

**Deloitte.**



**A new mindset for action**  
2018 Global Impact Report

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Deloitte is demonstrating a new mindset for action, redefining what success looks like, challenging expectations, blurring boundaries and responsibilities, and setting an example for others to follow.

[Watch video](#)

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## Deloitte Global Chief Executive Officer and Chairman of the Board

The Fourth Industrial Revolution (Industry 4.0) has arrived, bringing the physical and digital worlds together and profoundly shifting how humans live and work.

The workforce of the future needs to navigate this revolution, and businesses have an opportunity to lead all sectors of society through it. Consider these statistics:

- 65 percent of primary school children will work in jobs that do not exist today<sup>1</sup>
- By 2030, one in five workers will not have even a basic education<sup>2</sup>
- 750 million adults around the world are illiterate; two-thirds are women<sup>3</sup>
- 2 billion jobs will be supplanted by automation by 2030<sup>4</sup>

We are facing a critical global challenge—a fast-growing chasm between a technologically advanced world and millions of people unprepared to participate in it. This divide threatens not only the global economy, but also the wellbeing of society and our communities. When people are not equipped to succeed in the world of work, they cannot achieve their full potential, and business and society are worse off from the loss of talent.

To drive individual and collective prosperity, business needs a *new mindset for action*.

For Deloitte, that mindset centers on our commitment to helping people prepare for the work of the Fourth Industrial Revolution. This benefits clients, our people and our communities. And since our 280,000-plus professionals globally are what differentiates Deloitte in the market, it is essential that we build the talent pipeline of the future.

Our mindset for action focuses on the intersection of business and technology, and we are channeling the strength of our most valued asset—our talent—to help people around the world develop the skills required to succeed. Because when society thrives, business thrives.

Deloitte is committed to *making an impact that matters* through initiatives that include:

- [WorldClass](#), our global initiative to reach 50 million people by 2030 and provide them with access to education, skills, and opportunity
- Collaboration with the Refugee Studies Centre at the University of Oxford on an initiative designed to unlock the [economic potential of refugees](#) living in Europe
- Serving as the lead innovation partner for [UNLEASH](#), a global nonprofit organization supporting the next generation of leaders as they develop solutions to some of the world's most vexing problems
- Impact Day, a day of volunteerism when more than 70,000 Deloitte professionals mentor and support people in their communities and help nonprofits build their capabilities

In recognition of our work to prepare clients and our people for Industry 4.0, Fortune has named Deloitte to its prestigious 2018 *Change the World* [list](#), a yearly ranking of top companies that do well by doing good.

Want to learn more about the impact of our mindset for action? Explore our 2018 Global Impact Report.



Punit Renjen,  
Deloitte Global Chief Executive Officer



David Cruickshank,  
Deloitte Global Chairman of the Board



Punit Renjen,  
Deloitte Global Chief Executive Officer



David Cruickshank,  
Deloitte Global Chairman of the Board

<sup>1</sup> Qatar Foundation, [World Innovation Summit for Education](#), page 24. Originally from [WEF 2016: The Future of Jobs and Skills](#)

<sup>2</sup> Refers to workers between the ages of 18-64 years old. Qatar Foundation, World Innovation Summit for Education, page 32. Originally from World Economic Forum and World Bank, 2014

<sup>3</sup> [UNESCO Institute for Statistics, 2017](#)

<sup>4</sup> The Learning Generation: [Investing in Education for a Changing World](#), New York: The Education Commission, 2016

## We serve the public interest

We provide assurance and offer solutions that advance business, reduce risk and encourage confidence.

### Investor confidence

Deloitte is committed to constant enhancement of relevant and reliable audit processes that are increasingly essential to investor confidence and to the ongoing vitality of capital markets.

[Learn more](#)

### Risk management

Deloitte helps clients achieve a proactive understanding of opportunities and risks, build resiliency and confidence, and improve performance using digital innovations to navigate challenges.\*

[Learn more](#)

### Corporate governance

We advocate for better practices for boards and audit committees worldwide, and promote dialogue among corporations and their boards, investors, the accounting profession, academia and government.

[Learn more](#)

### Effective regulation

Deloitte works with governments to develop smart approaches to rulemaking, underpinned by good regulatory practices, as Industry 4.0, new business models and technological advancements create a regulatory sea change.

[Learn more](#)

### Audit quality

Using innovative technologies, Deloitte is changing the scope and timing of what an audit is, improving processes, mitigating errors and uncovering insights that inform decision-making.

[Learn more](#)

### Global tax reset

Deloitte helps businesses meet the challenges of a rapidly shifting global tax environment and works with governments to create tax systems that address new realities created by Industry 4.0.

[Learn more](#)

### Trade

Deloitte's Global Trade Advisory specialists help businesses establish international business strategies designed to manage costs and global trade regulatory requirements while leveraging innovative technology solutions.\*

[Learn more](#)



\*Certain of the services and relationships described above are not permissible under various independence rules and regulations for audit clients and their affiliates.

## We influence action

We develop and share valuable information that others can use to be more responsive and responsible.



Of CXOs surveyed,  
**1 in 4**  
highly confident  
they have the  
people needed  
for Industry 4.0

[4IR Readiness Report](#)



Millennials crave  
diversity, flexibility. Yet:  
**27%**  
say their workplace is  
not diverse  
**17%**  
say their workplace has  
become less flexible

[Millennial Survey](#)



Of surveyed  
executives, only  
**16%**  
say their organizations  
have well-defined  
strategies to manage  
contractors, freelancers  
and gig workers

[Global Human Capital Trends](#)

Executives' most  
concerning  
strategic issues



[Inclusive growth survey](#)



**88%**   
of surveyed executives  
are confident their  
organizations' could  
respond to a scandal,  
but only **17%**  
have run simulations

[Crisis management survey](#)

Number of  
machine-learning pilots  
and implementations



[TMT Predictions](#)



Projected global  
health care spending  
**US\$8.7**  
trillion by 2020

[Global health care outlook](#)



An estimated  
**3 million**  
people move to cities  
every week

[Strategies for smart cities](#)



**30%**  
Drop in Paris  
vehicular traffic in  
the past 15 years

[City mobility index](#)

## We promote ethical, inclusive practices

We seek to level the playing field by removing barriers for the disadvantaged and mitigating the actions of bad actors.



### Anti-corruption

Deloitte collaborates with the World Economic Forum to develop solutions through the Forum's multiyear Partnering Against Corruption Initiative (PACI) project. Recent efforts target corruption risks in infrastructure, engineering, construction and real estate.



### Human trafficking

Deloitte offers clients insight and potential solutions to combat human trafficking in their operations, and works with governments to apply innovative solutions through anti-human trafficking policy and legislation.\*



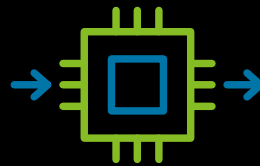
### Privacy and security

Deloitte helps organizations plan and execute an integrated approach to data security, privacy and confidentiality. Our worldwide network of Cyber Intelligence Centers provide around-the-clock advanced threat intelligence that helps clients become and stay secure, vigilant and resilient.\*



### Empowering women

Deloitte helps women around the world participate more fully in society and the economy by elevating their aspirations and connecting them with training and opportunities.



### Supply chain abuse

Deloitte helps clients integrate smart sensors, autonomous robots, blockchain and other technologies into their supply chains to decrease costs, increase efficiencies and weed out fraud.\*



### Integrating the displaced

Deloitte is identifying and addressing challenges refugees face as they seek jobs and become part of new communities. We work with businesses, government and NGOs to better target the assistance they provide.

\*Certain of the services and relationships described above are not permissible under various independence rules and regulations for audit clients and their affiliates.

## We ignite innovation

We are part of a global ecosystem that is using technology and innovative business and talent models to create a better future for everyone.

### Through our work

#### The business of tomorrow

Digital technologies continue to open up massive opportunities yet to be fully tapped. Deloitte brings together capabilities across disciplines and ecosystems to help shape the future in numerous domains, including [banking](#), [energy](#), [mobility](#), [regulation](#) and more.

#### Digital transformation

Deloitte is leading clients into Industry 4.0 by showing them how to merge the digital and physical worlds, and integrate and assess data from multiple assets to propel their operations to greater heights.

