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On behalf of our partners and people I am very proud to introduce our 2016 Annual Review for Deloitte in Switzerland.

Our purpose at Deloitte is to make an impact that matters. We work with our clients to help them identify and solve complex issues and we provide insight and opinion on marketplace uncertainties which are impacting both national and global organisations in Switzerland. Topics like exponential technologies, changing regulatory requirements and globalisation require a broad perspective and create a real opportunity for our clients to embrace and benefit from these challenges.

The past twelve months have been an incredibly exciting and successful period for our firm. The aim of our Annual Review is to capture some of these highlights and to provide the reader with a sense of the impact Deloitte in Switzerland is having in the marketplace. Some of these highlights include:

- Continued commitment to delivering quality and value beyond compliance in everything we do and a methodical approach to ensuring our core audit proposition is the best it can possibly be.
- Strengthening our local and international tax footprint which ensured Deloitte was awarded Tax Firm of the Year in Switzerland for the fourth consecutive year.
- Cementing our position as the leading advisory firm in Switzerland with tremendous new business successes. Further expanding our footprint in forensics, M&A, technology and cyber risk services through the acquisition of teams and combining our local strengths with global delivery centres.
- An emphasis on talent investment and a focus on forward-thinking teams. This year we have welcomed 20 new partners and hired 612 people, including nearly 200 graduates, as we strive to become the firm of choice for the very best talent within Switzerland.
Recognising that no business can stand still, innovation is a hot topic in today’s business world and we are helping our clients capitalise on new ways of thinking, operating and connecting. We have produced a number of cutting-edge insight reports on topics such as Sharing Economy, Blockchain, Digitalisation, Workplace of the Future and Automation as well as hosting many C-Suite innovation workshops in Zurich, Basel, Lausanne and Geneva.

And on a personal note, I am delighted to welcome my new Executive team to help me lead our member firm through to 2020. Jackie Hess is part of this team, the first female service line leader of any Big Four firm in Switzerland. Women represent 27% of our firm’s leadership and we continue to create a culture of opportunity and growth within our firm.

Whilst I am of the view that financial growth is simply an output of delivering on the fundamentals of clients, talent and services, it is naturally pleasing to be able to report yet another very strong financial year for Deloitte in Switzerland. We continue to see significant growth across our businesses, and have achieved a 24% overall revenue increase in FY16, generating gross revenue of CHF 660 million.

Looking ahead

I am excited about the opportunities the next financial year and the run up to 2020 present. Under my leadership, we will continue our commitment to serve our clients in new markets in new ways. We are also in the midst of creating an advisory board, which will include Swiss business leaders sharing their market experiences to help us add another dimension to the services we offer. This is a fantastic time to be at Deloitte in Switzerland and we are determined to work hard to continue to make an impact that matters to our clients, our people and society.

I hope you find this year’s Annual Review interesting. Please share your thoughts and feedback with me at szowen@deloitte.ch.

Simon Owen
Chief Executive

This is a fantastic time to be at Deloitte in Switzerland and we are determined to work hard to continue to make an impact that matters to our clients, our people and society.
Deloitte is committed to the future of Switzerland and Swiss businesses. The world is changing with new technologies and new ways of working having significant impact on our clients. We actively invest to help our clients transform their organisations, accelerate talent and fuel economic progress. Innovation is at the heart of our business and we are there for our clients during their most critical moments, working together to solve complex problems and identify ways to move up the value chain.

We strive to act as ‘connectors’, listening carefully to our clients’ needs and introducing them to new ideas and approaches to optimise their operations and enhance their growth.

We support our clients to become disruptors rather than being disrupted and to improve delivery and revenue. An example of this is our continued commitment to Switzerland’s life sciences industry. Deloitte has seen a 33% cumulative average growth rate across our life sciences services over the last three financial years.

This is a testament to the value we bring our clients through industry specific knowhow and an industry centred approach. Building strong and trusted relationships with our clients is important to us. Our client portfolio includes local and multinational organisations operating in a wide range of sectors and industries.

We have worked with major companies on the likes of business transformation, digital innovation and M&A.
Providing insight that matters

We are passionate about providing deep industry expertise and forward-thinking insight to help our clients stay one step ahead in a changing environment.

From an industry perspective, we support clients to adapt and inspire them to reinvent themselves. In banking, we support the industry by launching insight on key trends such as digitalisation, demographics, globalisation and the future of banking. We provide our clients with the opportunity to discuss their current strategy challenges and bring them the latest findings on key exponents, such as FinTechs, to collectively embark on a journey. In manufacturing, our study Industry 4.0 illustrates the key challenges and solutions of mastering the digital transformation of the Swiss manufacturing industry and how it will have an impact across both local and global value chains in low-cost as well as high-cost countries.

