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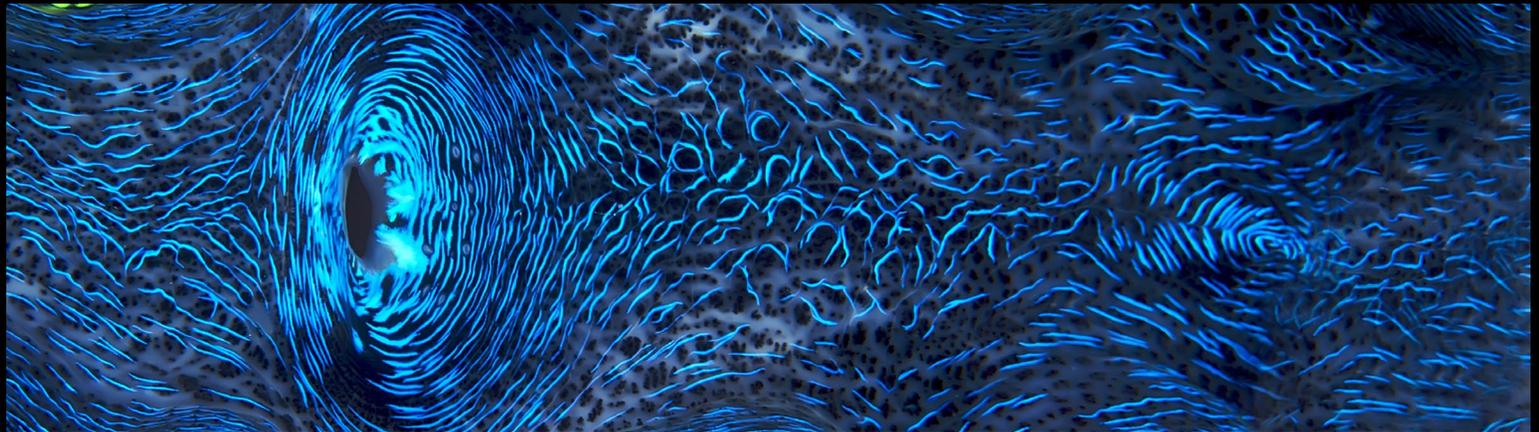
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Voluntary value

Putting a price on societal impact helps raise awareness—and fuel success

Protecting a natural asset

The Great Barrier Reef is the world's largest living organism. It's visible-from-space big. It's vital-to-a-continent's-economy big. And it's in trouble. Bleaching—caused by warm, acidic waters—is killing large swaths of coral. Besides the obvious environmental cost, the commercial consequences could be severe because the reef supports so much business activity, so many jobs and is so integral to Australia's brand.

Just how integral? That's what the [Great Barrier Reef Foundation](#) wanted to find out. The Foundation chose Deloitte's economics advisory practice in Deloitte Australia—known as Deloitte Access Economics (DAE)—to calculate the economic, social and iconic value of the reef.

"The Foundation approached us because, four years ago, we completed a high-profile economic contribution report for the Sydney Opera House," says John O'Mahony, partner, DAE, Deloitte Australia. "They believed a similar valuation of the reef could help people appreciate its importance, and shape thinking and policy around its future."

Drawing on more than 80 economic and scientific data sources, models and valuers—as well as a survey of 1,500 Australian and international respondents from 10 countries—the DAE team determined the reef is worth a staggering US\$42.5 billion. "When we started, we assumed we were going to come up with some pretty big numbers," he recalls, "but even we were surprised by just how big they were."

The overall amount included a direct contribution of US\$4.9 billion to Australia's economy and US\$22 billion in tourism benefits. DAE's research also determined 64,000 jobs are connected directly to the reef, more than half of respondents feel it is vital to the planet, and two-thirds would pay to protect it.