#### Health and wellness

Deloitte offers innovative health care approaches and perspectives to create better health outcomes and experiences. We currently are designing an [XPRIZE](#) aimed at making early cancer detection and treatment options available to everyone.

#### Future of work

As the “augmented workforce” evolves, Deloitte is helping clients not only transform operations using artificial intelligence, robotics, analytics and other technologies, but also prepare their people to prosper in the face of [disruption](#).

#### Resource sustainability

We help clients manage the business and environmental impacts of natural resources consumption, energy, waste and emissions by translating analytical insights into actionable cost savings, risk-mitigation opportunities and economic value.

### Through cooperative efforts

#### Innovation alliances

Deloitte is leading the conversation among [research scholars](#), [business executives](#), [startup hubs](#), [incubators](#), [global leaders](#) and others about advances in digital technologies, new business models and management practices that transform how people lead and innovate.

#### Singularity University alliance

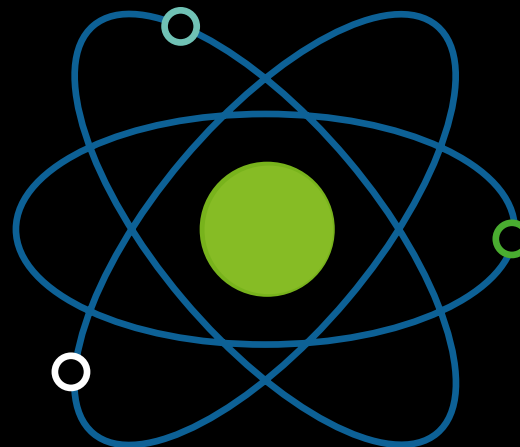
In FY2018, Singularity University and Deloitte extended their alliance to help global organizations mitigate threats and seize exponential technology opportunities. SU, in collaboration with Deloitte, has conducted 30 technology conferences, engaging more than 3,700 clients.

#### Social innovation

Deloitte recently expanded its multimillion-dollar [collaboration with New Profit](#), a nonprofit venture philanthropy organization, because social innovators and innovations should be surrounded with the same support that allows companies and products to reach millions of people.

#### Strategic alliances

Deloitte member firms have forged alliances with several of the world’s most admired companies—including Amazon Web Services, Facebook, HP and Hewlett Packard Enterprise, Oracle and SAP—to develop approaches that shape markets and forge new business models.



## We champion communities and create opportunity

Deloitte invested more than US\$217M in communities during FY2018 through donations, volunteering, pro bono work and management costs.

Deloitte is uniquely positioned to address the emergent global education and skills gap. We recognize our people represent the workforce of the future: top talent with different life experiences and skill sets. There are now six Deloitte University facilities worldwide, training 90,000 Deloitte people each year. Through [WorldClass](#), we are applying our experience in [developing talent](#) to empower 50 million people by 2030 through education, skills development and access to opportunity.



### Total societal investments

**US\$78M**  
Donations

**US\$126M**  
Value of volunteer and  
pro bono hours

**US\$14M**  
Management costs

### WorldClass investments

**US\$16M**  
Donations

**US\$51.6M**  
Value of volunteer and  
pro bono hours

### WorldClass impact

**1.45M**  
People reached\*

**500+**  
Programs

**53**  
Countries

\* "People reached" refers to the total number of people, external to Deloitte, impacted directly and indirectly by WorldClass programs globally. Direct reach is defined as the total number of individuals who participate or benefit directly from support provided by Deloitte professionals. Indirect reach is defined as the total number of individuals reached indirectly as the result of capacity-building with the collaborating organization. Some ways Deloitte may help an organization build its capacity is by giving donations, providing consultative services or creating a technology-enabled solution. Global figures are aggregated across the global Deloitte network.



## We cultivate careers

Deloitte is committed to helping clients, our people and society adapt to technology-driven change and prepare for the Fourth Industrial Revolution. From our global commitments to [WorldClass](#) and talent development to preparing clients for the future of work, Deloitte is making an impact that matters on upskilling tomorrow's workforce. Our efforts include:



### Education initiatives

Deloitte helps students, their teachers and administrators grow through 150-plus high-impact programs like [Courageous Principals](#), [Deloitte Grow](#) and [Capital Filles](#).

### Entrepreneurship accelerators

Deloitte empowers entrepreneurs to scale their impact by providing funding and pro bono services through programs like the [Deloitte Accelerator for Social Innovation](#) and through facilitating innovation labs at [UNLEASH](#).

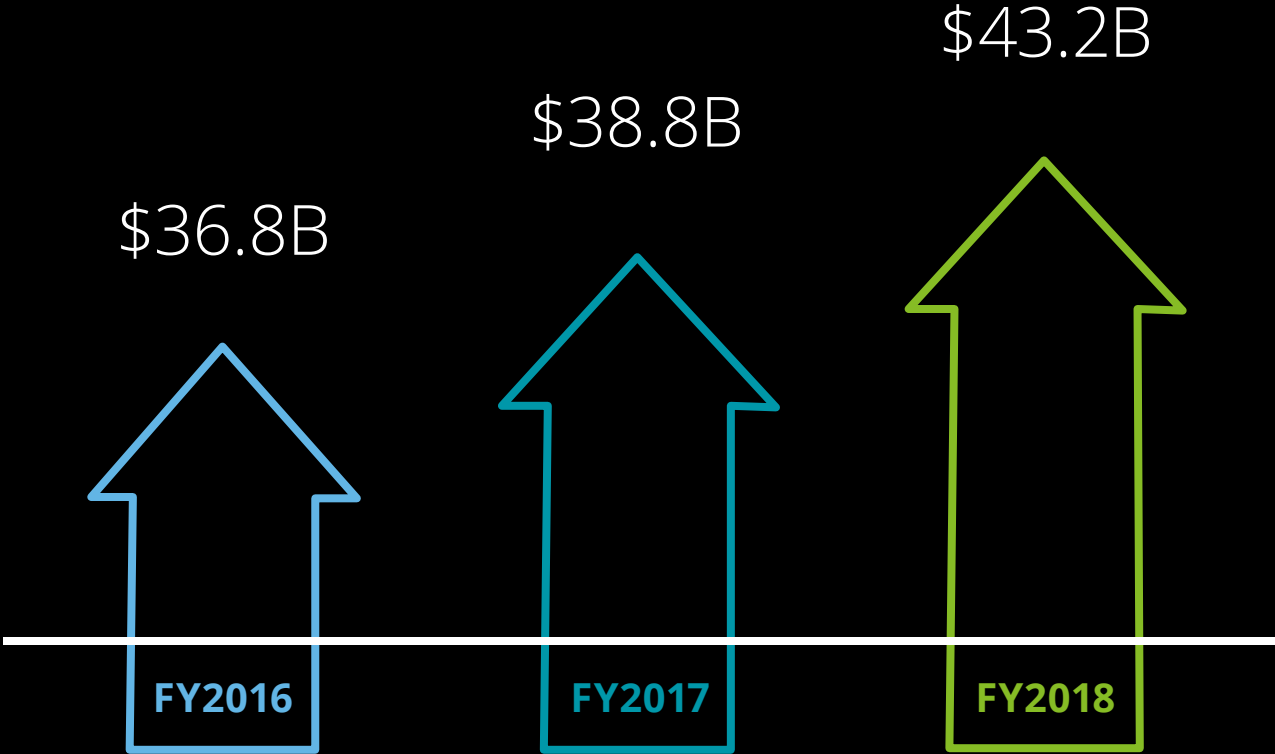
### Apprenticeship programs

Deloitte uses its training capabilities to upskill new professionals from underrepresented communities. One example is the [BrightStart Higher Apprenticeship](#) program.

### Business leader development

Deloitte prepares executives and professionals to lead their organizations—internally through Deloitte University where we reached [more than 90,000 professionals in FY2018](#)—and externally through initiatives like Tohatsu Innovation, our alliance with [Singularity University](#) and global CXO programs.