Contributing to the wider conversation of disruption is also at the foundation of our organisation and we believe in sharing our perspective on how new ways of thinking, operating and connecting are changing the Swiss landscape.

This year, we have explored a number of forward-thinking insights, such as how automation can transform business processes, how the sharing economy is transforming ‘traditional’ business sectors, and what the Swiss workplace of the future might look like.

We also believe in making our insight accessible to everyone. We are the most followed Swiss professional services firm on LinkedIn, with our page receiving an 85% growth rate in FY16. We have also invested heavily in our blog platforms so our client communities can stay up to date with reactive and relevant perspectives in the areas that interest them most.

Accelerating organic growth in a B2B environment

Nespresso selected Deloitte to help them think of ways to accelerate B2B organic growth.

“The work Deloitte did was very impactful for our department. We are already using and applying what we have built together in our daily interactions at headquarters level and soon at market level since it will be part of our future strategy to support markets in driving the segment’s growth and enhancing our commercial capabilities.”

Kika Buhrmann,
Global B2B Commercial Excellence Manager,
Nestlé Nespresso S.A.
Advanced reporting and data analytics

Deloitte, as auditor of J. Safra Sarasin Group, has established innovative and technology empowered means of communication with component auditors and reporting to Group management. This allowed us to receive consistent information, provide insightful benchmarking information and deliver advanced audit reporting that supported Group functions, the Audit Committee and the regulator in their assessment of the Group’s consolidated supervision.

“It is during challenging conditions that the true worth of an organisation becomes evident. Deloitte has shown the attributes required to master change and shape the audit of the future.”

Ilan Hayim
Chairman, Bank J. Safra Sarasin Ltd

Building forward-thinking digital and innovation capabilities

The objective was to identify ways to accelerate and foster innovation from within. To turn ideas into reality, Deloitte brought together a team of pharmaceutical and digital experts who helped design four global digital initiatives. They aimed to increase digital maturity levels across Takeda’s global organisation, raise awareness about digital business opportunities, infuse external expert knowledge, and fuel internal innovative thinking by building a foundation for digital experimentation, where new ways of thinking and working can be discovered by testing and learning.

“Now is a transformative time for pharma, thanks in large part to the digital and technological revolution of today, and how it is converging with our industry. We endeavour to embed digital into our collective DNA to make it core to everything we do at Takeda. Deloitte’s expertise in this field is key in helping us achieve our transformative journey.”

Bruno Villetelle
Chief Digital Officer, Takeda

Embarking on an innovation learning journey

Our Swiss based global account team started a broad ranging discussion with PMI’s most senior executives, engaging Deloitte Centre for the Edge and Singularity University to cover topics such as consumer behaviour and experience, scalability, regulated markets, and ecosystems.

“Deloitte listened carefully to our needs and proactively deployed their best global specialists and eminent experts to bring relevant insights and perspectives that helped us in thinking through our innovation approach. They impressed us with their confidence to address innovation as a topic, with the quality of the expertise that they were able to contribute, and with the boldness of the programme that they led us through. Deloitte’s selection of companies to visit, hands-on facilitation, and quality discussion helped us to cover all critical aspects of our innovation journey.”

Jacek Olczak
Chief Financial Officer,
Philip Morris International

For a full version of these client stories and additional case studies visit our microsite, annualreview.deloitte.ch
Enhancing growth and ensuring compliance

Helping our clients optimise and transform their businesses to enhance their growth is a crucial part of our agenda. We support them through mergers and acquisitions to grow and expand in new markets and services as well as driving transformation through change management and new business models.

We help them adapt to and comply with new regulation and find ways to unlock value beyond compliance.

Our Tax & Legal practice supports clients both locally and globally to comply with the multifaceted tax laws and regulations that impact their global mobility, and are proud to be leaders within Global Employer Services. We take a proactive role in delivering current updates and insight regarding OECD’s initiative on Base Erosion and Profit Shifting (BEPS) as well as Switzerland’s Corporate Tax Reform III. Being recognised as the Tax Firm of the Year in Switzerland four times in a row, and Transfer Pricing Firm of the Year four times in the last five years clearly shows our commitment.

Our Audit & Risk Advisory business has a relentless focus on quality and we are invested in building our regulatory advisory and compliance services as well as supporting our clients through our leading cyber practice.

We are proud to operate the largest forensic practice in Switzerland, which has deep expertise in forensic technology and analytics.