"More and more clients are seeking economic analysis to help inform strategy and decision making," O'Mahony says. "We hope that putting a dollar value on the Great Barrier Reef will help the Foundation inform policy areas that can impact this essentially invaluable natural asset. We also hope it emphasizes to Australians, and to the world, how threatened the reef is."



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Measuring performance against promise

As a for-profit, public-benefit entity of its parent company, one US life sciences client pursues the creation of positive social impact alongside financial returns. The question is, how do you measure the impact you're making to prove you're meeting your strategic goals? Deloitte Consulting LLP (US) was engaged to find out.

Deloitte's social sector specialists in the US worked closely with the client as they prioritized impact goals and established standards, ensuring that measurement and evaluation techniques would be meaningful and credible for a team trying to transform health care for underserved patients in emerging markets.

"Together, we generated two levels of measurement," explains Joseph Klaja, principal, Deloitte Consulting LLP (US). The first shows how investment projects can help improve individual health outcomes and the broader health systems in areas in which the client works; the second gauges the overall effectiveness of the client's portfolio.

"Not only did the measurement framework make it possible for our client to evaluate their social impact, but it should also equip them to make decisions on resource allocation," Klaja says. "It's designed to scale as they grow and give them insights on how they could continually improve and tailor services, solutions and products to each market."

It all starts with purpose

Software giant Intuit recently created a corporate social responsibility (CSR) strategy to help it focus and elevate its citizenship efforts in ways that strengthen its impact and reputation. The team felt it needed a unifying social purpose to rally behind. That's where Deloitte came in.

"They wanted something that felt authentic to the company's culture and mission, something that reflected their unique position as a business, their products and the aspirations of their people," says Steve Fineberg, Deloitte Financial Advisory Services LLP (US) partner and lead client service partner for Intuit. A benchmark study helped company leaders understand where Intuit stood relative to its peers, while workshops with dozens of stakeholders helped the client's CSR team identify potential focus areas.

The issue that ultimately resonated with Intuit was economic opportunity for youth. With its course set, the CSR team learned more about the issues facing youth and how the company could make an impact. In the months since, the team has hosted youth skills-development events and pursued programming and initiatives that help promote youth economic opportunities that leverage Intuit's people, products and position.

Encouraging sustainable innovation

Working on behalf of the German government, GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) is Germany's leading provider of international cooperation services for sustainable development. Among its initiatives is the "[lab of tomorrow](#)," a concept that brings corporate executives, entrepreneurs and subject-matter experts together to work on business ideas that address specific challenges in developing countries.

"We teamed up with GIZ so we could learn more about the lab's participants' business needs and gain insights into their challenges in driving social innovations," says Nicolai Andersen, lead partner, Innovation, Deloitte Germany. "Together, we're trying to identify the best ways to scale the social innovation format into a sustainable and successful program."

The Deloitte Germany team developed a concept for sustainable innovation funding that uses social investment financing, which considers both financial return and social good. The team also developed a set of practical tools to support the project teams with their business development, and coached selected pilot teams on creating sustainable business concepts.



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Deloitte's WorldClass vision

New initiative to prepare 50 million futures for a world of opportunity

Addressing the employment gap

To understand the disruptive impact of Industry 4.0, consider that of every three children who entered primary school for the first time this year, two started a journey leading to jobs that likely don't exist today.

Preparing for this radically evolving workplace would be difficult enough if there wasn't already a huge gap between workers' skills and employers' job requirements. Almost 200 million people are unemployed globally while companies search exhaustively for qualified people. A quarter billion illiterate adults and almost 60 million children not attending school exacerbate the challenge.

"Millions of people are unable to fulfill their aspirations and potential. And that, in turn, is causing widening inequality, declining productivity and rising social tensions around the world," explains Deloitte Global CEO Punit Renjen.

Improving that situation is the focus of Deloitte's recently introduced, global social impact initiative, "[WorldClass](#)."