## Total revenue



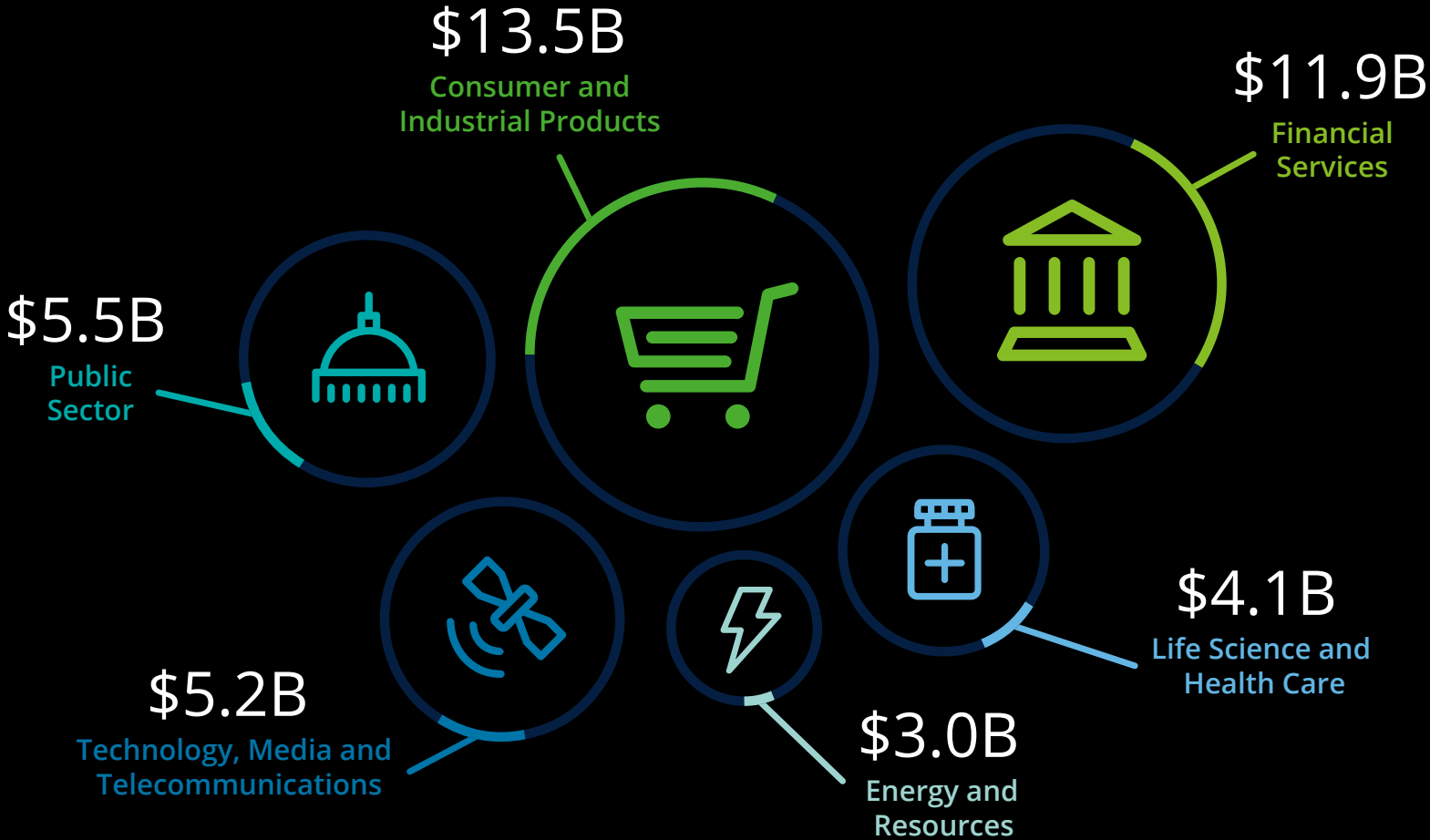
Revenue figures are in US\$ billion. Global figures are aggregated across the global Deloitte network.

## Revenue by business



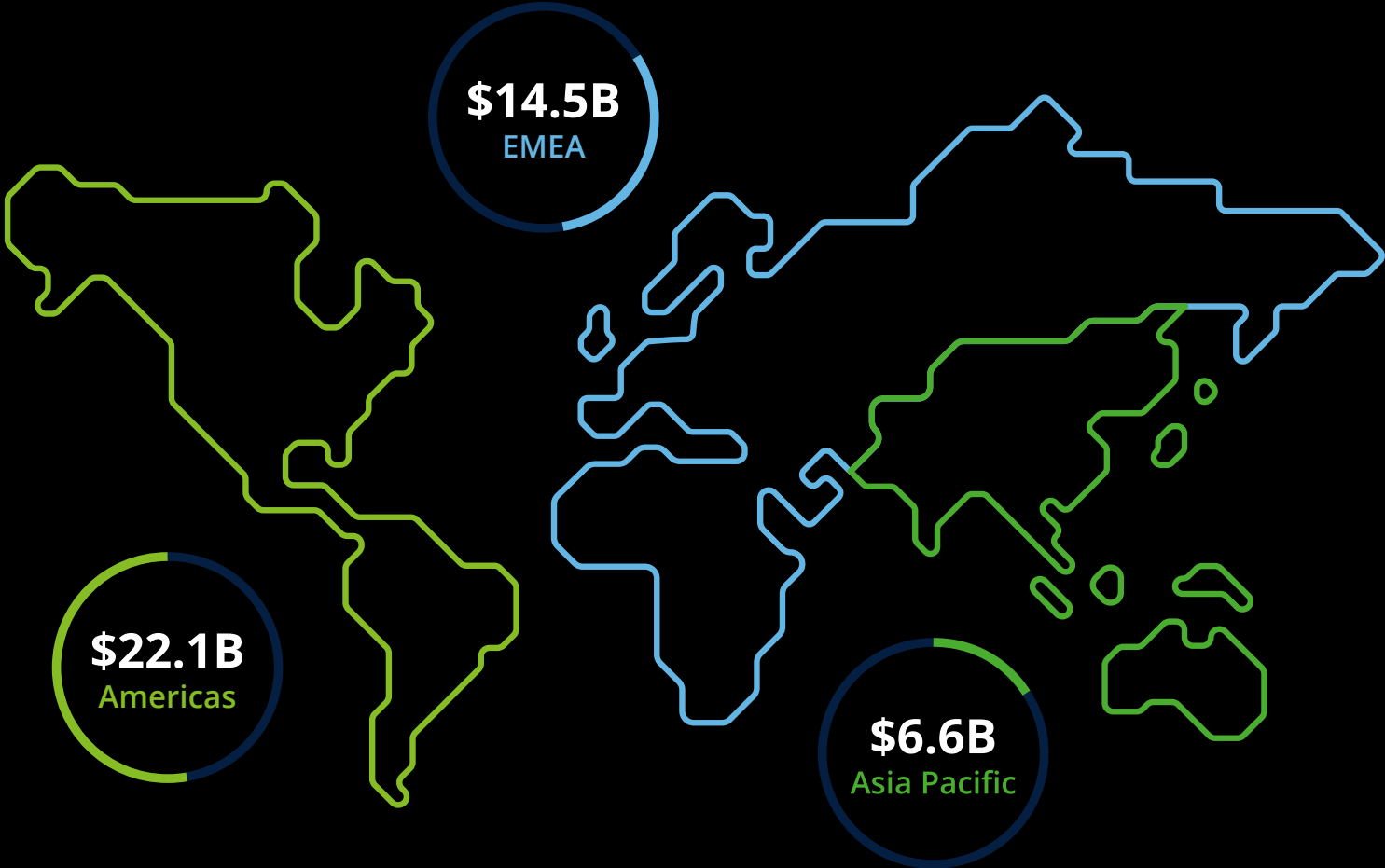
Revenue figures are in US\$ billion. Global figures are aggregated across the global Deloitte network. Because of rounding, numbers may not tally with the total.

