

**Deloitte.**



Sustainability Report  
2011/2012.





# Letter from the Executive Board

Rotterdam, July 18, 2012

Dear reader,

Our present time is characterised by economic uncertainties and market volatility. This is true for both our clients and the Deloitte organisation. We are all forced to rapidly adapt to change, technological advancement and public outcry. In such times, sustainability – the long term balance between profitability and the external environment – is a beacon, a dot on the horizon that defines both the direction and the way in which we embark on our business journey.

In a world dominated by scarcity of resources and social inequality, Deloitte has more than a moral obligation to limit possible negative impacts associated with its business practices and to enhance positive impacts. Doing so makes good business sense as our experience tells us it also leads to cost reductions stronger stakeholder relationships and new business opportunities. As a professional services provider, we are in an excellent position to manage scarcity and social inequality in our own business and in the operations of our clients. Adding value throughout our entire value chain from suppliers to clients is at the heart of our approach to sustainability. It is therefore logical that our sustainability strategy has both an internal and an external focus. Internally we put emphasis on the reduction of our direct ecological footprint, the way we manage our talent and the impact we have on society at large. Externally, our efforts are primarily aimed at increasing the sustainability performance of our clients' operations in an integrated way.

In 2011/2012 we made good progress in the implementation of our sustainability strategy. First and foremost, we agreed on ambitious and concrete targets that we aim to achieve by 2016. Secondly, we are to contribute to the pilot of the International Integrated Report Committee (IIRC) with the publication of the Deloitte Report. We firmly believe that reporting financial and non-financial information in a comprehensive and easily accessible manner provides all stakeholders with a better understanding of a reporting organisation's performance and strategies. For us, participation in the IIRC pilot is a logical consequence of our innovation approach. Finally, we were satisfied with the results of our annual Talent Survey, receiving a 70% engagement score from our employees. Naturally, our ambition is to further improve in this area but we are happy with the recognition we get from the people who know us best: our talent.

Against these positive achievements, we also have some concerns. We received a fine from the Netherlands Authority for Financial Markets (AFM) not fully complying with the Dutch accountancy standards. We have taken appropriate actions in the areas of quality and independence and are in a continuous dialogue with AFM in order to clarify our practices and performance in this area. Secondly, we saw a considerable increase in our CO2 emissions caused by mobility. To curb this trend, our new targets for 2016 include reduction targets in this area.

We are committed to continuous improvement in the area of sustainability. To demonstrate this commitment, we are proud participant of the UN Global Compact and an active contributor to the work of the Global Reporting Initiative (GRI). We have used the GRI's Reporting Guidelines to compile this report, which classifies as GRI A+, as it did in 2010/2011.

We hope you enjoy reading this report and that it will add to your understanding of our company. We value feedback from all our stakeholders and would therefore welcome any reactions to this report via [www.deloitteannualreport.nl](http://www.deloitteannualreport.nl).



(From left to right) Mario van Vliet, Richard Roovers, Sandra Heuts, Mennolt Beelen, Peter Bommel, Cees de Boer, Wilten Smit.

### **Executive Board**

**Mr. P.J. Bommel**

Chief Executive Officer, Managing Partner Audit

**Mr. C.J.G.M. de Boer**

Chief Finance Officer, Chief Operations Officer

**Mr. R.A.J. Roovers**

Managing Partner Tax

**Mr. M. van Vliet**

Managing Partner Consulting

**Mr. W.L. Smit**

Managing Partner FAS

**Mrs. S.H.C. Heuts**

Managing Partner Clients & Markets Industries

**Mr. M. Beelen**

Managing Partner Clients & Markets Region

# Letter from the Supervisory Board

Rotterdam, July 18, 2012

The financial year 2011/2012 saw significant progress for the firm in the area of the sustainability. Deloitte has agreed to ambitious sustainability targets to achieve by 2016, as part of a long term strategy.

The Supervisory Board fully supports this strategy, which comprises a strong internal focus while also helping clients implement their own integrated sustainability strategies that are consistent with their business objectives.