We work closely with regulators and legislators to ensure we take a leading role in the development of future frameworks and requirements. Mandated by regulators, such as the Swiss Financial Market Supervisory Authority (FINMA), we execute regulatory audits and demonstrate our commitment to public interest and investor confidence.
Offering alternative delivery models

We strive to offer our clients the best possible service and work with them to explore alternative delivery models so they can operate efficiently and respond to market challenges.

We work closely with clients to grow their delivery model offerings, through remote delivery techniques and flexible resource models, to ensure they are leveraging the most appropriate resources from the most appropriate locations.

Deloitte’s capability to construct teams from resources with strong industry experience, coupled with deep service knowledge, creates value-add for our clients. We work tirelessly to leverage the power of our global network to establish ourselves as the leading provider of client solutions. Our various Global and EMEA Centres of Excellence have dedicated and highly-secured laboratories providing support to solve the most complex of issues.

Business transformation

“Deloitte has created a new capability in Operational Excellence which will allow Syngenta to sustain all the business transformation changes. Deloitte defined new capabilities in the Sales Strategy and Operations areas, developing and implementing new technologies with SFDC providing a better customer experience through better ways of working for the sales operations staff. Deloitte has also brought an outside-in perspective on how other companies make transformational change happen and challenges us on how we believe we will make the solutions sustainable in the different geographies”.

Jorge Lopez
Global Program Manager and Commercial Transformation Lead, Syngenta AG

Developing a sustainable IT transformation roadmap

The Swiss Customs Administration, with the help of Deloitte, developed a sustainable IT transformation roadmap that evolves its business model towards the digital age of cross-border trade and national security.

“The Swiss Customs Administration, with the help of Deloitte, developed a sustainable IT transformation roadmap that evolves its business model towards the digital age of cross-border trade and national security.

“Deloitte has been a trusted advisor and shown that the extremely challenging timeframe and goals can be achieved by employing good practices, an agile approach and a great team spirit. The team, comprising of the Federal Office of Information Technology, Systems and Telecommunications, Federal Customs Administration, and Deloitte staff, went the extra mile and developed an outstanding result which is considered a benchmark and best practice in the public sector today.”

Eveline Gugger Bruckdorfer
VP – Head of Resources, Swiss Customs Administration

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Delivering value using new technologies

“The rate of change in our clients’ business environment is only increasing; no industry is left untouched by the disruptive opportunities that technology, regulation and societal trends open up. Deloitte helps clients understand the nature of the impact and how to turn new ideas into concrete results in a modern organisation. Innovation is at the heart of what we do, starting with ourselves.”

**Bjørnar Jensen**, Managing Partner, Consulting, and Innovation Leader

Deloitte is continuously investigating how exponential technologies can improve existing services and help transform their disruptive potential into opportunities for our clients in the Swiss market. 90% of all data was captured and stored in the last two years, a trend that is continuing. Companies who can turn data into insight and decisions will have a real competitive advantage.

At Deloitte, we are helping clients leverage agile technologies such as process robotics and cognitive automation and machine learning.

We support our clients driving further efficiencies and quality in their operations, and help them make better decisions for the future.

Our robotic process automation (RPA) offering assists clients retain more activities in Switzerland rather than moving jobs abroad: by allowing technology to take care of repetitive, low-value activities, RPA allows our clients to focus their energy on critical decisions and value creation.

Technology is also an essential component for almost every forensic project and intelligent software revolutionises the analysis of massive data volumes. Our expert teams use state-of-the-art concept search software and sophisticated algorithms to spot anomalies and find links between suspicious people and their transactions.

The big advantage of today’s technology is that the software develops its own search terms and learns to recognise suitable and unsuitable patterns.
Deloitte is taking bold steps to push the limits of traditional audit and explore ways in which technology can play a part. The audit environment is at a critical inflection point to remain competitive and in response we are exploring ways to develop a wide range of next generation supporting audit applications.

We aim to differentiate our audit offering in the marketplace and to be seen as innovators, both through analytics and exponential technologies such as artificial intelligence and blockchain.

However, we recognise that innovation is not all about technology – the real impact comes from rethinking business models and processes with the help of new tools and insights. Keeping in mind that almost 90% of the Fortune 500 companies have shared service operations, our forward-thinking mindset took us to review how to audit those centres. Rather than auditing them remotely, we engaged in a new way by testing the financial information from the centre, with live reporting all year long, thus increasing the effectiveness and productivity.

In addition to these endeavours, we have also been working towards driving a culture of innovation internally. We are strengthening our global network to foster collaboration, and exploring ways to reinvent the way Deloitte helps our clients harness these forces of change as they head towards 2020 and beyond.