## Revenue by industry



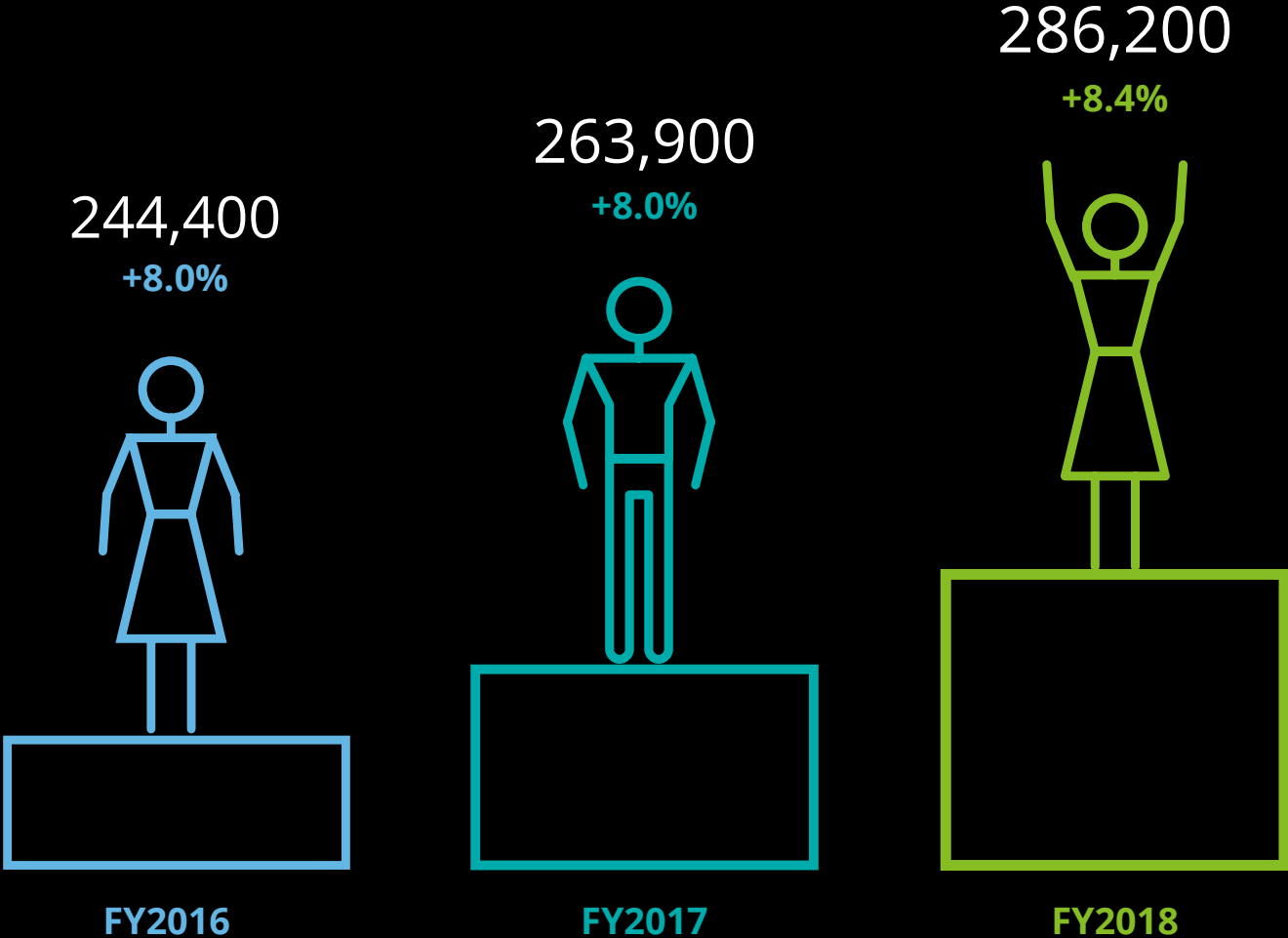
Revenue figures are in US\$ billion. Global figures are aggregated across the global Deloitte network. Because of rounding, numbers may not tally with the total.

## Revenue by region



Revenue figures are in US\$ billion. Global figures are aggregated across the global Deloitte network. Because of rounding, numbers may not tally with the total.

## Total headcount



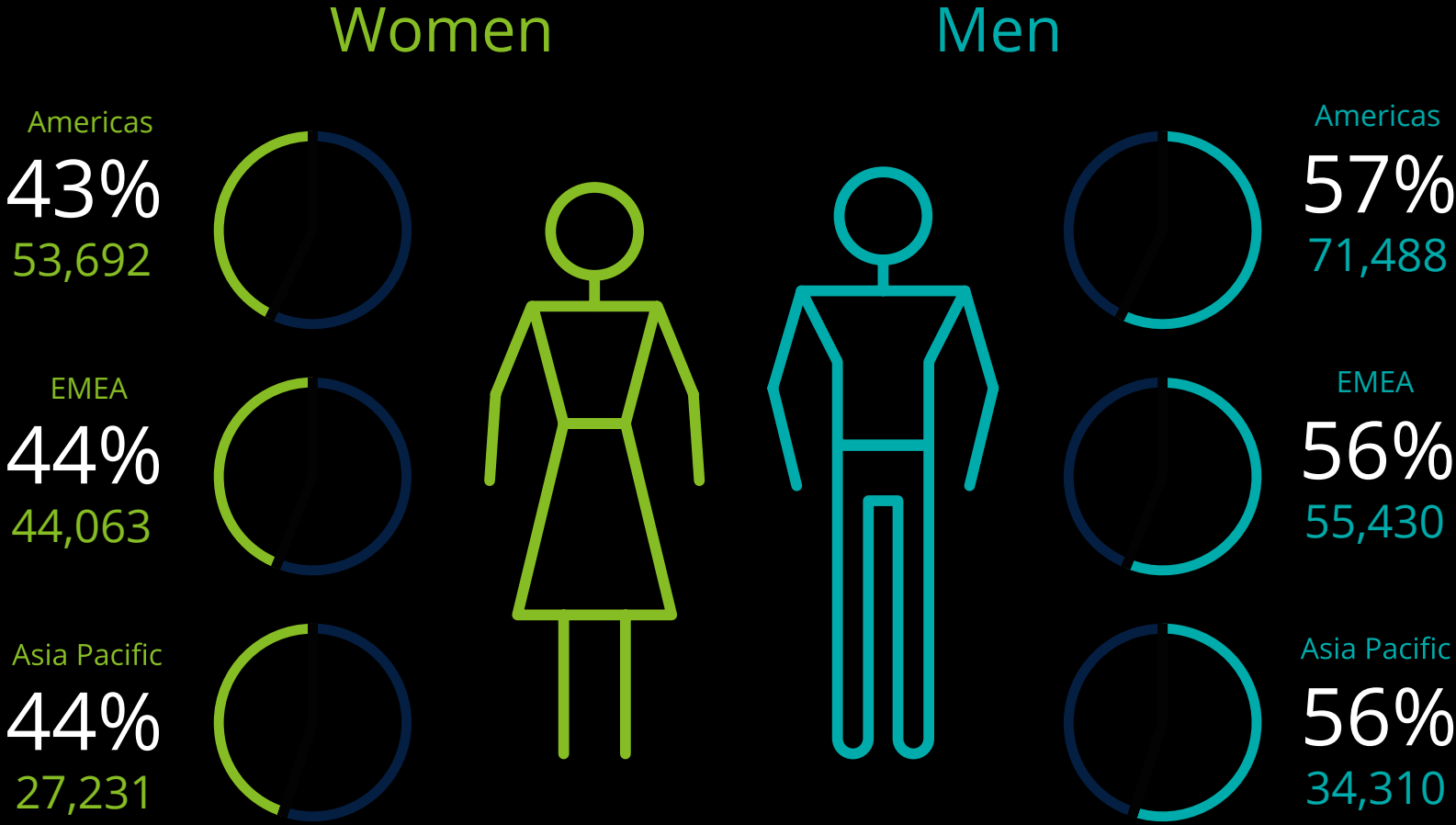
Note: Global figures are aggregated across the global Deloitte network.

## Headcount by gender



Note: Global figures are aggregated across the global Deloitte network. Because of rounding, numbers may not tally with the total.

## Headcount by region



Note: Global figures are aggregated across the global Deloitte network. Because of rounding, numbers may not tally with the total.



## Attracting top talent



2.28 Million  
Applications  
received



17,534  
Internships



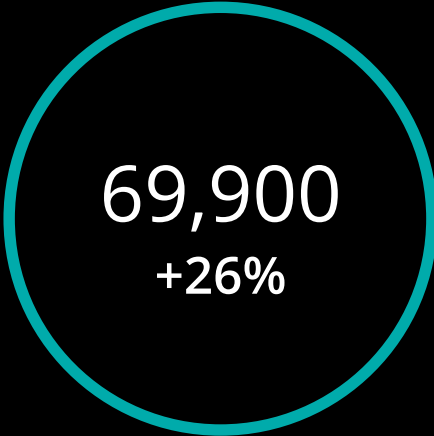
77,390  
New hires

Note: Global figures are aggregated across the global Deloitte network.

