.

Responsible investment expertise in high demand

The experts of our Sustainability & Climate Change team provide services for corporate responsibility management and reporting, as well as for needs related to ESG (Environmental, Social and Governance) matters 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 our clients' operations in various fields. We have already experienced increased demand due to this and we expect this trend to strengthen in the near future.

Investors are now more likely to ask for information on corporate responsibility related to their current and possible future investments, which was reflected in growing demand for expertise on ESG matters during the financial year. This trend was particularly strong among capital investors. We succeeded in meeting this demand via collaboration with PwC corporate deal experts.

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. We focused particularly on the development of 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 related training.

Our clients are interested in our corporate responsibility work

Our clients showed increasing interest in our corporate responsibility policy during the financial period. The matter was most often brought up in

connection with an offer request. Some of our clients request that we assess our corporate responsibility regularly utilising criteria set by them. We have been successful in meeting various criteria.

Responsible operations required from stakeholders too

Business travel is the single largest constituent of PwC Finland's environmental impact. However, we



Jussi Nokkala and Suvi Kuusi from the Sustainability & Climate Change team.

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want to increase awareness of environmental issues and promote environmentally friendly policies among our clients. We had already created responsibility requirements for our suppliers, and over the past financial year, we continued to provide information on these requirements. In addition, we prepared a responsibility-related self-assessment form for our suppliers. It is aimed at offering support to our stakeholders and at promoting our ability to monitor the way our stakeholders implement the principles of corporate responsibility in their operations.

Our clients appreciate smooth-running collaboration

In order to develop our operations with regard to services and procedures, we continuously collect feedback from our clients. To obtain feedback, we arrange an annual customer survey, request project-specific feedback and interview our clients. In addition, we receive feedback via other channels, such as our online chat service and social media.

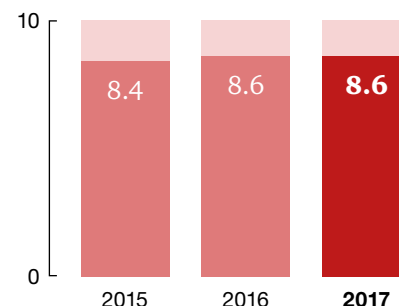
During the financial period, we collected feedback from 2,862 clients via electronic channels. The response rate to these surveys was 39.7% (29.3% the year before).

The overall customer satisfaction remained high, being 8.6 (the same as the year before) on a scale of 0–10.

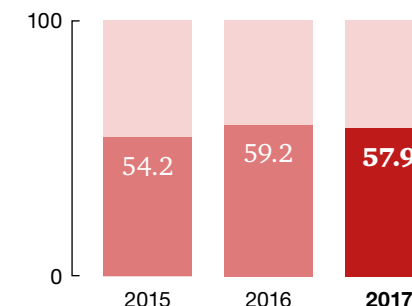
Our other client satisfaction indicator is the Net Promoter Score (NPS*). A positive NPS denotes a good result. If the figure is higher than 50%, the situation is excellent. While our NPS decreased slightly from 59.2% to 57.9%, it was still at a very high level.

On the basis of feedback, our clients appreciate, for example, our commitment to smooth-running

Overall client satisfaction (0–10)



Net promoter score (NPS)



collaboration and our vision and flexibility along with our good client teams and experts. They found room for improvement in our understanding of their business and industry and communication within teams and with the clients.

‘Thank you to everyone who provided feedback! The best customer experience is at the heart of our strategy and its continuous development is important to us. During the new financial year, we will continue our work to ensure that collaboration with us offers a great customer experience’, says CEO Mikko Nieminen.

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- Being the best place to work was one of the central themes of the last financial year. Our new initiatives included the BeWell project, aimed at promoting well-being at work, and the Leadership Academy training programme.
- We launched our updated values and discussed what they entail in practice.
- We participated in the Great Place to Work competition and were granted the Great Place to Work certificate as the first company in the category for large corporations to receive the recognition.
- As a result of a bold recruitment policy adopted during the financial year, the number of our staff exceeded the 1,000 mark for the first time.
- We offered internship positions to 121 trainees.

Staff and diversity

Towards the best place to work

At the beginning of the last financial year, we launched our new 'Being number one by working together' strategy, for which all the employees were invited to provide their input over the preceding financial year. We set being Finland's best workplace as our strategic goal, placing our employees even more firmly at the heart of our operations. As a result of a bold recruitment policy, the number of our staff exceeded the 1,000 mark for the first time.

