



Climate Action Plan



PwC the Netherlands – Climate Action Plan

This plan outlines immediate and future actions to cut emissions, targeting a 1.5°C scenario. The action plan focuses on our business operations and part of our upstream emissions (both on climate mitigation and adaptation), enabling us to forecast our future emissions and take appropriate action.

This Climate Action Plan covers our business operations and upstream emissions (as reported in scope 1, 2 and 3):

- Our business operations, including our emissions profile, base year analysis and the SBTi commitment,
- Climate change mitigation actions,
- Climate change adaptation actions,
- The governance and resources allocated for their implementation.

This Climate Action plan excludes Sustainable Procurement and the Climate Change Services, which would be covered in separate action plans.

This plan is supported by our Environmental Policy, underlined by climate change being identified during the materiality analysis as one of the material topics for our business operations. Climate action and focus on net zero have been successfully embedded in PwC Netherlands (PwC NL) business strategy and financial planning. Each year, we report on our progress against the climate goals we've set in our Annual Report, with climate-related disclosures independently assured to a limited level to ensure credibility and trust.

The action plan is approved by the Net Zero leader and thereafter the Chief Operations Officer (Board representative for Net Zero and Corporate Sustainability (CS)). It reflects our present understanding and may evolve with new information. It remains a dynamic plan, subject to regular updates.



Our Business Operations - Climate Change

Our business operations emissions profile

Scope 1 GHG emissions
Gross Scope 1 GHG emissions
Scope 1 GHG emissions from regulated ETS (%)
Scope 2 GHG emissions
Gross location-based Scope 2 GHG emissions
Gross market-based Scope 2 GHG emissions
Significant Scope 3 GHG emissions
Gross Scope 3 GHG emissions
Purchased goods and services
Capital goods
Waste generated in operations
Business travel
Air
Car
Public transport
Accommodation
Employee commuting
Total GHG emissions
Total GHG emissions (location-based)
Total GHG emissions (market-based)

Measuring and Reporting

By GHG emissions we mean the greenhouse gases described in the Greenhouse Gas Protocol (GHG Protocol) expressed in CO₂ equivalents. These include CO₂, CH₄, N₂O, HFCs, PFCs, SF₆ and NF₃. The GHG Protocol is the international standard for reporting greenhouse gases.

In the report, the emissions are categorised into three scopes:

- **Scope 1:** Direct emissions from owned/controlled operations
- **Scope 2:** Indirect emissions from the use of purchased electricity, steam, heating, and cooling
- **Scope 3:** Upstream emissions

In 2021, PwC NL conducted a gap analysis and GHG inventory to identify key emission sources for reporting, setting annual tracking and reduction targets consistent with the 1.5°C scenario based on emission size, influence, and data quality.

The following were excluded:

Serviced emissions (within the scope of a separate Climate Services Policy).

Important notes:

In 2024/2025, Scope 3 Purchased Goods and Services (PG&S) has been broadened to include all goods and services, expanding beyond just purchased paper.