## Total new hires



**FY2016**



**FY2017**



**FY2018**

Note: Global figures are aggregated across the global Deloitte network. New hires as a percentage of total headcount.

## Developing top talent



90,585

Deloitte people experienced  
Deloitte University

2,261

Partners, principals and managing directors  
facilitated programs in a Deloitte University

4.92M

e-learning courses  
completed

## Locations of Deloitte University facilities



### Canada

Toronto

### US

Westlake

### Mexico

Mexico City



### Belgium

La Hulpe

### France

Chantilly



### India

Hyderabad

### Singapore

Sentosa Island

Note: Global figures are aggregated across the global Deloitte network.

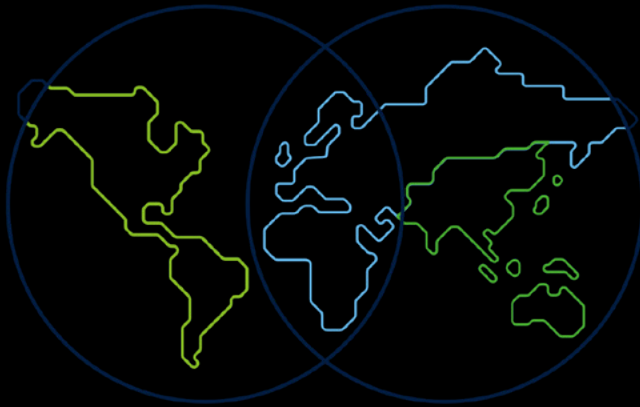
## Deloitte core services



Note: The above list of services is a representative sampling of Deloitte's business capabilities. Deloitte offers many services, not all of which are available from every Deloitte member firm and not all of which are permissible for audit clients under various professional and regulatory standards.

## Locations

Deloitte serves clients in more than 150 countries and territories. Countries and territories with at least one Deloitte office in operation as of December 2017 are listed below. Countries and territories are broken out for convenience in identifying locations and are not intended as statements on political sovereignty. Please visit [www.deloitte.com/GlobalOfficeDirectory](http://www.deloitte.com/GlobalOfficeDirectory) and contact an office near you to inquire about Deloitte capabilities to provide services in locations not listed below.



- |            |                                       |                                |                                  |                          |  |
|------------|---------------------------------------|--------------------------------|----------------------------------|--------------------------|--|
| Albania    | Bolivia                               | China                          | Indonesia                        | Montenegro               | Solomon Islands                                      |
| Algeria    | Bonaire                               | Colombia                       | Iraq                             | Morocco                  | South Africa   |
| Andorra    | Bosnia-Herzegovina                    | Congo (Brazzaville)            | Ireland                          | Mozambique               | Spain  |
| Angola     | Botswana                              | Congo (Democratic Republic of) | Isle of Man                      | Myanmar                  | Sweden   |
| Argentina  | Brazil                                | Costa Rica                     | Israel                           | Namibia                  | Switzerland  |
| Armenia    | British Virgin Islands                | Croatia                        | Italy                            | Netherlands              | Taiwan   |
| Aruba      | Brunei Darussalam                     | Curaçao                        | Ivory Coast                      | New Zealand              | Tajikistan   |
| Australia  | Bulgaria                              | Cyprus                         | Japan                            | Nicaragua                | Tanzania (United Republic of)                        |
| Austria    | Burundi                               | Czech Republic                 | Jordan                           | Nigeria                  | Thailand   |
| Azerbaijan | Cambodia                              | Denmark                        | Kazakhstan                       | Northern Mariana Islands | Timor-Leste  |
| Bahamas    | Cameroon                              | Dominican Republic             | Kenya                            | Norway                   | Togo   |
| Bahrain    | Canada                                | Ecuador                        | Korea (Republic of)              | Oman                     | Trinidad and Tobago                                  |
| Barbados   | Cayman Islands                        | Egypt                          | Kosovo                           | Pakistan                 | Tunisia  |
| Belarus    | Chad                                  | El Salvador                    | Kuwait                           | Palau                    | Turkey   |
| Belgium    | Channel Islands (Jersey and Guernsey) | Equatorial Guinea              | Kyrgyzstan                       | Palestinian Territory    | Turkmenistan   |
| Benin      | Chile                                 | Estonia                        | Lao PDR                          | Panama                   | Uganda   |
| Bermuda    |                                       | Finland                        | Latvia                           | Papua New Guinea         | Ukraine  |
|            |                                       | France                         | Lebanon                          | Paraguay                 | United Arab Emirates                                 |
|            |                                       | Gabon                          | Lithuania                        | Peru                     | United Kingdom of Great Britain and Northern Ireland |
|            |                                       | Georgia                        | Luxembourg                       | Philippines              |  |
|            |                                       | Germany                        | Macau SAR                        | Poland                   | United States  |
|            |                                       | Ghana                          | Macedonia                        | Portugal                 | United States Virgin Islands                         |
|            |                                       | Gibraltar                      | Malawi                           | Puerto Rico              | Uruguay  |
|            |                                       | Greece                         | Malaysia                         | Qatar                    | Uzbekistan   |
|            |                                       | Greenland                      | Malta                            | Romania                  | Venezuela  |
|            |                                       | Guam                           | Marshall Islands                 | Russian Federation       | Vietnam  |
|            |                                       | Guatemala                      | Mauritius                        | Rwanda                   | Yemen  |
|            |                                       | Honduras                       | Mexico                           | Saudi Arabia             | Zambia   |
|            |                                       | Hong Kong SAR                  | Micronesia (Federated States of) | Senegal                  | Zimbabwe   |
|            |                                       | Hungary                        | Moldova (Republic of)            | Serbia (Republic of)     |  |
|            |                                       | Iceland                        | Monaco                           | Singapore                |  |
|            |                                       | India                          | Mongolia                         | Slovak Republic          |  |
|            |                                       |                                |                                  | Slovenia                 |  |

## Outlook from leadership

During FY2018, Deloitte continued to deliver a measurable impact for clients, its people and society thanks to a sound global strategy and multidisciplinary business model. All five Deloitte businesses—Audit & Assurance, Consulting, Financial Advisory, Risk Advisory, and Tax & Legal—grew during the fiscal year.

The network's results reflect Deloitte member firms' unrelenting commitment to serving clients with quality and distinction while embracing important public interest responsibilities.

- During the past year, Deloitte increased strategic investments in the capabilities and services sought by clients in the fastest-growing markets in the world.
- Deloitte invested more than US\$1 billion to advance audit quality over the last five years and is making significant investments in audit innovation—including Deloitte Omnia, a cloud-based, next-generation platform that adds to a world-class global solutions portfolio.
- Deloitte member firms focused on delivering digital-enabled business transformation with integrated strategy, people and technology capabilities to help clients navigate the challenges and opportunities of Industry 4.0.
- Deloitte strengthened its focus on innovation to drive sustained growth with the completion of six acquisitions. The acquisitions represent strategic investments in critical growth areas such as corporate social responsibility, cyber security, risk sensing and analytics, and regulatory compliance and strategy.

### Building tomorrow's workforce today

Deloitte continues to build a diverse, inclusive and agile workforce that is deeply skilled and ready for Industry 4.0. How and where work is done is changing, and Deloitte is responding by providing its people with exceptional professional experiences, including new approaches to connectivity, learning and development, and advancement.

Deloitte's dedication to attracting, retaining and developing the very best leaders at all levels across the global network is illustrated by its investment in Deloitte University (DU) facilities around the world. Through DU, Deloitte professionals advance their careers and participate in business leadership-development programs in a world-class learning environment that inspires them to be their best.

In FY2018, Deloitte doubled down on its talent investment and increased its impact by delivering the DU experience to more than 90,000 professionals and designating Deloitte's seventh DU location in Mexico City.

### New mindset for societal impact

Addressing the complex challenges society faces today has become an imperative for business, one that requires a new mindset for action. Deloitte member firms embrace this opportunity—through their client work and hands-on community activities, and by sharing insights.

Deloitte's [WorldClass](#) societal-impact initiative expands access to education and career-building opportunities for those affected by Industry 4.0. The goal is to reach 50 million futures by 2030. Deloitte's ambition is to create pathways for people to fulfill their aspirations and find meaningful work in the new economy.