We invested heavily in recruiting new experts. Our average number of staff over the financial year increased by about 60 people to just under a thousand, with the 1,000 mark exceeded around halfway through the financial year. Over the year, we also offered internship positions to 121 students.

We collaborated closely with educational institutions. Our goal is that students know our company and the career opportunities we can offer and that we are able to attract the best talent from the fields of study that are central to our operations.

Our People Engagement Index, which depicts job satisfaction and commitment among staff, decreased by four percentage points to 73%, which was, of course, a disappointment after four consecutive years of improvement. Our highest-ever result is 79%, achieved the year before. The latest result was influenced by workload that was heavier than expected and rapid changes in the resources of some of our business units. Measures to improve the resource situation and to prevent any reoccurrences have been initiated.

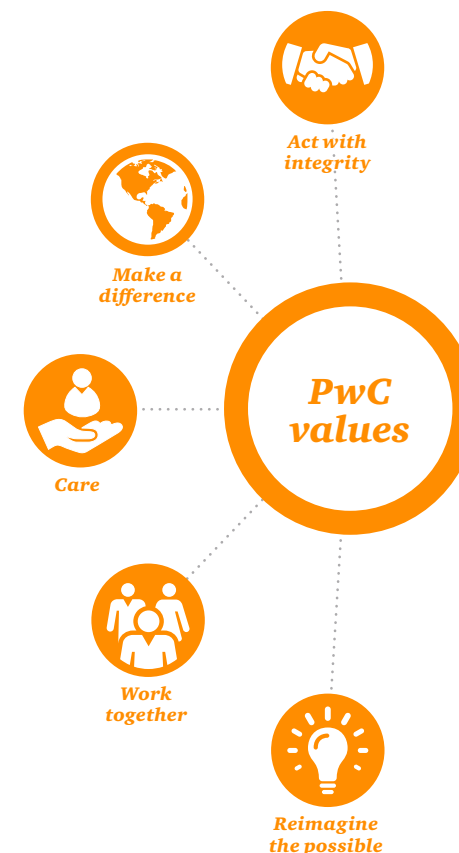
The staff also saw positive developments at the workplace, such as our strategy becoming more motivating and easier to understand. The results of this study showed variation, depending on the unit and the respondent's position. More detailed analysis of the results will be performed within teams and units during autumn 2017.

Putting our values into practice

The PwC network's updated values and the practices built around them constituted one of the main themes of the year. We are in the process of changing the face of work culture; while value statements often fail to translate into actions, we want our values to guide our day-to-day operations.

In spring 2016, more than 130,000 PwC employees, including more than 500 based in Finland, participated in the creation of the updated values by responding to a global survey. The new values were published in Finland in January 2017. Since then, we have worked on these values together, selecting the ones that we will commit to as teams and on a personal level to ensure their realisation in our daily work.

These conversations, which turned out to be extremely rewarding, offered the teams an opportunity to exchange ideas on various topics, some of which were also challenging. Over the course of spring, the staff learned to refer to the values in various connections and they were also made more concrete via personal value stories. Additionally, all our partners participated in value workshops led by our CEO during the financial year.



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We were granted the Great Place to Work certificate

As part of our Best Workplace scheme, we participated in the Great Place to Work competition in autumn 2016 for the first time ever. Two thirds of the final result is formed by a staff survey, in which we fared well. While we did not quite make top 5, we were granted the Great Place to Work certificate as the first company in the category for large corporations to receive this recognition. We are proud of the certificate as it attests to the general sentiment among our various employee groups that we are a good workplace.

For another section of the competition, we prepared a Culture Audit report, in which we provided a comprehensive description of our practices and procedures. This helped us to put in concrete terms the work that PwC is performing to support its staff.

BeWell@PwC – creating well-being

While our sickness absence rate increased slightly from last year's 2.3% to 2.5%, the percentage is still extremely low. We emphasise preventive measures and strive to tackle any issues at an early stage in collaboration with our occupational health services.

To promote physical and mental well-being, we launched the BeWell programme at the beginning of the financial period. The programme consisted of four three-hour lectures covering various areas of well-being for the entire staff, two 30-person intensive training groups complete with fitness tests and lectures, and two five-session mindfulness groups. More than 200 employees participated in these activities.

Well-being at work requires commitment from the employer and staff alike, and with BeWell, we

provided our employees with tools for improving their own health and well-being. At the same time, we wanted to draw attention to the topic in our work community. We will continue the BeWell programme during the new financial period.

In addition, our employees received a First Beat well-being assessment as a Christmas present, and 550 took the opportunity to analyse their workload and recovery from work.