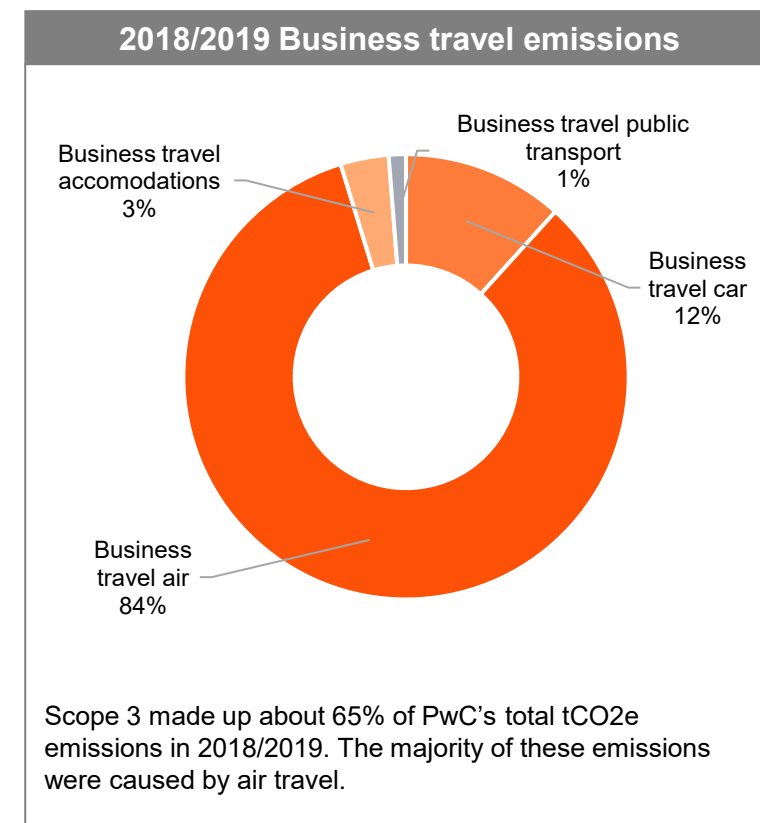
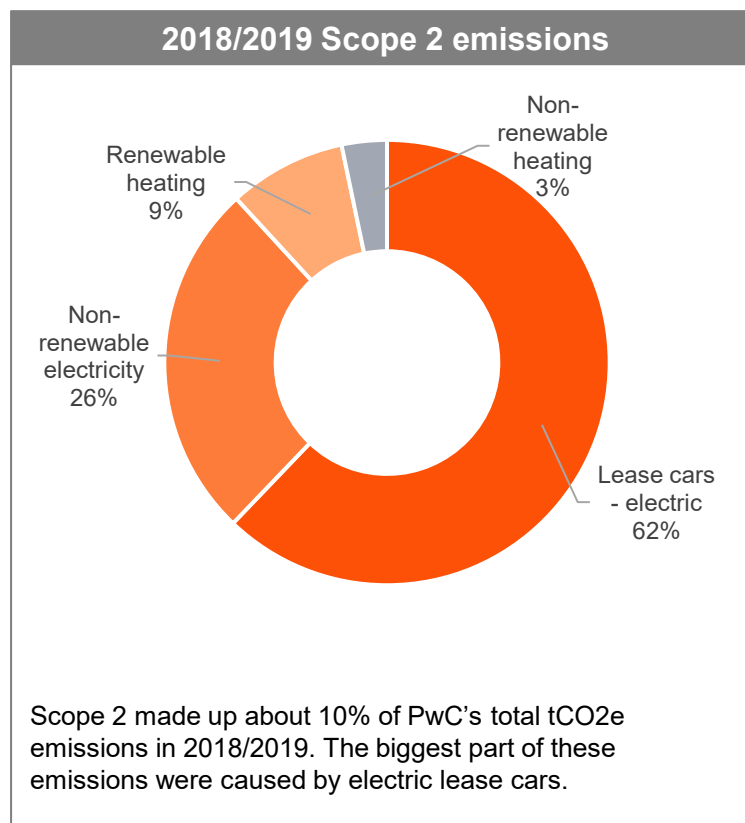
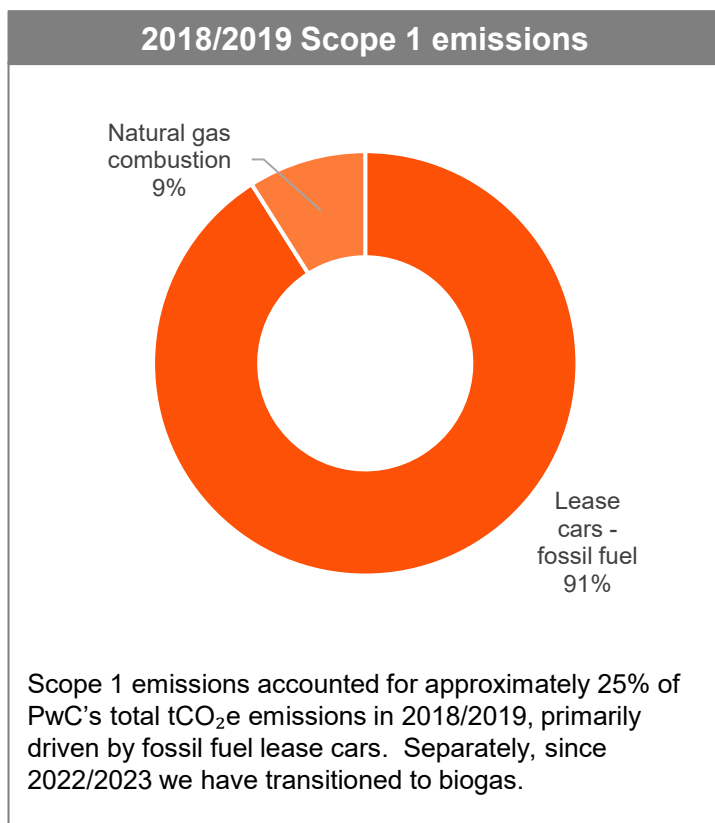
As for data centers, in 2024/2025 emissions from IT services and cloud were evaluated. At this stage, we report emissions from cloud computing and datacenters services as part of Scope 3.1 PG&S, using a spend-based method. However, we recognise that this is a rapidly evolving area. While future developments remain uncertain, we see value in closely monitoring climate reporting trends and improving how we calculate emissions from IT services and cloud.