"The acceleration of technology and digitization across all aspects of life means there's an incredible need to help both people and organizations prepare for what's coming," says Stasha Santifort, Deloitte Global Corporate Responsibility & Sustainability leader. "WorldClass will help expand access to career-building opportunities for people left behind in the transformation to Industry 4.0." The goal is to reach 50 million futures by 2030, in line with the United Nations' Sustainable Development Goals (SDGs).

Amplifying what works

The global initiative expands on Deloitte's many existing and successful local programs. "About one-third of Deloitte's social impact efforts—more than 100 programs—are aligned to education, skills and access to opportunity," Santifort explains. "WorldClass builds on their work helping create pathways for individuals to fulfill their personal and professional aspirations."

One of those Deloitte social impact strategies, One Million Futures (OMF), aims to help a million people in the next five years get to where they want to be. The strategy builds on the success of existing education, skills-building and social-innovation programs delivered by Deloitte UK. OMF has launched new relationships with 31 charities and social enterprises from across the UK, each selected for their strong local impact and ability to improve education and employability outcomes.



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“In the program’s first year, it reached about 135,000 people, including pupils from 23 schools in low-income communities through our [Deloitte Access program](#),” says Deloitte North West Europe CEO David Sproul. “And we welcomed many individuals who left school and directly transitioned into the [BrightStart apprenticeship program](#), giving students the chance to gain a government-approved apprenticeship alongside professional qualifications.”

OMF is just one example of Deloitte’s extensive track record developing and deploying education, skills and learning initiatives that foster individual economic progress. Others include Deloitte Middle East’s Digital Youth Program, which helps bridge the digital divide. More than 400 Deloitte Middle East professionals have volunteered in the digital-training process and positively impacted more than 4,000 children. Also, Deloitte LLP (US) recently launched RightStep, a program designed to improve college readiness for 500,000 students over the next three years by mobilizing 10,000 Deloitte LLP professionals as volunteers.

Realizing refugees’ potential

Deloitte people in several countries are collaborating with Oxford University’s Refugee Studies Centre (RSC) and a global technology company on an innovative initiative, called “FuturesHub,” to help uncover the economic potential of refugees, with a particular focus on helping them find employment in their host countries.

To help guide their efforts, Deloitte and RSC conducted an exploratory study of refugees in Austria, the Netherlands and the UK. The research uncovered a paradox—many refugees are highly educated, yet 82 percent of those surveyed remain unemployed. The lack of proficiency in the local language was cited as one of the key barriers to employment.

“This work is helping fill in knowledge gaps about the economic lives, skills and talents of refugees,” says Jacques Buith, Deloitte North West Europe Risk Advisory partner and global lead client service partner for the United Nations. “By doing that, we not only can help refugees find work and become part of their communities, but we also can show how refugees can be positive contributors to society. The more we can do to change public opinion and influence policy and actions, the more people and communities we can help.”

Looking ahead

During FY2018, the Deloitte Global Corporate Responsibility and Sustainability team is exploring how to use Deloitte’s innovation capabilities to enable educators and businesses to deliver the skills individuals really need to meet future job demands. The aim is to rapidly scale existing societal programs with the greatest potential and leverage Deloitte’s measurement abilities to accurately gauge tangible impact.

“Society, in general, expects business to tackle the world’s tough challenges,” Santifort says. “Deloitte people live our Purpose—to make an impact that matters—in many ways each day. We live it in the business solutions member firms offer clients, how we develop the leaders of the future, and the communities we support. Deloitte professionals are motivated by a purpose beyond profit. Through WorldClass, we are stepping up our commitment to do more.”

WorldClass will amplify Deloitte’s best societal initiatives and create new opportunities for Deloitte professionals, who devoted more than 400,000 pro bono and volunteer hours to education and skills building last year. “Just as importantly, because of the magnitude of this challenge, we need to approach and collaborate with other organizations to achieve more inclusive growth,” Santifort adds. “We hope to motivate others to join us in Deloitte’s ambition to reach 50 million futures.”