We invested in leadership and diversity

We believe that leadership in day-to-day situations is one of the factors that has the strongest impact on the staff. Because of this, we continued active discussions on leadership and highlighted our 'Leadership at PwC' vision in various connections.

Tools for self-management were also discussed during the financial year, particularly in connection with the Succeed with PwC training. In addition, we continued our Motivating Coach management training, and developed it further. For our partners, we launched the Leadership Academy training focused on leadership and collaboration.

Recognising and supporting diversity is important to us. During the last financial year, diversity formed an integral part of our value project, and we also arranged a related webinar with 'unconscious bias' as its theme. In connection to work orientation, managerial training and the Living the Code training, we discussed the awareness of diversity in working life. Also, we analysed career- and bonus-related decisions from the perspective of diversity, as we routinely do each year.

Language training for our staff

We want to be a workplace where everyone can develop their skills. While the majority of this devel-

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opment is learning while working, we also learn new things from our more senior colleagues. We also invested in training with regard to both professional competence and other skills related to the ability to operate in line with values and guidelines.

We expanded our language skill programme by offering all our employees the opportunity to participate in training, regardless of job description. We set up several English and Finnish groups for a variety of skill levels, an initiative which was met with a warm welcome. Language training takes place outside working hours. One of the goals is to support our international employees' opportunities to succeed and their integration into the work community.

International perspectives on career

Increasing the mobility of employees between PwC

countries is one of our global objectives. We want to ensure that our clients have access to the best expertise the PwC network can offer and that our staff can also develop their careers internationally. During the financial period, we had 23 employees on assignments of different durations in foreign PwC offices. Correspondingly, we had 15 employees from other PwC countries.

The People Group offering support to staff

The People Group acts as the official representative of PwC employees. The staff selected its new members for a two-year term in November 2016. During the year, we heard the group's ideas at preparation stages of different projects, and representatives of the group presented the employees' points of view regarding other issues. Their role is

to support individuals when necessary. For example, the group discusses work resources and projects related to wellbeing at work along with the company's financial standing and the preparation of the new strategy.

Learning about the finance industry during a secondment

In August, Suvi Reivilä returned to PwC Finland's communications team after a three-year stint at PwC's Global Financial Services unit. During the secondment, Suvi worked for the unit's team based in London, where she was responsible for the internal communications of the 49,000-strong network and its development.

'It was great to have this vantage point that allowed me to see how the global strategy of our network's largest business sector

is handled and how our key client accounts are developed. I learned a great deal about global internal communications and working with international and offshore teams', Suvi explains.

'This stint abroad gave a new dimension to my career and offered me a broader perspective on PwC's operations and the finance industry, which is currently undergoing radical changes. I'm glad I can put this new expertise to good use to benefit our local organisation.'



Suvi Reivilä

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- We created policies for volunteer work and our employees participated in volunteer activities supported by PwC.
- We shared our expertise through several channels, such as various networks, articles on topical issues, reports, lectures and training.
- We collaborated closely with several partners operating in relevant fields, such as the Finnish Association of Auditors, Boardman, Directors Institute Finland, the Finnish Family Firms Association and the Finnish Venture Capital Association (FVCA).
- We took part in a number of entrepreneurship projects, such as Slush. The PwC network is one of the primary partners of Slush.
- We organised approximately 200 events and training courses for clients, students and partners.

Community engagement

Diverse cooperation and networks

PwC boasts an extensive contact network as a company and through its employees. We engaged in active discussion via various networks on topics that are important to our field and business life in general, such as entrepreneurship, board work, regulation and the latest phenomena, and shared our expertise by giving lectures, writing articles and offering training.

During the 2017 financial period, our 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.

'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 reorganisation and taxation', says **Mirel Leino**, a markets leader.

In an effort to have a societal impact, we continued our collaboration with the Finnish Foundation for Share Promotion and the Association of Finnish Tax Professionals. With the Finnish Foundation for Share Promotion, we carry out collaboration 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 an active role 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.

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 until the end of 2016, 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. Collaboration contributes greatly to the image students have of a company as an employer.

For our part, we want to share our expertise with students and highlight the opportunities that we can offer to our employees. During the 2017 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 all over Finland.

We have also intensified our collaboration with universities of applied sciences because graduates from these institutions are among our new recruits in increasing numbers. We primarily work with students of commerce, law and technology, but we have also taken steps to advertise ourselves

to information technology students.