PwC NL discloses its emissions data following the guidelines of the Greenhouse Gas (GHG) Protocol.

Net zero and our base year emissions analysis

2018/2019 is our base year, about 25% of these emissions were in scope 1, 10% in scope 2 and 65% in scope 3

- A gap analysis has been performed in 2021 for our emission reporting scopes, considering emission size, PwC NL's influence, and data quality/availability. The categories listed below are material within our emissions profile. They are to be tracked annually and reduction targets in line with the 1.5°C scenario have been set.
- In line with the SBTi criteria, the targets and figures are evaluated and recalculated annually, if necessary. The GHG Protocol does not provide a threshold for significance. However, in the case of structural changes, a recalculation is always performed. When the inventory of scopes changes (either due to a change in methodology or new knowledge about emissions), the base year should also be recalculated using the new methodology or knowledge. The CS department is responsible for verifying the necessity of the recalculation, while the Finance department is responsible for carrying out the recalculation of both the target and the base year.
- Emissions from 3.1 Purchased Goods & Services are excluded in the absolute reduction target for 2030 and addressed in the supplier engagement target, this is in alignment with the SBTi.



Our near-term and intermediate SBTi targets

PwC NL will reduce its emissions in line with a 1.5°C scenario. In July 2021, our near-term 2030 emission reduction targets were independently validated by the Science Based Targets initiative (SBTi).

- 2029/2030 emission reduction targets include a minimum of 50% absolute reduction in scope 1 and 2 emissions and a 50% absolute reduction in business travel emissions from a 2019 baseline by 2030.
- In addition, PwC NL has successfully transitioned to 100% renewable electricity, meeting its goal and target.
- PwC NL will collaborate with major suppliers to promote and assist them in reaching Net Zero. By 2024/2025, the goal is for 50% of suppliers, by emissions, to establish science-based targets for their own emission reductions.
- PwC NL's long-term target is to reduce scope 1, 2 and 3 absolute emissions by 90% from a 2018/2019 base by 2050.



Driving efficiency

Avoiding or reducing emissions associated with our energy use, consumption and travel is the starting point of our strategy.

Near-term targets:

- 2025: 100% fossil-free car fleet (NL specific target)
- 2029/2030: Reduce scope 1 and 2 absolute emissions by 50% (NL included in Global target)
- 2029/2030: Reduce absolute business travel emissions by 50% (NL included in Global target)



Switching to renewables

Purchasing renewables is one of the keyways we reduce our impact.

Long-term targets

- Reduce scope 1, 2 and 3 absolute emissions by 90% from 2018/2019 to 2049/2050.

We further report our progress against this KPI

- Have 50% of our PG&S suppliers (by emissions) set SBTi targets to reduce their own climate impact by 2024/2025 (NL included in Global target)



Carbon offsetting

To mitigate the impact of our emissions, we're supporting a range of high-quality voluntary carbon offsetting and removal projects.

Mitigation actions

Progress on key emissions reduction activities

The most important emission reduction initiatives that have been implemented or are planned.

These have been consulted and agreed upon with several internal stakeholders such as Facilities Management, Human Capital and Procurement. Looking at progress so far, we are currently on trend to achieve our emission reduction targets – with no significant changes expected.