Deloitte took important steps in the year towards the 'greening' of its policy for car leasing and many partners and staff have either switched to more environmental friendly cars. Besides, the firm renewed its contract with Dutch Rail, making rail travel available to all Deloitte's. We expect to see a reduction of the CO2 emissions caused by mobility over time.

The firm also agreed to participate in a pilot of the International Integrated Report Committee (IIRC) aimed at developing a fully integrated annual report. This coincides with the completion of a Deloitte stakeholder analysis aimed at improving our external reporting practices.

We are also pleased by the outcome of the Talent Survey among Deloitte employees that show strong levels of engagement with the strategy.

The Board fully supports the follow-up work done as a result of the sanction applied by the Dutch financial authorities (AFM), which included a review of the quality of selected audits performed in 2008. This follow-up was focused on improving; our compliance with applicable audit and independence standards; the documentation of audit work performed; the quality of any judgements made; and our ability to identify and signal relevant risks as professional audit practitioners.



As a result of an infringement of independence rules our recently appointed CEO and Executive Board Member stepped down from his position in close consultation with the Supervisory Board, which is consistent with its zero tolerance approach to any violations of professional standards and with the core values of Deloitte of Integrity and transparency.

The Executive Board of Deloitte considers sustainability to be a high strategic priority, not only with regards to its environmental aspects, but also one that is consistent with the interests of its stakeholders, including the general public, and the level of sustainability it seeks to provide through its services. The Supervisory Board therefore fully supports this vision and the steps made in the year to implement it.

#### Supervisory Board

Mr. F.G.H. Deckers, Chair  
Mr. J.C. Kombrink  
Mrs. J. Schraeverus  
Mr. J.G.C.M Buné, vice-Chair  
Mrs. A.J.L.M. van Berkel  
Mr. C.A.M. Renne



# The year in highlights

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This section outlines a selection of the activities and achievements in 2011/2012 that we are particularly proud of.

## **June 2011**

Diversity is reconfirmed part of the Talent Vision 2016 and our internal diversity team is expanded

## **July 2011**

Sustainability declared an integral part of the Deloitte strategy

## **August 2011**

Deloitte wins an assignment for a major supplier of building materials to develop a sustainability strategy

## **September 2011**

Our recruitment site [www.werkenbijdeloitte.nl](http://www.werkenbijdeloitte.nl) ranked number 4 in best website research from WUA

## **October 2011**

Deloitte switches off all commercial lighting of its offices for the 'night of the night'

## **November 2011**

New Amsterdam office is awarded a BREEAM four star certificate

## **December 2011**

Deloitte is announced winner of the InCompany 200 prize for employee satisfaction in the category professional services provider



### January 2012

During the World Economic Forum, Deloitte presents research indicating that 73% of top managers believe that the core activities of companies should also contribute to society

### February 2012

Deloitte launches Social Media Policy titles "Add, Solve, Enrich" stimulating Deloitteers to actively but prudently contribute to discussions in social media

### March 2012

Deloitte donates €10,600 to Make-a-Wish. This sum was generated by offering our Rotterdam office to display New Year's wishes sent in by the general public as well as from donations made by Deloitteers

### April 2012

Deloitte starts a coaching programme specifically aimed at female senior managers

### May 2012

Deloitte ranked second in professional services providers category in MT-500



# About this report

This report contains an overview of the sustainability activities and performance of Deloitte Netherlands and its subsidiaries between June 1, 2011 and May 31, 2012. It contains, amongst others, an overview of the activities we have undertaken as follow up to the key initiatives as published on page 17 of our 2010/2011 report.

The current report has been compiled using the Sustainability Reporting Guidelines, version 3.0, as published by the Global Reporting Initiative (GRI). Please refer to Appendix III for the GRI Reference Table. As a result of our strict application of the GRI Guidelines, this report is categorised A+. Our Sustainability Report also serves as the Communication on Progress, as prescribed by UN Global Compact, to which Deloitte Netherlands is a signatory.