We have organised dozens of events for students, the largest of which were the recruitment events Assurance Day, Advisory Day and Tax Day. At these events, we can introduce the operations of our business units and the content of expert work in practice and give students an opportunity to carry out a case assignment. They also offer us a forum for conversation with students. Real encounters are important because they make a natural and easy setting for us to convey PwC's relaxed and pleasant work environment.

In addition, our offices were visited by several student groups seeking to learn more about our services and career opportunities. We are taking steps to initiate more active interaction between students and our experts and we also want to offer students opportunities for practising real-life assignments in collaboration with professionals.

A total of 200 events for stakeholders

During the financial period, we organised up to 200 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 Aalto University for the top management and professional Board employees, and the PwCwomen event aimed at female decision-makers.

To mark Finland's 100th anniversary, we joined forces with Boardman, Nordea, Roschier and Var-

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ma to organise the Ownership Competence and the Future of Finland conference at Finlandia Hall in June. The goal of the event was to promote competence in the field and influence the prevailing view on ownership in Finland. The conference was part of Finland's rooth anniversary programme.

To board members, we offered events with specific themes, such as PwC's Audit Committee Forum series intended for professionals engaged in audit committee work.

We offered current themes and best practices through our series of CFO Roundtable events. In the field of risk management and data security, we organised events related to the requirements that various operators are facing because of the EU's data protection rules.

During the financial period, our Sustainability & Climate Change team held a number of events from different areas of corporate responsibility, such as the publication event of the Corporate Responsibility Barometer for Board members and CEOs and a separate publication event to introduce the results of a study on responsible capital investment practices.

A significant number of our events are organised around Finland outside the Helsinki region. Topical seminars led by our experts are an excellent example of such events.

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

Surveys and publications for the benefit of clients

During the financial period, we issued a number of reports and surveys that our client companies and other stakeholders can utilise. The PwC network



Kimmo Vilske (partner, PwC), Tommi Lehtonen (CEO, Blueprint Genetics) and Pia Santavirta (CEO, the Finnish Venture Capital Association)

In search of engines of growth

During the financial period, we intensified our collaboration with the Finnish Venture Capital Association (FVCA). This year was the first time we worked with the association to arrange Growth Builder of the Year competition. In the 2017 competition, 700 companies competed to be the most interesting and inspiring growth story that highlighted best the collaboration between private equity investors and a company in the building of growth.

'We got together with FVCA to study nine

great growth stories in more detail', explains the Corporate Finance unit's head, Kimmo Vilske.

'From these nine cases, we selected three companies for the final on the basis of three criteria: market disruption, international expansion and corporate deals. The jury's choice for the 2017 Growth Builder of the Year was Blueprint Genetics, a company that specialises in producing gene testing technology for the identification of rare genetic diseases'.

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PwC acts as Slush's global partner

PwC Finland has sponsored Slush, the international technology and startup company event, since 2010. For the last two years, we have acted as the main global partner for Slush.

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'.

has several publication series that concern, for example, leadership, digitalisation, 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.

Fit for Growth was the most significant publication issued by Strategy& in 2017. This book offers business management a guide on how to define a company's strategy and costs so as to enable the company to grow, create value and outperform the competition in a sustainable manner.

PwC Finland's annual Corporate Responsibility Barometer – the only one of its kind in Finland – increased awareness of the state of corporate responsibility management in Finland. We also analysed the international mobility of Finnish companies and the backgrounds of the visitors to Slush as part of the Slush Study.

You can read more about our publications online at 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, Instagram and Snapchat. Social media channels offer us an opportunity towards open, current and meaningful discussion and interaction with our stakeholders. LinkedIn, Facebook, Twitter and Instagram are the channels we use most actively and we succeeded in increasing the number of followers on all of these accounts.

During the past financial period, we trained PwC experts on how to use social media channels. We encouraged them to take an active part in dis-

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cussions on social media services, particularly on LinkedIn and Twitter.

Numerous ways to make a difference and do good

We want to create positive experiences and be a force for good in society. A concrete example of this was the opportunity we offered to our employees to use one work day in spring 2017 to participate in voluntary work. The primary organisations that our employees performed work for included Hope, an organisation helping families, Finland's Red Cross and HelsinkiMissio. During the spring, 40 people took up the opportunity and put in a total of 208 hours of work. We decided that our employees could continue to use one work day per financial year for voluntary work.

During the financial period, we supported more than 20 organisations, such as the Baltic Sea Action Group, through our expertise by doing pro bono work.