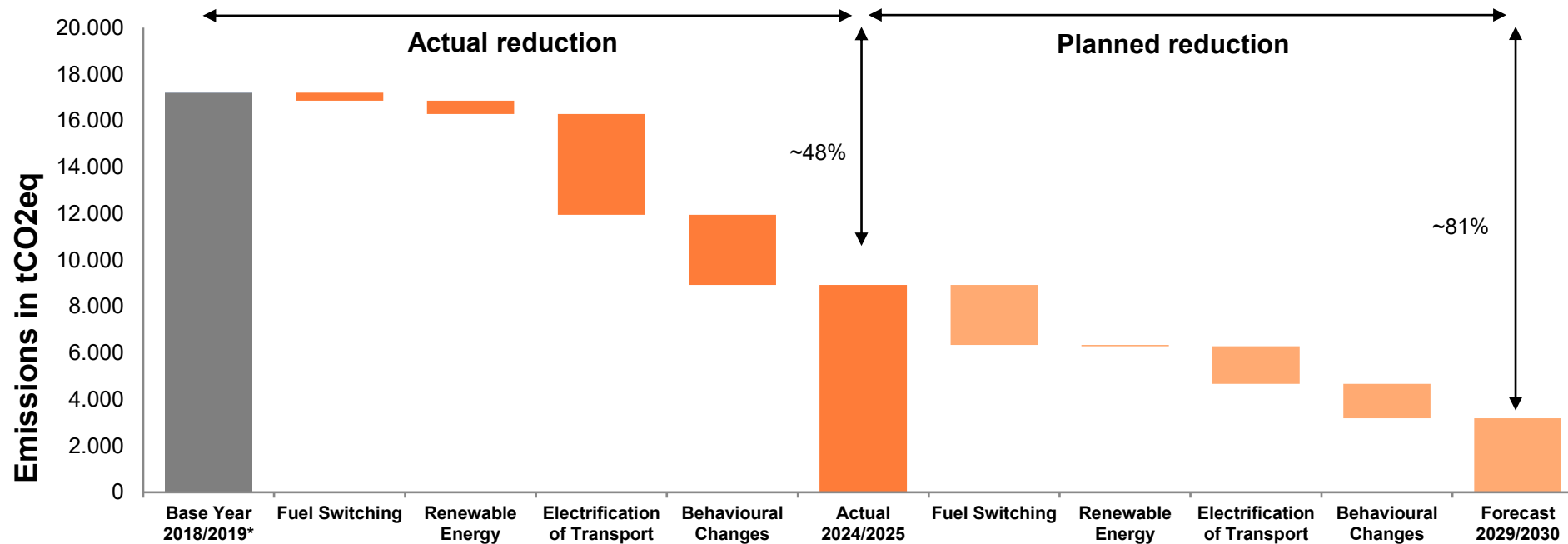
Decarbonisation Levers	Emission reduction activities	Achieved emission reduction to date 2024/2025 (tCO2e)
Behavioural Changes	The behavioural change decarbonisation lever encompasses initiatives such as hybrid working, the use of the EFI tool for personal emissions tracking and team planning, enhancement of video conferencing tools to replace travel for meetings, and waste reduction strategies that involve behavioural change, smarter procurement, and awareness campaigns to minimise waste and increase recycling.	- 8,277 (tCO2e) or 48% emission reduction compared to our baseline
Electrification of Transport	A key initiative for reducing emissions through transport electrification is the green car policy. This policy will phase out fossil fuel vehicles and replace the entire lease car fleet with electric vehicles (EVs) by calendar year 2025, achieving a fully electric car fleet.	
Renewable Energy	To reduce emissions, green certificates are bought for EV kilometres driven, and 100% renewable electricity is sourced either directly or through certified renewable energy certificates for electricity usage at the office locations.	
Fuel Switching	The fuel switching decarbonisation strategy includes two key initiatives. First, for all office locations, biogas is purchased, second, we commit to using Sustainable Aviation Fuels (SAF) for all flights, ensuring that 100% of its air travel is powered by more sustainable fuel options.	
Material Efficiency	Reducing emissions by decreasing paper use, investing in IT infrastructure and promoting hybrid working arrangements.	

Forecasted growth and planned reductions

In the graph below the most important decarbonisation levers over scope 1, 2 and 3 are presented.