“Despite all the challenges the industry is facing, our unwavering commitment to consistent high-quality audits and focus on delivering an innovative experience is the future of audit. Our innovation programme will differentiate Deloitte’s audit offering, and support our aspiration to increase our audit market share in Switzerland and to be recognised as the undisputed leader of the profession by all stakeholders.”

Thierry Aubertin, Managing Partner, Audit
Creating an innovative culture

“As the new talent partner my goal is to enhance our inspirational culture. Whatever career path our people take, I want them to value their Deloitte in Switzerland experience as the best time in their professional life.”

Anna Samanta, Managing Partner, Talent

Our people are at the heart of our organisation and it is their entrepreneurial spirit that is making an impact to clients and driving our success.

The innovative culture of our people not only differentiates Deloitte in Switzerland but also acts as one of our greatest competitive advantages in the marketplace. We work on some of the most advanced, transformational projects happening in Switzerland which provides growth opportunities for our people.

As stated in our talent stories, Deloitte strives to offer our people the freedom to explore their ambitions, work on interesting client engagements and innovate to support clients. To make this happen, innovative people and innovative leaders really matter. Therefore, it is a business priority to attract, value and retain a smart and forward-thinking workforce.

We continue our commitment to revolutionise the workplace. We are proud to have the first female service line leader of a Big Four firm in Switzerland. We have invested in new ways of working and our Deloitte Geneva office has been set up to create a social, flexible and technological space for our staff to collaborate cross-function and generate creative solutions.

This space encourages a teaming culture and open dialogue where our people can bounce ideas, ask questions, share knowledge and challenge each other.

The success of this is supported by the fact we were ranked number 6 amongst the multinationals in Suisse Romande (region) as part of the annual survey on HR best practices, organised by Bilan magazine. We were the top professional services firm to be included and were explicitly mentioned for proposing a new, innovative and collaborative workspace in our new offices in Geneva.
Moreover, our diverse and inclusive workforce provides us with an innovative way of thinking. Our people in Switzerland represent over 50 different nationalities and we welcome people regardless of their background and lifestyle choices.

We value our relationships with schools and universities and partner with University of St. Gallen to attract and work with the most talented individuals from the strategy and international management programme to provide fresh insight and ideas.

“I have experienced first-hand the difference a motivated and highly talented team can make – to job satisfaction of our people and to the service we deliver to our clients.”

Anna Samanta, Managing Partner, Talent
Life at Deloitte

Alexandre Dubi
Partner, Audit, Geneva

Alexandre moved to India for a two-year contract to revolutionise audit and implement a completely new service: doing the audit from the Shared Service Centre of the company rather than doing the audit of it remotely.

“Deloitte has this entrepreneurial spirit that makes it a unique company to work for. It’s one of a few that can bring modernity to an ageing industry. When I came with this idea of shifting the focus of the audit I was immediately encouraged to implement it and this opportunity led me to a fantastic experience in India.”

Natalie Petraglio
Senior Manager, Internal Client Services, Geneva

“The world is changing rapidly and we need to rethink our current models, including how we are doing business. We need to adapt, drive change, and constantly reinvent ourselves. At Deloitte I feel supported in bringing new ideas and implementing them. Our goal is to help our clients face new and upcoming challenges and embrace the disruptive trends of their industries.”
Since he joined Deloitte, Bernhard has worked hard with the senior leadership to bring innovation to the forefront of audit services.

“I have a personal passion for blockchain and cryptocurrencies, which are not words you usually associate with the traditional audit.”

Bernhard Meier
Assistant Manager, Audit, Zurich

“Barely eight months after joining the Swiss Forensics team I was already encouraged to accept a secondment advising the Partnering Against Corruption Initiative (PACI) industry project at the World Economic Forum. This was a fantastic opportunity and I learned a lot by being accountable for the outcome.”

Samuel Rohr
Consultant, Financial Advisory, Geneva
Making an impact to society

At Deloitte, we are committed to making an impact both in the economy and within society in Switzerland and beyond. We support innovative start-ups and associations by offering them free access to our facilities and services and encourage our people to partner and build ecosystems with young companies.

This can be seen through our support for the Nexussquared Blockchain acceleration programme whereby we offered 10 blockchain start-ups the opportunity to work on their business models in one of our innovative Greenhouses.

We believe in supporting real world causes and the initiatives that matter most to our people, recently organising fundraising activities where all proceeds went to the UN Refugee Agency.