In November and December of 2016, we organised a collection of old towels and bed linen at our Helsinki office. The dozens of donations we received were delivered to the Helsinki Society for Animal Protection (HESY) to be used as bedding and towels for rescue animals.

We have a tradition to remember those in need at Christmas time. For several years, we have donated Christmas funds to associations selected by the staff. At Christmas 2016, the donation was given to Icehearts, an organisation that performs preventive child welfare work.

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

Supporting entrepreneurship

Throughout its over 60-year history, PwC has supported entrepreneurs in Finland. We have more than 250 professionals in Finland who serve and support family-owned companies in particular. We regard this as an important societal task as family firms play a huge role in creating new jobs and boosting economic growth in Finland.

'Business owners, irrespective of whether they lead startups or nurture larger companies with centuries-long traditions, are a central client group for the entire PwC network', says **Marko Korkiakoski**. He is the leader of PwC's family and private company services in the Helsinki region.

'We work with entrepreneurs, owners, the next-generation owners and operative management with great passion on a broad front'.

We collaborate with several operators promoting entrepreneurship. For several years now, we have been a strategic partner of the **Finnish Fam-**

ily Firms Association. The purpose of this partnership is, through events, training and publications, to promote well planned and executed generational changes and the professional ownership and management of companies, for example, using a 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. We have coached companies that have completed this programme for nine years.

Entrepreneurship was a prominent theme in our two primary marketing-related collaborations last year, **Nordic Business Forum** and **Slush**.

tection in Helsinki. The collection is organised by the Central Park Junior Chamber of Commerce, together with other local chambers and the Helsinki Department of Social Services and Health Care.

We also helped five families in the capital region and in Oulu, each via the Brother Christmas organisation and homeless and other vulnerable people who are using the facilities of the homeless organisation Helsinki Guest Home. The families

were helped to create a celebration by donating Christmas food and presents for the children.

For the fourth 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 570,000 in 2017

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- PwC in Finland signed a climate agreement and joined the Climate Partners initiative.
- We reduced our paper and energy consumption and miles driven per person.
- We set new Green Office goals for this financial year.

2017

Environmental stewardship

For sustainable development

We systematically pay attention to the environmental effects of our operations and continuously develop our procedures sustainability in mind.

For years now, we have taken active measures to protect the environment. We were among the first large companies to perform the statutory energy review and we have also started to use 100% green electricity at our offices in Helsinki, Hämeenlinna, Kuopio, Lahti, Lappeenranta, Mikkeli, Oulu, Raahen and Rovaniemi. We provide our experts with information on how to save energy by making small changes. We also centralise all our office infrastructure acquisitions to partners who are committed to our sustainability requirements.

While the overall index depicting our environmental impact grew over the last financial year due to the increase in the number of our staff, the value for three out of four key indicators decreased when measured per person:

- Our paper consumption* decreased by 10.2% per person from the year before
- Our paper consumption* decreased by 12.7% per person
- Our driving miles decreased by 8% per person
- Our air miles increased by 1.1% per person.

Since 2014, every employee based at PwC's office in Helsinki has been able to measure the environ-

mental impact of their own actions in terms of energy savings, paper consumption, waste sorting, recycling and travel with the assistance of WWF's Consumer Habit Questionnaire. In 2016, the average score was 65.6/100 (64.8/100 in 2015).

Reductions in consumption and emissions as our Green Office goal

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.

In December 2016, a representative of the WWF conducted an office audit to decide whether the Green Office certificate could be extended. Working together with the WWF representative, we set



-10,2%
Paper consumption
per person*)



-12,7%
Power consumption
per person*)



-8,0%
Road mileage
per person



+1,1%
Air mileage
per person

the following goals for the ongoing four-year strategy period:

- Reducing paper consumption by 5% in relation to the number of employees
- Reducing electricity consumption by 4% (1% per year)
- Reducing carbon dioxide emissions by 4% in relation to the number of employees (1% per year). Electricity and paper consumption and emissions from air and road travel are included in the calculations.

In addition to these, we decided on the following goals:

- Increasing the use of remote conferencing equipment by 10%
- Reducing the carbon dioxide emissions generated by company cars by 8% (in 2015, 147–in 2020, 135).

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

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‘This was the fourth year that PwC took part in Kilometrikisa (Kilometre Race) with its PwC Ketjunpyörittäjät (Wheel Spinners) team. In May–September 2017, the team pedalled a total of 25,362 kilometres.’



Pop-up Christmas card workshop for the staff

Concrete environmental actions

We have participated in WWF’s annual Earth Hour initiative since 2011. The logo of our Helsinki office is switched off during the entire weekend and our office lights are turned off during Earth Hour. Several of our regional offices also participated in the event by turning off their lights.