To take into consideration:

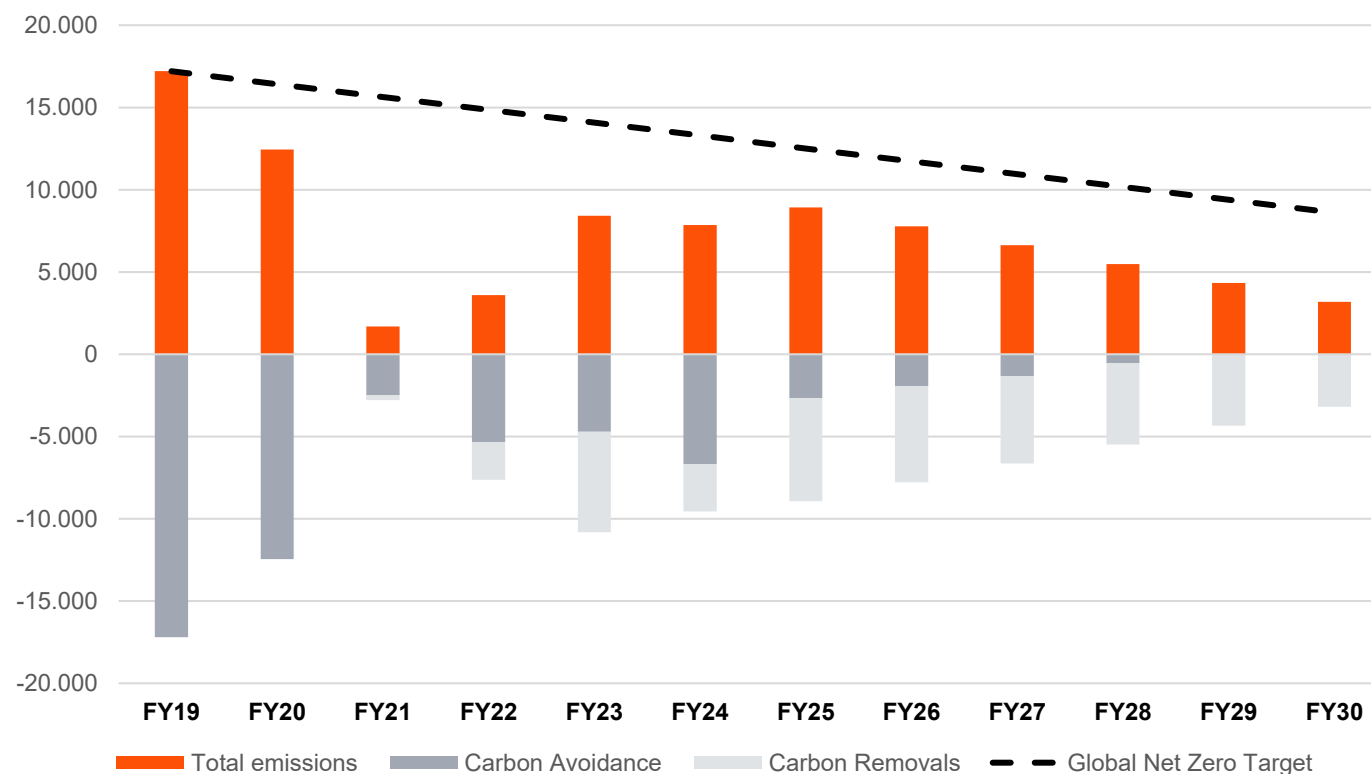
- Category 3.1 and its management and reduction of is covered by the Procurement policy and Action plan.
- Within this emission reduction path, we assume we will successfully stimulate the use of (lease) electric vehicles and reduce the number of fossil fuel business travel kilometers.
- We commit fully to adhering to the flight policy by eliminating short flights, reducing the use of business class and flying 100% on SAF.



Offsetting our remaining emissions

To mitigate our impacts today, we will continue to offset emissions through the purchase of high-quality carbon credits, and plan to transition to 100% carbon removals from 2029/2030. Our strategy prioritises substantial GHG emissions reduction, complemented by offsetting residual emissions to mitigate our climate impacts.

Expected required volume of carbon removals and carbon avoidance tCO₂e FY19 – FY30



Key assumptions & Goals

- The allocation of removal and avoidance credits from 2023/2024 to 2024/2025 follows an estimated trajectory based on projected emissions from 2018/2019 to 2029/2030. The actual volume and distribution of carbon credits needed may vary due to changing circumstances and dependencies.
- We compensate through carbon credits for our scope 1, 2 and scope 3.6 business travel emissions
- PwC NL is shifting from offsetting to carbon removal to align with SBTi Net Zero requirements, aiming to transition to 100% carbon removals from 2029/2030. We prioritise local projects, ideally within the Netherlands or Europe. Certified carbon removal options are currently scarce, and with increasing demand, supply may fall short. To address this, we're investing in emerging projects that could potentially become certified, acknowledging the risk of project failure or lack of certification.