In FY2018 alone, major initiatives included: award-winning work showcasing the social and economic value of the [Great Barrier Reef](#) in Australia; cooperating with the Refugee Studies Center at the University of Oxford on a [cross-border initiative](#) focused on realizing the economic potential of refugees living in Europe; and serving as the lead innovation partner for [UNLEASH 2018](#), a global initiative aimed at inspiring and supporting the next generation of leaders who are developing solutions to some of the most-vexing problems facing the world today.

While Deloitte embraces new opportunities, it continues to be committed to its core values and historical commitments—including its ongoing support for the United Nations Global Compact and its principles covering the areas of human rights, labor, environment and anti-corruption.

## Leadership and governance

As a global network comprising Deloitte Touche Tohmatsu Limited (Deloitte Global), Deloitte member firms, and each of their related entities in more than 150 countries and territories, Deloitte has governance and management structures in place at both the global and member firm levels.

### The Deloitte Global Executive

The Deloitte Global Executive, composed of 24 senior leaders from Deloitte Global and select member firms across the global network, is responsible for embedding Deloitte's Purpose and advancing its aspiration and strategic priorities. The Executive also sets policies and champions initiatives that help the network make an impact that matters for member firm clients, Deloitte people, communities and other stakeholders. The group meets either in person or via conference calls at least 10 times during the year.

Deloitte Global Chief Executive Officer Punit Renjen, who began his four-year term on 1 June 2015, leads and manages this governing body. Renjen appoints the members of the Executive, subject to approval by the Governance Committee of the Deloitte Global Board of Directors.

### The Deloitte Global Operating Committee

The Operating Committee, composed of leaders from Deloitte Global and certain member firms aligned to the businesses, regions and other key areas, provides a vital link between strategy and execution that helps Deloitte perform effectively and efficiently.

The Operating Committee is headed by Deloitte Global Chief Operating Officer (COO) Frank Friedman. Its members include, from Deloitte Global, five global business operations leaders, seven executive member firm leaders, two senior advisors, one regional leader, and Deloitte Global leaders from Clients & Industries, Finance, Technology, Talent, Strategy, Legal and Risk.

### The Deloitte Global Board of Directors

The Board of Directors is Deloitte Global's highest governing body and addresses its most-important governance issues, including global strategies, major transactions and the selection of the Deloitte Global CEO. Among its committees is the standing Governance Committee, which exercises periodic oversight in respect of the management of Deloitte Global.

Chairman of the Board David Cruickshank began his four-year term of office on 1 June 2015.

Board members are appointed by individual member firms that are themselves selected based on size, the number of significant clients they serve and other factors. The Board also includes three regional seats, ensuring smaller member firms are represented.

Board composition is multicultural with a proportionate representation of member firms. Gender is considered by member firms as they appoint individuals to these positions. During FY2018, there were 31 members of the Board, five of whom were women.

### Member firm leadership

To foster effective and responsive management within member firms, Deloitte Global has adopted standards describing specific leadership and governance structures to be implemented by member firms, including:

- A formal management structure, including an elected chief executive officer or managing partner who is responsible for managing the member firm and working with the member firm's leaders to align its business and client strategies with Deloitte Global; and
- A governing body, such as a board of directors, to facilitate sound governance of the individual practice.

## Network structure

Deloitte is made up of firms that are members of Deloitte Touche Tohmatsu Limited (Deloitte Global), a UK private company limited by guarantee. This structure allows Deloitte to be an industry leader at all levels—locally, nationally and globally.

Individual member firms have access to the skills and knowledge of other member firms, the ability to consult within the Deloitte network, and the benefit of the network's market recognition and reputation. Deloitte Global itself does not provide services to clients.

### Member firm structure

Deloitte member firm partners are generally the sole owners of their respective member firms. The member firms are primarily organized on an individual country or regional basis, and each operates within the legal and regulatory framework of its particular jurisdiction(s). They are separate and independent firms that have come together to practice under a common brand and shared methodologies, client service standards, and other professional protocols and guidelines.

The member firm structure reflects the fact that the member firms are not subsidiaries or branch offices of a global parent, but instead are separate and distinct legal entities.

This structure confers significant strengths, including a deep understanding of local markets and a sense of responsibility among member firms' professionals, who have direct stakes in the integrity and growth of their local practices.

Deloitte continues to reinforce this differentiating structure and achieve economies of scale with centers of excellence, global delivery centers, and other network approaches that are designed to deliver a consistent level of excellence around the world.

### Global cooperation

As members of the Deloitte network, member firms benefit from shared activities, investments and resources that enhance their individual abilities to provide core services to key local and global clients and development opportunities to their people. They also are able to leverage Deloitte's brand, eminence and intellectual property.

Deloitte member firms support and adhere to the purposes and policies of Deloitte Global by:

- Conducting themselves in a manner that sustains the reputation of the Deloitte network;
- Aligning national plans, strategies and operations with those of Deloitte Global, as appropriate, in consultation with Deloitte Global's executive management;
- Adhering to Deloitte Global's requirements regarding professional standards, shared values, methodologies, and systems of quality control and risk; and
- Advising Deloitte Global of proposed joint ventures, joint practices, mergers, and other cooperation arrangements and combinations of any type with other member firms.



## Ethics

Our reputation defines us in the marketplace. That's why Deloitte ethics teams continue to proactively strengthen our culture of integrity across the network. We are committed to conducting business with honesty and the utmost professionalism.

Our [Global Principles of Business Conduct](#) ("Global Code") outline Deloitte's ethical commitments and expectations for our more than 286,000 people globally, giving our network a strong, principled foundation. The Deloitte Integrity Imperative, launched in May 2017, amplifies the Global Code across the network by empowering leaders to set a strong tone from the top, encouraging people to speak up when they witness anything that runs counter to our Global Code, and helping Deloitte act quickly and appropriately in the face of misconduct.

The Deloitte Global Ethics team and member firm Ethics officers continue to work closely with senior Deloitte leaders to build and enhance the network's ethics program, which is composed of the following elements:

- The Global Code;
- A global ethics policy that sets out the requirements for member firms' own ethics programs;
- A global nonretaliation policy that makes firm Deloitte's commitment to a nonretaliatory workplace;
- Deloitte ethics training programs—including online courses, classroom programs and facilitator-led interactive case discussions—and networkwide communications campaigns (ethics training is required for all new hires upon joining Deloitte and for all Deloitte people every two years);
- Channels for reporting ethics issues and concerns that emphasize confidentiality and nonretaliation;

- Support activities—including communications, workshops and webinars—to facilitate the sharing of leading practices among Deloitte member firm ethics teams;
- Completion of an ethics survey, a self-assessment questionnaire and other tools (such as focus group guidance) to measure the effectiveness of ethics programs across the Deloitte network;
- An annual confirmation by all Deloitte people that they have read, understood and are in compliance with the Global Code; and
- A practice-review program to measure compliance with the global ethics policy and drive improvement in member firm ethics programs over time.

### Deloitte Integrity Imperative

The Deloitte Integrity Imperative is an initiative designed to amplify our Global Code and ensure ethics remains one of leadership's highest priorities. At Deloitte, we have placed ethical culture and values at the heart of our leadership agenda, and we understand the critical responsibility we have to serve the public interest. By driving a proactive approach to ethics and building and sustaining our culture of integrity, we help our people to make the best professional decisions every day.

We have sought to enhance Deloitte's existing ethics program by reinforcing many business and governance processes and introducing activities that further promote consistency and diligence across the network. In doing so, we aim to ensure that:

- Deloitte leaders feel empowered to set a strong tone from the top;
- Deloitte people speak up when they witness anything that runs counter to the Global Code; and

- Deloitte member firms act quickly and appropriately in the face of misconduct.

This initiative focuses on four key areas:

**Communications and learning**, to raise awareness and bring the Global Code to life. Elements include:

- *Leading with integrity*, an interactive, senior-level ethics learning program to help Deloitte leaders set the tone for their teams;
- A comprehensive ethics curriculum for new and experienced hires; and
- The *Have you heard?* video campaign, featuring a series of animated, engaging and relatable stories that drive consistent messaging across the network.