At our Helsinki office, we switched to Fair trade coffee and cocoa for our vending machines. A tasting week and vote were organised to offer the staff an opportunity to have a say on the choice of the coffee.

In October 2016, we participated in the energy saving week with a view to encouraging our employees to take steps towards a more eco-friendly daily life.

Our Helsinki office organised a bike maintenance day for its staff in May 2017. A total of 25 bikes were repaired during the day. The goal for the day was not only to spur the employees to cycle to work but also to ensure that they did so safely.

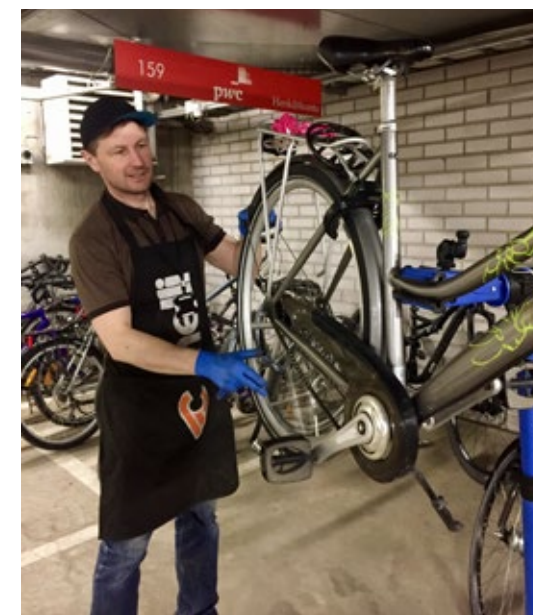
This was the fourth year that PwC took part in Kilometrikisa (Kilometre Race) with its PwC Ketjunpyörittäjät (Wheel Spinners) team. In May–September 2017, the team pedalled a total of 25,362 kilometres. We also have two bikes that our staff in Helsinki can use.

Before Christmas, our Green Office team arranged a pop-up Christmas card workshop in Helsinki where employees could make their own cards using recycled materials. We served organic mulled wine and ginger biscuits as refreshments.

Such events have met with a warm welcome and they also serve to highlight environmental issues. Employees have actively submitted proposals for improvement to the Green Office so our environmental work has involved true two-way communication.

PwC Finland joins the Climate Partners network

In April 2017, PwC Finland signed a climate agreement and joined the Climate Partners network, which consists of more than 60 large companies and supporters. The participants collaborate with the City of Helsinki to reduce greenhouse emissions and to tackle global warming.



A bike maintenance day for the staff.

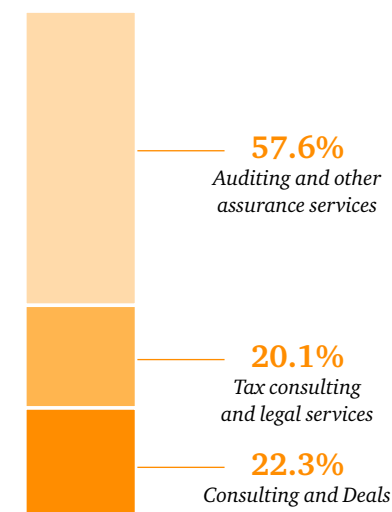
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Business operations		FY 2017	FY 2016	FY 2015
Turnover	EUR million	135.2	124.4	109.6
- Auditing and other assurance services	EUR million	77.9	71.6	66.6
- Tax consulting and legal services	EUR million	27.2	27.2	24.2
- Consulting and Deals	EUR million	30.1	25.6	18.8
Staff expenses	EUR million	83.3	77.2	73.7
Purchased services and other operating expenses	EUR million	38.9	33.8	30.7
Operating profit ¹⁾	EUR million	12.1	12.2	3.7
Taxes ²⁾	EUR million	0.5	2.3	0.7
Profit for the period ¹⁾	EUR million	11.7	10.0	3.0
Overall client satisfaction	(0–10)	8.6	8.6	8.4
Net promoter score (NPS)	%	57.9	59.2	54.2
Social impact				
Cooperation with educational institutions and associations, sponsorship and donations	EUR thousand	522	468	336