Adaptation actions



Climate-related risks and opportunities – current setting, scenarios and ambitions

Based on the findings identified in the PwC Network Environment report we considered the risks and opportunities related to climate change specific to PwC NL

Strategic Implications



The major strategic implications for our business can be summarised by two main scenarios: the **Paris-aligned scenario** (1.5°C leading to transitional risks) and the **No mitigation scenario** (4°C leading to physical risks). Both scenarios are interconnected. If we stay closer to the 1.5°C scenario, physical risks such as the extreme weather conditions are less likely. If we head towards the 4°C scenario, physical risks such as drought, floods, wildfires will prevail and therefore the transition risks, such as the failure to embed climate-related matters in our services, will become less relevant.

Risk Measurement



Our level of control and ability to reduce risk changes as we move downstream towards our business portfolio and the broader market, where we'll need to work proactively with other stakeholders to make sure we're making progress for our business and tackling broader climate change. Some of the risks have already been addressed by the measures that we have in place and a few of the other risk areas are to be addressed in the upcoming years.

Scenario Analysis



We periodically review the relevance of the scenarios we apply in our analysis and refine as needed. The ambition for the upcoming years is the full integration of climate risk within the overall risk management, including qualitative and quantitative analysis, as well as the scenario analysis for physical and transition risks specific to PwC NL.

Transitional and physical risks & opportunities – our response [1]

The below table includes the transitional and physical risks and opportunities related to climate change specific to PwC NL and the measures taken

Type of Impacts	Risk or Opportunity	Description of Risks and Opportunities	Business impact	Our Business Response
Transitional & Physical	Both Scenarios (Paris-aligned & No mitigation)			
	Opportunity	Opportunities to drive energy efficiencies through energy saving policies and measures	Direct impact	Invest in use of renewable energy in order to consume less than 70 kWh/m² in our buildings by 2030.
	Risk & Opportunity	The need to adapt our core services to embed consideration of climate-related matters	Portfolio impact	To be addressed in Sustainability Strategy Plan.
		The development and scaling of new and emerging climate services to support clients	-	To be addressed in Sustainability Strategy Plan.
		Continued ability to attract and retain talent	-	Campaigns to create awareness and share our ESG knowledge and experience. Opportunity for employees to contribute to sustainability-focused pro-bono projects.
		Brand/reputational impact arising from our contribution to the climate agenda	Direct & Portfolio impact	- PwC has committed to Net Zero and has validated Science Based Targets in line with a 1.5-degree scenario. We practice what we preach and share our performance in our annual report. We communicate our Climate Action Plan publicly and contribute to the debate and development of innovative emission reduction strategies and technologies. - We build partnerships and coalitions (UN Global Compact, Anders Reizen, MVO Nederland, SkyNRG Board Now) to lead engagement and share best practice.

Transitional and physical risks & opportunities – our response [2]

The below table includes the transitional and physical risks and opportunities related to climate change specific to PwC NL and the measures taken

Type of Impacts	Risk or Opportunity	Description of Risks and Opportunities	Business impact	Our Business Response
Transitional	Risk & Opportunity	Paris-aligned scenario (well below 1.5°C)		
		Disruption in sectors and geographies with high levels of transition risk impacting portfolio	Portfolio & Broader market impact	To be addressed in Sustainability Strategy Plan.
Physical	Risk	No mitigation scenario (>4°C)		
		Significant disruptions in network offices arising from acute and chronic climate events	Direct impact	Our hybrid way of working makes our workspace less location bound. Annual assessment on risk exposure is conducted.
		The portfolio impact of potential acute and chronic climate events in higher risk geographies	Portfolio & Broader market impact	To be addressed in the Sustainability Strategy Plan.
		Extreme weather events affecting sectors with supply chains located in high physical risk	Portfolio & Broader market impact	To be addressed in the Sustainability Strategy Plan.
		Impact on business travel from extreme weather events		We provide flexible meeting options to achieve a 50% business travel emission reduction target by 2030. We have made significant investments in our own digital transformation enabling, us to deliver more services virtually, reducing the need for business travel.

An aerial photograph of a lush green river delta with a large, bold orange number '4' overlaid on the right side. The river channels are dark blue, and the surrounding land is a vibrant green. A semi-transparent white rectangle is positioned over the lower part of the image, containing the title text.