## Scope

In this report, Deloitte refers to Deloitte Holding B.V. and its fully owned subsidiaries as listed in the 'Notes to the specific items on the balance sheet' in the Annual Report 2011/2012.

Deloitte Holding B.V. is the Dutch member firm of Deloitte Touch Tohmatsu Limited (DTTL), a UK private company limited by guarantee, hereafter to be referred to as 'our global office'. Please refer to [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of DTTL and its member firms. Like all member firms, Deloitte Holding B.V. is a separate and independent legal entity that provides its services subject to applicable local law and regulations. Like all member firms, the results of Deloitte in The Netherlands are reported to DTTL to facilitate the publication of the DTTL Corporate Responsibility Report.

## Materiality

In 2011/2012, we concluded our comprehensive stakeholder dialogue on the basis of our 2009/2010 Sustainability Report. In this process we followed a five step approach. In the first step we identified our most relevant stakeholder groups. We decided to focus on our people, our clients and on non-governmental organisations that have an interest in Deloitte. In step 2 we determined the key themes we wanted to discuss with our stakeholders. We have done this mainly on the basis of desktop research. Step 3 consisted of the actual dialogue sessions. These were performed mainly in face-to-face discussions. In step 4 we analysed the outcomes of the dialogue sessions and we validated our findings in a roundtable event with the participants in October 2011. Finally, in step 5 we assessed how the conclusions from the dialogue inputs our policies and our targets for the period 2012-2016. The dialogue was executed as an additional activity to our ongoing stakeholder engagement activities, which include the Employee Engagement Survey (bi-annual), Client Service Assessments (annual), Engagement Reviews (ongoing) and the Deloitte Market Survey (annual).

As we value transparency, the most important conclusions from our stakeholder dialogue process are listed in table 1, together with our response.

**Table 1: Stakeholder dialogue outcome and Deloitte response**

Finding	Deloitte response
<p><b>Reporting</b> Stakeholders are unfamiliar with the Sustainability Report The report is not appealing and too high-level</p> <p>Website support is inadequate</p> <p>Deloitte is expected to have a state of the art report and integrated reporting is seen as essential</p> <p>Participate in benchmarks</p>	<p>A broader communication effort will be made to increase familiarity with this report By implementing a new structure and design to the report, the current report should be more appealing and accessible A good HTML version of this report will be made available and will be actively promoted</p> <p>The Sustainability Report feeds into the integrated Deloitte Report but is also published as a standalone document because of the added value and insights it provides.</p> <p>Deloitte participates in the “Transparantie Benchmark” as published by the Dutch Ministry of Economic Affairs (see text below)</p>
<p><b>Integrity</b> Include integrity on all levels: customer approach and service, innovation and education</p> <p>Describe the whole lifecycle of customer service and describe the sustainability impact per phase</p> <p>Professionalise sustainability services through education and training that can also be offered to clients</p>	<p>Integrity is one of the most important values of Deloitte and requires continuous attention. Our approach to quality (including integrity) can be found in the Transparency Report</p> <p>This lifecycle approach has been adopted in our integrated Deloitte Report and will continue to be developed</p> <p>In 2012/2013 we will implement a comprehensive employee engagement and training programme that will also be available to clients</p>
<p><b>Target setting</b> Targets should be clearer, more concrete and ambitious. They should reflect the proactive approach of Deloitte Deloitte should take the lead in quantifying the indirect effects on sustainability through its services</p>	<p>We increased the number of quantitative targets for the period 2012-2016. They reflect our ambitions and actions</p> <p>We started a project to measure the effects of our services on the sustainability performance of our clients on a structural basis. Over the coming years we will pilot a system and solve reliability and completeness issues</p>
<p><b>CO2 policy</b> The ambition should be to achieve CO2 neutrality. This ambition should as much as possible be achieved by own activities</p> <p>Offsetting should not be considered as long as there is better use of comparable investments but Deloitte should be transparent about this</p>	<p>We believe that CO2 neutrality can only be achieved when all energy is consumed as efficiently as possible. We therefore focus on energy efficiency for now. We will continue to explore possibilities for CO2 neutrality in the future</p> <p>We fully agree to this position and hence focus on reduction of energy consumption and related CO2 emissions</p>
<p><b>New issues</b> Biodiversity</p> <p>Water</p> <p>Future scarcities</p> <p>Energy positive buildings</p> <p>Mobility</p> <p>Work/life balance</p>	<p>As our footprint is limited, our effect on biodiversity is not material. In our sustainability service offerings, however, biodiversity is integrated Water consumption and waste water discharge are added to our ecological footprint focus See the Zeronauts case on page 23</p> <p>Deloitte has an existing policy of compliance with BREEAM</p> <p>Mobility is an integral part of our ecological footprint focus</p> <p>Work/life balance is part of our talent approach</p>
<p><b>Independence and objectivity</b> There seems to be little information on conflict of interest management and the whistleblower procedure</p> <p>Ethics and dilemma reconciliation should be treated in a more transparent manner</p>	<p>These issues are detailed in our Transparency Report but we have also included some information in this report for the benefit of the reader.</p> <p>In this report we discuss some major dilemmas (such as unoccupied office space in The Netherlands) that we are facing in the area of sustainability</p>