Environment ²⁾		FY 2017	FY 2016	FY 2015
Carbon dioxide emissions ³⁾				
Scope 1: direct emissions	tn CO ₂ e	0	0	0
Scope 2: power consumption ⁴⁾	tn CO ₂ e	0	0	184
Scope 3: air travel	tn CO ₂ e	672	607	568
Scope 3: road travel	tn CO ₂ e	147	147	152
Scope 3: paper consumption ⁴⁾	tn CO ₂ e	10	9	11
Total emissions	tn CO ₂ e	828	763	915
Total emissions per person (average)	kg CO ₂ e	0.84	0.83	1.10
Business travel				
Air mileage	km	5 094 181	4 662 812	4 329 500
Road mileage	km	1 101 744	1 111 155	1 140 238
Air mileage per person	km	5 146	5 090	5 216
Road mileage per person	km	1 113	1 213	1 374
Energy				
Power consumption ⁴⁾	kWh	922 041	894 569	903 296
Use of materials				
Paper consumption ⁴⁾	Ream	4 208	4 013	4 932
Relative paper consumption per person	Ream/person	5.3	5.9	8.4

Turnover breakdown (%)



- 1) The key indicators for the fiscal periods of 2016 and 2017 are not fully comparable with those for 2015 because we adopted an input-based dividend model in 2016.
- 2) The key indicator for the 2017 financial year is not fully comparable with the corresponding figures for the previous financial periods because input-based dividends were paid for the first time in 2017.
- 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 CO₂, 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.

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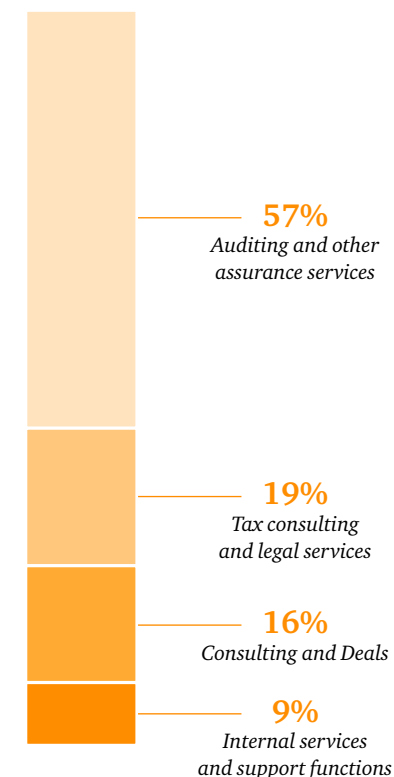
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Staff		FY 2017	FY 2016	FY 2015
Average number of staff during the financial year	Persons	990	916	830
Average number of staff at the end of the financial year	Persons	994	933	833
- Auditing and other assurance services	Persons	565	523	481
- Tax consulting and legal services	Persons	186	180	156
- Consulting and Deals	Persons	158	152	112
- Internal services and support functions	Persons	85	78	84
Voluntary employee turnover	%	13,6	10,4	11,9
Recruited employees (regular) during the financial year	Persons	143	139	105
Number of trainees during the financial year	Persons	121	118	113
Average number of part-time employees during the financial year	Persons	96	63	67
Average number of employees on family leave	Persons	48	35	33
PAverage number of employees returned from family leave	Persons	41	68	44
Average service period	Years	6,5	6,6	7,1
Staff diversity and equality				
Staff gender distribution	(F/M) %	55/45	55/45	55/45
Board of Directors	Staff (F/M)	1/5	1/5	1/6
Territory Leadership Team	Staff (F/M)	2/8	3/8	3/6
Average age of staff	Years	36,1	36,1	36,7
Staff satisfaction and wellbeing				
Response rate to the Global People Survey	%	63	65	73
People Engagement Index (PEI)	%	73	79	74
Sick leave rate	%	2,5	2,3	2,1
Occupational accidents ¹⁾	Pcs	10	6	5
Development of staff expertise				
Total number of training days	Days	7229	6666	6428
Training days/person (FTE) ²⁾	Days	8,3	8,1	8,5
Training costs/person (FTE) ²⁾	EUR/Person	2315	2040	1911
Training offered by PwC experts	Days	669	651	854
Number of KHT/HTM/JHTT/CIA degrees completed ³⁾	Persons	19	9	11
Staff rewarding				
Salaries (including other expenses) ⁴⁾	EUR million	76,2	70,1	63,5
Profit-based bonuses and variable pay (including other expenses) ⁴⁾	EUR million	7,1	7,1	10,3
Dividends paid	EUR million	2,4	2,2	2,2
Input-based dividends ⁵⁾	EUR million	9,5	-	-

Staff breakdown (%)



1) Of the occupational accidents, nine took place on a journey between home and the workplace.