**Governance and leadership accountability**, to hold leaders responsible for taking a proactive approach to managing ethical risk and nurturing an ethical culture within their firms. Elements include:

- Enhanced expectations for member firms' boards of directors in governing our ethical culture, ethical risks and ethics program agenda; and
- A new *Ethics Officer Playbook* to set clear expectations and reinforce the strategic role and responsibilities of member firm Ethics officers.

**Measurement and monitoring**, to ensure Deloitte firms effectively assess progress, identify gaps and build world-class programs. Elements include:

- An annual ethics survey delivered in all member firms;
- Consultative visits with member firm leaders to collaborate on and enhance local ethics programs; and

## Ethics (continued)

- A new ethics program maturity model to drive continuous improvement.

**A speak-up environment**, to build trust in reporting processes and create a culture where our people have the courage and confidence to voice their concerns when things don't feel right. Elements include:

- Implementing *Deloitte Speak Up*, a third-party ethics helpline; and
- Introducing a global nonretaliation policy and consistent ethics incident-response processes.

### Anti-corruption commitment

We actively support multiple efforts to eradicate corruption throughout the world. Deloitte Global was an early signatory to the United Nations Global Compact (UNGC) and to the World Economic Forum's Partnering Against Corruption Initiative (PACI).

The Deloitte Global Anti-Corruption team and member firm Anti-Corruption leaders work closely with senior Deloitte leaders to build and enhance a globally consistent anti-corruption program across the Deloitte network, which includes the following elements:

- A Deloitte Global anti-corruption policy that includes requirements for member firms' own anti-corruption programs and addresses matters such as bribery, facilitation payments, political and charitable contributions, and gifts and entertainment;
- Anti-corruption training that includes applicable policies, corruption red flags and case scenarios;
- Support activities—including communications, workshops and webinars—to facilitate the sharing of leading practices;

- Annual member firm anti-corruption self-assessments and other guidance and tools (such as guidance on anti-corruption testing and monitoring) to measure the effectiveness of anti-corruption programs across the Deloitte network;
- A globally consistent process to perform anti-corruption due diligence on subcontractors, marketplace alliances, vendors and suppliers;
- A globally consistent methodology and process for Deloitte member firms to perform corruption risk assessments;
- An annual confirmation from each member firm to Deloitte Global that all member firm people have read, understood and agree to comply with the local anti-corruption policy and are not in violation of this policy; and
- A review program to assess compliance with Deloitte Global anti-corruption policies and drive continuous improvement in member firm anti-corruption programs.

### Multilateral initiatives

Deloitte plays a role in various external efforts to promote ethical conduct in the business world. These include:

- **World Economic Forum's PACI.** David Cruickshank, Deloitte Global Chairman, is the co-chair of the PACI Vanguard Anti-Corruption CEO leadership program.
- **Business and Industry Advisory Committee (BIAC) to the Organization for Economic Cooperation and Development.** Gerrie Lenting, partner, Deloitte Northwest Europe, is vice chair of the BIAC task force on anti-bribery and corruption.

- **University of Notre Dame Deloitte Center for Ethical Leadership.** Members of the advisory board include several Deloitte LLP (US) leaders, including Deloitte LLP Chief Ethics & Compliance Officer Glenn Stastny.
- **Ethics Research Center.** Stastny is a member of the board of directors.
- **Center for Professional Responsibility in Business and Society, University of Illinois College of Business.** Stastny is a member of the advisory board.

## Independence

Independence and quality are essential to Deloitte's objectivity, integrity, impartiality, responsibility to the investing public, and ability to retain and attract clients. Standards for independence are shaped by legislation, regulations, professional requirements and public expectations. Maintaining independence in fact and appearance, therefore, is a matter of compliance with rules and regulations.

### Protecting the public interest

The Deloitte Global Board of Directors has adopted robust independence policies, processes and tools to help Deloitte and its people safeguard their objectivity. All Deloitte people are required to follow the independence policies and procedures, which address professional and regulatory requirements related to the provision of services, business relationships, employment relationships and financial interests.

These independence policies and procedures are designed to help Deloitte people understand and meet independence standards and regulatory requirements to achieve excellence in service delivery. These policies and procedures are based, for the most part, on the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and on the rules of the US Securities and Exchange Commission. When applicable national or regional requirements are more restrictive than the requirements in the Deloitte Global policies, Deloitte member firms must meet those jurisdictions' requirements, as well.

### Maintaining independence

Deloitte member firms frequently serve the same clients in multiple jurisdictions. Each member firm considering whether to accept a new client or new engagement at an existing client must consider the independence requirements in other member firm jurisdictions. For existing audit clients, a member firm must evaluate the independence implications of other member firms' relationships with that client, including the provision of nonaudit services.

Each member firm has a partner responsible for independence quality controls, including monitoring compliance with those controls. On an annual basis, all member firms report to Deloitte Global that they have conducted procedures for determining that their member firm and professionals are in compliance with Deloitte Global's independence policies.

### Leading through change

Deloitte faces dynamic regulatory environments in which national rulemaking often has broad-reaching global implications. Deloitte Global provides professionals worldwide with information and guidance on independence issues, as well as enabling technologies to help them comply with rapidly changing and increasingly complex requirements. Deloitte Global Independence leaders continually engage external professional bodies and regulators to advance the development of independence requirements around the world.

## Information security, privacy and confidentiality

Safeguarding confidential information is core to the services Deloitte member firms provide. Deloitte is committed to protecting client data and our own data, and to continually monitoring regulatory and legal requirements to ensure compliance.

Deloitte member firms' approach is to work closely with clients so that we can support compliance with privacy and client confidentiality requirements as part of the provision of services. Deloitte goes to great lengths to remain secure, vigilant and resilient in order to remain trusted custodians of clients' confidential information.

### EU General Data Protection Regulation

The EU General Data Protection Regulation (GDPR)—one of the most significant changes to European privacy laws in more than 20 years—entered into force in May 2018. The new regulation completely overhauled existing rules relating to the handling of personal data, significantly affecting businesses in all industry sectors.

Although the GDPR applies primarily to organizations established in the EU, it has a broader reach and sets a high bar for the protection of personal data globally.

Deloitte welcomes the new GDPR and the improved consistency of privacy and security requirements that it brings as it relates to the handling of personal data. Deloitte has comprehensive policies and procedures in place to protect personal and confidential information and to support compliance with relevant data protection requirements, including the GDPR.

### Information Security

The Deloitte Global Information Security team works with local Deloitte information security professionals around the world to help implement an aggressive strategy designed to:

- Create a cohesive, worldwide program with consistent, high-quality security services;
- Extend security tools worldwide for advanced protection of highly distributed data; and
- Reduce the risk of data loss through practitioner actions.

### Privacy

The Deloitte Global Privacy team provides guidance to member firm Privacy leaders who each implement programs within their firms to enable compliance with applicable laws and maintain the confidentiality, integrity and availability of information. Deloitte Global privacy policies require all firms to comply with and implement common privacy principles across the network.

### Confidentiality

The Deloitte Global Confidentiality team works with member firm Confidentiality leaders around the network to advance Deloitte's approach to protecting confidential information. Deloitte uses various strategies such as confidentiality standards and controls to help ensure globally consistent protection of confidential information. Deloitte also has developed an innovative global technology solution to make monitoring data protection compliance simpler and more efficient. Additionally, the team also develops data security communications and trainings designed to help all Deloitte professionals understand the critical role they play in protecting all data.

## Risk management

Because the risk landscape remains volatile, uncertain and complex—with increasing demands from clients and greater scrutiny from regulators, legislators and other governmental authorities—Deloitte continues to focus relentlessly on quality and risk management (QRM), actively monitoring, strengthening and improving its risk procedures, and promoting a culture where professionals learn from others' experiences.

Many risks, if they materialized, could impact our ability to achieve our business strategies—including the protection of our reputation and brand, and global delivery of consistent, high-quality services. That's why Deloitte Global's vigilant enterprise risk framework (ERF) is designed to proactively identify, manage, monitor and respond to risks. The ERF includes processes to analyze the internal and external environment for developments that could impact Deloitte's risk exposure, and identify and respond to emerging trends that could affect the Deloitte network's resiliency to those risks.