We have carefully selected four organisations, nominated by our people, to be our charity partners in order to maximise our impact and make a real difference to the disadvantaged beneficiaries of the organisations. These are Aqua Alimenta, CBSM (Community Breakthrough Support Mission), Schweizer Tafel and the Theodora Foundation. Our engagement goes from building up a secondary school in Kimilili, Kenya to supporting 70 Giggle Doctors carrying out 100,000 visits a year to hospitalised children in Switzerland.

Health & wellbeing is a fundamental tenet to our firm and we actively engage in a number of sporting initiatives. We have been sponsors of the Schweizer Firmen-Triathlon for three consecutive years, with over 100 of our Deloitte staff participating each year. We are also passionate about connecting our Swiss staff to the global D.Cycle network as part of our Global Team Dimension Data sponsorship (Africa’s only UCI Professional Continental Cycling Team) to increase community, wellness and philanthropy through cycling.
As part of this initiative, we will be contributing to the Deloitte Global goal of donating a number of bicycles to families in Africa so children have better connection to education instead of spending hours walking to school.

We are committed to community investment and our staff actively participate in charities that personally matter to them. For instance one of our partners has been running an annual marathon on each continent for the charity, CBSM Kimilili, since 2012. Our staff's stories of purpose define who we are and bind us together to make a real impact to society.

We believe in supporting real world causes and the initiatives that matter most to our people.
Executive team

Simon Owen
Chief Executive

Thierry Aubertin
Managing Partner
Audit

Mark Carter
Managing Partner
Risk Advisory

Anna Celner
Managing Partner
International

Nick Davies
Managing Partner
Growth, Strategy & Performance

Stuart Diack
Managing Partner
Quality, Risk & Security

Reto Savoia
Deputy CEO/
Managing Partner
Clients & Markets

Jackie Hess
Managing Partner
Tax & Legal

Bjørnar Jensen
Managing Partner
Consulting

Jean-François Lagassé
Managing Partner
Financial Advisory

Anna Samanta
Managing Partner
Talent
Performance numbers

Service line revenue growth (revenue in millions of CHF)

- FY14: 151 Audit, 75 Tax & Legal, 171 Consulting, 64 Financial Advisory, Total: 461
- FY15: 158 Audit, 86 Tax & Legal, 181 Consulting, 107 Financial Advisory, Total: 532
- FY16: 181 Audit, 91 Tax & Legal, 294 Consulting, 94 Financial Advisory, Total: 660

Investment in learning & development (in millions of CHF)

- FY14: CHF 3.7
- FY15: CHF 3.8
- FY16: CHF 4.4

Employees by year

- FY14: 1,308
- FY15: 1,431
- FY16: 1,690
### Marketplace

<table>
<thead>
<tr>
<th>Revenue&lt;sup&gt;1&lt;/sup&gt; (CHF m)</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>461</td>
<td>532</td>
<td>660</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Service line revenue (CHF m)</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td>151</td>
<td>158</td>
<td>181</td>
</tr>
<tr>
<td>Tax &amp; Legal</td>
<td>75</td>
<td>86</td>
<td>91</td>
</tr>
<tr>
<td>Consulting</td>
<td>171</td>
<td>181</td>
<td>294</td>
</tr>
<tr>
<td>Financial Advisory</td>
<td>64</td>
<td>107</td>
<td>94</td>
</tr>
</tbody>
</table>

<sup>1</sup> Gross revenue of Deloitte in Switzerland and Deloitte in the UK from Swiss clients
## Workplace & Diversity

<table>
<thead>
<tr>
<th></th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of employees as per 31 May</strong></td>
<td>1,308</td>
<td>1,431</td>
<td>1,690</td>
</tr>
<tr>
<td><strong>Total partners</strong></td>
<td>94</td>
<td>103</td>
<td>120</td>
</tr>
<tr>
<td><strong>% of female partners</strong></td>
<td>12%</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td><strong>Female employees</strong></td>
<td>486</td>
<td>525</td>
<td>595</td>
</tr>
<tr>
<td><strong>% of female employees</strong></td>
<td>37%</td>
<td>37%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>% of female in executive roles</strong></td>
<td>17%</td>
<td>17%</td>
<td>27%</td>
</tr>
<tr>
<td><strong>Number of graduates recruited</strong></td>
<td>148</td>
<td>153</td>
<td>193</td>
</tr>
<tr>
<td><strong>Investment in learning &amp; development</strong></td>
<td>CHF 3.7 M</td>
<td>CHF 3.8 M</td>
<td>CHF 4.4 M</td>
</tr>
</tbody>
</table>
Notes