2) FTE = Full Time Employees.

3) The name of the Chartered Public Finance Auditor's qualification changed from JHT to JHTT in August 2017.

4) The key indicators for the fiscal periods of 2016 and 2017 are not fully comparable with those for 2015 because an input-based dividend model was adopted in 2016.

5) The input-based dividend model was adopted in 2016, but the first payments became payable during the 2017 fiscal year.

Other staff-related key figures

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Average training hours

Grade	Male	Female
Partner	50.3	62.3
Director/Senior Manager	39.8	44.9
Manager	50.4	41.8
Senior Associate / Senior Consultant	69.5	60.2
Associate / Consultant	81.2	77.4
Other	5.8	23.7
Trainee	48.1	43.5
Leased employee	0.0	21.0
Total	51.6	58.1

Recruitment

Age group	Male	Female
Less than 30 years	115	132
30–50 years	32	3
More than 50 years	1	5
Total	148	140

Staff turnover

Age group	Starting employees		Leaving employees		Staff		Turnover, %	
	Male	Female	Male	Female	Male	Female	Male	Female
Less than 30 years	46	53	13	28	110	128	11.8	21.9
30–50 years	26	26	33	36	245	317	13.5	11.4
More than 50 years	1	2	5	7	49	50	10.2	14.0
Total	73	81	51	71	404	495	12.6	14.3

Age and gender distribution of members of the Board of Directors

Age group	Male	Female
Less than 30 years	0	0
30–50 years	3	1
More than 50 years	2	0
Total	5	1

Fixed-term vs. permanent employees

Form of employment	Male	Female
Fixed-term	45	50
Permanent	405	494
Total	450	544

Full-time vs. part-time employees

Type of employment	Male	Female
Full-time	391	449
Part-time	14	45
Total	405	494

Employees vs. temp workers

Employees / temp workers	Male	Female
Employees	450	541
Temp workers	0	3
Total	450	544

Our main stakeholders

Stakeholder	Forms of interaction	Example of stakeholder cooperation during the financial year	Plans to develop cooperation
Clients	Client meetings, client events, customer feedback, brand survey, social media channels, PwC publications and newsletters.	We organised a number of events aimed at networking and information sharing, such as the CFO Roundtable event series. We issued various surveys and reports, such as <u>PwC's Corporate Responsibility Barometer</u> , which is the most comprehensive survey in Finland, identifying how sustainable companies are.	Offering the best customer experience is one of key focus areas of our strategy. We will invest, for example, in even better interaction and better utilisation of technology.
Staff	Global People Survey, People group, reviews of the CEO and the Territory Leadership Team, intranet, internal social media, staff newsletter, staff and group events, and the Great Place to Work competition.	We participated in the Great Place to Work competition for the first time ever. We were granted the Great Place to Work certificate as the first company to do so in the category for large corporations. We launched the BeWell initiative, aimed at promoting mental and physical health among our employees. More than 200 employees participated in events organised as part of the project. As a management training initiative, we launched the Leadership Academy training programme to offer support in management and leadership to our partners.	Besides providing an excellent customer experience, being the best workplace was a central strategic goal for us. We will continue our BeWell project, Leadership Academy and other initiatives related to our staff's job satisfaction and well-being at work. We will also develop our work culture by continuing the discussion on our values and ways of working.
Educational institutions	Partnership agreements with educational institutions, lectures, recruitment events and exhibitions at educational institutions, visits to PwC, <u>the apprenticeship programme</u> .	We held a number of events together with student associations, such as various case events, networking opportunities and other collaboration events. We forged new collaboration with organisations such as the University of Tampere business students' association.	We will now focus on developing our collaboration with our current partners and restrict the number of agreements to ensure that the work is fruitful and that the right target groups are reached. Another goal is to strengthen our presence at educational institutions.
Cooperation partners	Events, training events, publications and books.	We continued our long-term partnerships with organisations such as the Finnish Family Firms Association. We intensified our collaboration with the Finnish Venture Capital Association (FVCA) by working together to arrange <u>the 2017 Growth Builder of the Year competition</u> . In addition, we expanded our collaboration with Slush, acting again as the event's main global sponsor. We were also one of Nordic Business Forum's main partners.	We will continue close collaboration with our partners. As part of such collaboration projects, we will work with FVCA to arrange the Growth Builder of the Year in spring 2018.

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PricewaterhouseCoopers Oy, P.O.Box 1015 (Itämerentori 2), FI-00101 Helsinki. Tel +358 20 787 7000.

PwC Suomi:      

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