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Governance, resources and budgeting

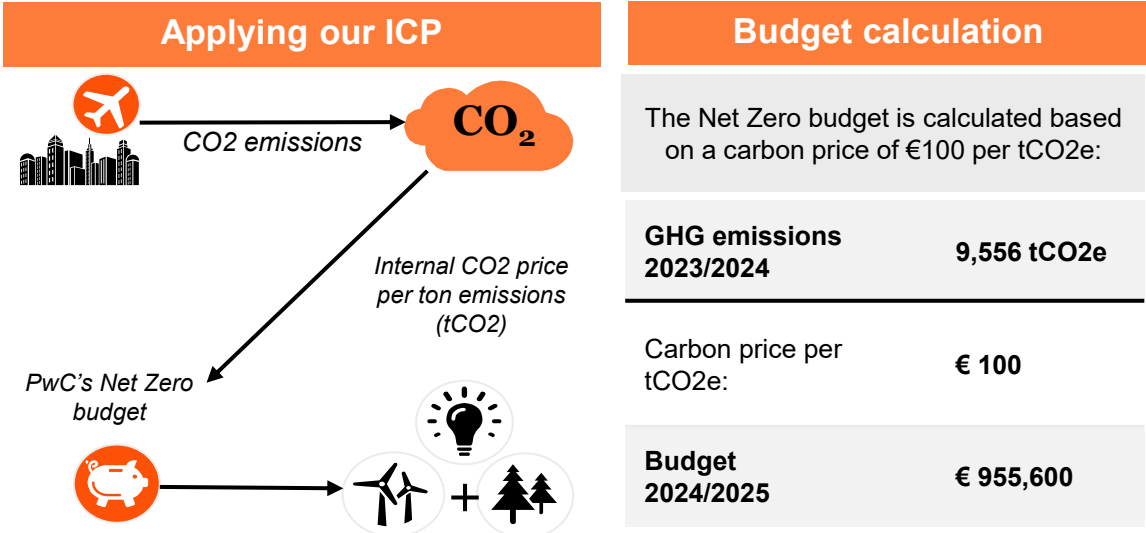
Resources and budget in place to support the climate action plan

- Appropriate resourcing is important to ensure the climate action plan is implemented in timely manner.
- Net Zero is a collective goal at PwC. While the CS team leads the strategy development and performance tracking, execution and ownership reside with various Firm Services departments.
- The Net Zero strategy and execution is aligned with the annual Business Planning Cycle (BPC), budget allocation aligns with the decisions made during the BPC.
- COO/CFO represents Corporate Sustainability and Net Zero interests in the Board of Management.
- The environmental budget is created by applying an Internal Carbon Price (ICP) of 100 euro/tCO₂e. This budget is the minimum amount we want to spend, additional costs can be covered, if needed.
- Our Climate Action Plan is integrated into our strategy and finances, overseen by the Board of Management for accountability.
- Incorporating environmental factors like climate risk into our services is crucial. Our governance framework supports this by directing investments to improve our sustainability expertise.

- The Internal Carbon price budget is used for **reduction measures, compensation and innovation**, e.g. Environmental Footprint Insights, Sustainable Aviation Fuels and our Circular Renovation.
- Environmental budget spend is managed by the Corporate Sustainability team. Together with Finance and the responsible Firm Services directors, investment decisions are made. Not all budget is on the CS-team P&L, so effective environmental spend is a shared responsibility.

Internally, this has brought us:

1. **A way to centrally carry the additional costs** of sustainability measures, and speed up approval processes
2. A **financial KPI to steer** on, also towards other IFS departments
3. A tool to help **create business cases on a project** basis



Investment required for mitigation & adaptation action

Significant monetary amounts of Capex and Opex required to implement the mitigation and adaptation actions

Climate Change			
Decarbonisation Levers	Expected reduction 2030 (tCO2e)	CapEx required to implement the actions	OpEx required to implement the actions
Behavioural Changes	1,715	0	0,5M
Fuel Switching	2,892	0	5,0M
Electrification of Transport	1,693	0	0
Renewable Energy	98	4,2M	0,2M
Climate Change Services		t.b.d	

More information on our sustainability efforts

<https://www.pwc.nl/nl/onze-organisatie/corporate-sustainability>

More information on our Climate change Own Operations policy

<https://www.pwc.nl/nl/onze-organisatie/assets/pdf/climate-change-own-operations-policy.pdf>