

Carbon Emissions

Footnotes for Deloitte Denmark FY23

1. Our business travel emissions reduction target is anchored to a commitment to deliver an absolute reduction in these emissions regardless of future growth.
2. The PG&S methodology is based largely on procurement spend data. We apply a number of assumptions to the spend data, including how we allocate spend into procurement categories, how we treat our suppliers' reported Scope 3 emissions, the CDP sector emission factors we apply to each spend category, and the extrapolation factors. We continually review our approach to reduce the risks inherent in these assumptions and the impacts of year-on-year fluctuations.

In FY2023, we revised the methodology for calculating real estate emissions included in reported PG&S emissions to align with updated guidance from the real estate sector. As a result, we have removed upfront embodied carbon real estate emissions from reported PG&S emissions. For comparability, this change in methodology has been retrospectively applied to previously reported PG&S amounts, which has resulted in a restatement of PG&S emissions for the base year and all previous years shown in this report. The restatement has resulted in emissions decreases of 1,481 tonnes in FY2022; 1,921 tonnes in FY2021; 1,459 tonnes in FY2020; and 1,098 tonnes in FY2019. Additional details on this restatement are provided in the Basis of Reporting in the Deloitte Global FY2023 Impact Report.

We will continue to review our approach to Scope 3 reporting in the future, aiming to continually improve the accuracy of our disclosures. When these enhancements lead to a material change in a reported figure, we are committed to explaining the nature of the change, our reasoning for its appropriateness, and the percentage variance compared to previous methodologies.

3. FY22 was the first year we calculated and reported emissions from employee commuting and homeworking. Before the Covid-19 pandemic, employee commuting and homeworking was deemed to be outside of our operational control and therefore not reported. Covid-19 has had significant implications for working patterns and consequently a hybrid working model became embedded during FY22. This means we consider commuting and homeworking now to be a fundamental part of our operating model and accordingly we now purchase offsets/ CERs to cover this emissions category and will continue to do so going forward. For transparency and comparability, we have retrospectively calculated emissions in this category and reflected this in the Gross and Net emissions totals for FY19 - FY21. Due to limitations on actual data, it should be noted that a proportion of the commuting and working from home calculation rests on assumptions and industry benchmarks. We will refine these assumptions and improve the methodology moving forwards as guidelines develop.

4. From FY23 we are taking a new approach to Beyond Value Chain Mitigation (BVCM). We are purchasing CERs ('carbon offsets) equivalent to our Scopes 1&2, business travel and homeworking/commuting emissions; we are additionally providing direct investment and skills-based support to projects that will drive the net zero transition outside of our value chain. We are therefore no longer reporting 'net emissions' that solely factor in carbon credit purchases.
5. For consistency across NSE, the Full-Time Equivalents (FTE) data used to normalise our environmental data is sourced from NSE internal management reporting. These FTE amounts vary slightly with those reported in statutory financial statements depending on country-specific reporting requirements.
6. Our supply chain target is tracked at a global level as that is where our core Procurement function sits. All global Deloitte member firms contribute to progress against this target. An additional 6% of our suppliers globally have committed to set SBTs. NOTE: This metric has not been externally assured.