### **Globally consistent and scalable policies and processes**

The Deloitte Global Policies Manual (DPM) is the central repository for policies applicable to Deloitte. It provides the basis for Deloitte member firms to establish and implement globally consistent and rigorous QRM processes, and sets forth policies for which compliance is mandatory. Deloitte member firms are required to develop, implement and document a framework that is integrated into their key decision-making processes.

The DPM also includes a specific policy requirement for each member firm to appoint a senior and experienced "reputation and risk leader" (RRL) who is responsible for leading his or her member firm's QRM program and structure, with full support from senior risk leaders in each of the member firm's businesses. The RRLs are part of the member firms' executive leadership.

### **Practice reviews**

Practice reviews serve as an inspection and monitoring mechanism and are a critical component of the Deloitte member firms' system of quality control and risk management. Each member firm is responsible for conducting its own practice reviews under the guidance and oversight of Deloitte Global. Held at least once every three years, these reviews assess whether member firms comply, at a minimum, with DPM policies; if DPM policies are operating effectively in practice; and the quality of work performed and services delivered by member firms.

### **Promoting trust, confidence and value**

During FY2018, Deloitte Global delivered a number of strategic actions to further enhance our risk intelligent culture and drive continuous improvements in QRM. They included:

- Conducting an annual ERF refresh assessment of the top strategic risks (priority business risks) facing Deloitte (Deloitte's risk profile) and launching new activities to continue maturing the framework, including developing and aligning Global Business ERFs with Deloitte Global's ERF;
- Assessing compliance with enhanced, globally consistent standards for QRM; and
- Codifying the crisis management framework into existing DPM policies.

## Network diversity and inclusion initiatives

At Deloitte, we understand that our diversity is a key driver of our effectiveness in the market. That's why, in FY2018, we re-committed to progressing our already strong culture of inclusion and increasing gender representation at all levels across Deloitte.

Our deeply embedded, ongoing initiatives to promote diversity and inclusion at Deloitte have proven effective.

- Deloitte member firms have adopted progressively advanced talent initiatives—including workplace flexibility, and family leave and return-to-work policies—that attract women, parents and employees of all generations.
- Many Deloitte member firms offer their people opportunities through global business resource groups (BRGs) to connect and build networks with others who share affinity indicators such as gender, race, religion and sexual orientation. Some member firms have also established councils that bridge gaps between single-identity workplace groups.
- Deloitte leaders in Australia, Canada, UK, US and other countries have been recognized externally for inclusion efforts and/or serve on boards of organizations that promote inclusion.
- Globally, Deloitte creates a safe work environment for all people through its strong policies against misconduct, inappropriate behavior or sexual harassment.

These are some of the significant reasons why Deloitte is recognized as a desirable workplace by organizations that include [Great Place to Work](#), [LinkedIn](#), [National Association of Female Executives \(US\)](#), [The Times \(UK\)](#), [Glassdoor](#) and [more](#).

While we are proud of the accolades we have earned and the policies and programs we have implemented, we understand that we must change as the market and world around us change. To lead in the areas of inclusion and diversity, we must achieve more. That is why we are focusing many of our current efforts on gender representation and why we will continue to seek and hire qualified women, provide ample developmental and promotional and leadership opportunities, and remain committed to fair pay for all.

## Global security

Threats come in many sizes and forms, including geopolitical instability, crime and natural disasters. The Deloitte Global Security Office (GSO) works with member firms worldwide to help keep Deloitte people safe, particularly during times of emergency or when they are called upon by clients to work in higher-risk areas.

A primary GSO focus is increasing Deloitte's resiliency, so working with local Deloitte firms to formulate and implement effective business-continuity programs is a priority. The GSO's regional security managers help enhance Deloitte's security and crisis response capabilities through on-site visits, meetings with country managing partners, and working with the Global Security Council made up of security officers in each member firm.

### Keeping Deloitte people safe

The GSO team tracks world events on a daily basis for potential impacts on Deloitte's people and offices. Whenever a crisis occurs, the GSO responds swiftly to help member firms account for the safety of their people, provide necessary relief and resume normal business operations as soon as possible.

Health emergencies also can affect Deloitte people while traveling or assigned overseas, so Deloitte Global maintains 24-hour resources, delivered by a leading emergency medical and security provider, to respond in such situations.

### Risk awareness for travelers

On an average day, more than 25,000 Deloitte people are traveling to serve clients. As part of Deloitte Global's travel security protocols, all Deloitte locations are encouraged to incorporate security into their travel programs and consult with the GSO before undertaking travel to high-risk locations.

When member firm engagement teams need to travel to high-risk locations, assistance provided to engagement teams can range from designing comprehensive security

plans that include location-specific security briefings to hotel and transportation recommendations, on-the-ground project logistics, and direct security support, as needed. In doing so, an external network of specialized security providers based in many high-risk locations is available to assist. During FY2018, the GSO provided security planning support to more than 1,250 engagement teams.

The GSO tries to make sure all Deloitte people are aware of particular risks before they travel. Deloitte professionals have access to a comprehensive travel security website containing the latest security bulletins, assessments, country risk ratings and other resources.

During FY2018, the GSO team responded to a wide range of crisis events—including four major hurricanes (Harvey, Irma, Jose and Maria), a 7.1 magnitude earthquake in Mexico, other natural disasters, terrorist attacks and geopolitical instability occurring around the world—to account for the safety of Deloitte people. The team also:

- Implemented a new global emergency communications system across the Deloitte network to significantly improve the ability to account for the safety of Deloitte people during crisis events. The system is live in almost 70 percent of member firms and is expected to become fully operational in all member firms during FY2019.
- Responded to 208 medical-assistance cases, several of which involved serious medical conditions or accidents necessitating emergency air evacuations.
- Rolled out a new member firm business continuity self-assessment process.
- Provided ongoing security design and implementation support for new global delivery centers.

## Performance metrics

All metrics shown below reflect aggregate performance across the Deloitte network except where otherwise noted.

REVENUE	FY2018	FY2017	FY2016
Revenue	US\$ billion		
Revenue	43.2	38.8	36.8
Revenue growth	Percentage growth in US dollars/local currency		
Revenue growth	11.3%/8.2%	5.5%/7.1%	4.4%/9.5%
Revenue by business area			
Audit & Assurance	10.2	9.4	9.4
Consulting	16.5	14.3	13.1
Financial Advisory	3.6	3.4	3.3
Risk Advisory	5.0	4.5	4.1
Tax & Legal (1)	7.9	7.3	6.9
By region			
Americas	22.1	20.4	19.3
Europe/Middle East/Africa	14.5	12.5	12.3
Asia Pacific	6.6	5.8	5.2
By industry			
Consumer and Industrial Products	13.5	12.2	11.3
Energy & Resources	3.0	2.7	2.8
Financial Services	11.9	10.7	10.3
Life Sciences & Health Care	4.1	3.7	3.5
Public Sector	5.5	5.1	4.8
Technology, Media & Telecommunications	5.2	4.5	4.1



## Performance metrics (continued)

TALENT	FY2018	FY2017	FY2016
Workforce	286,214	263,924	244,445
<b>By level</b>			
Partners and principals (2)	12,250	11,378	11,122
Professional staff (3)	226,547	209,234	193,199
Administrative staff (4)	47,416	43,311	40,124
<b>By region</b>			
Americas	125,180	115,387	107,942
Europe/Middle East/Africa	99,493	93,408	86,574
Asia Pacific	61,541	55,129	49,929
<b>Talent by gender</b>			
<b>By region and gender—male</b>			
Overall	161,228	147,256	135,577
Americas	71,488	65,427	61,076
Europe/Middle East/Africa	55,430	51,849	47,479
Asia Pacific	34,310	29,980	27,022
<b>By region and gender—female</b>			
Overall	124,986	116,668	108,868
Americas	53,692	49,960	46,866
Europe/Middle East/Africa	44,063	41,559	39,095
Asia Pacific	27,231	25,149	22,907

Note: because of rounding, numbers may not tally with the total.

(1) Deloitte Legal" means the legal practices of Deloitte Touche Tohmatsu Limited member firms or their affiliates that provide legal services. For legal and regulatory reasons, not all member firms provide legal services.

(2) "Partners" refers to Deloitte member firm partners only.

(3) For purposes of this report, professional staff is defined as individuals spending at least 50% of their time serving clients.

(4) For purposes of this report, administrative staff is defined as individuals spending less than 50% of their time serving clients.

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