An important conclusion from our stakeholder dialogue is that stakeholders feel Deloitte has identified the right issues in its approach to sustainability. Some of their expectations had not been fully met, including: improved measurement and description of the impact Deloitte has on the sustainability performance of its clients, the implementation of clear measurable targets, greater transparency on integrity and client acceptance standards, and the ambition to become carbon neutral. These expectations are addressed in this report. On the basis of our stakeholder dialogue, we are confident that we meet the requirements regarding materiality as set out in GRI guidelines G3.0.

#### **Reliability**

We applied the internal controls system that was designed two years ago to collect the relevant performance data from our business information systems and suppliers. This was centrally recorded and reviewed by our internal audit department and externally assured by Ernst & Young. Their conclusions can be found in the Assurance Report in Annex I.

#### **Restatement of figures**

The method we used in previous reporting years to calculate the amount of professional kilometres driven by employees in lease cars can no longer be validated. For reasons of comparability, we have restated our related data (number of kilometres per lease car, CO<sub>2</sub> emissions per lease car based on kilometres driven and CO<sub>2</sub> emissions per lease car based on litres of fuel).

#### **Continuous stakeholder engagement**

We firmly believe that stakeholders can provide us with insights and knowledge that is complementary to our own insights and therefore engage with them on a continuous basis. However, some stakeholder groups are more difficult to engage with because they are either not a homogenous group or not particularly interested in Deloitte (e.g. NGOs in the area of environmental protection). Yet organisations should actively pursue the ideas of such stakeholders. We are proactive in this regard, as demonstrated by the organised stakeholder dialogue we concluded in 2011/2012.

In the coming years we aim to design and implement a process that facilitates the way we seek the opinion on our stakeholders before taking action on a particular issue. This implies we should be able to provide our stakeholders with timely and correct information and actively share our dilemmas. It also implies that we establish a low threshold process where stakeholders can feed their ideas on activities that Deloitte should undertake, or provide feedback on activities already undertaken.

# Section I: organisational structure

## About Deloitte

### Our vision

Our vision is to be the Standard of Excellence in the markets in which we operate.

### European network

The Deloitte firms of Denmark, Belgium, Germany, Austria, Luxembourg, Central Europe and the Netherlands work together internationally within Deloitte Société Européenne (DSE); a regional cooperation focused on servicing clients seamlessly, across borders. France is participating as an associate member. Next to DSE, Deloitte in the Netherlands is a member of the European Cooperation Agreement, a cooperation of the 10 largest EMEA member firms.

### Regional cooperation

The Deloitte member firms in Europe, the Middle East and Africa jointly form Deloitte EMEA, a regional cooperative organisation that acts as a platform for mutual cooperation and the provision of services to clients who have a presence in this region.

### Global cooperation

Deloitte in the Netherlands is a member of Deloitte Touche Tohmatsu Limited (DTTL). Together we deliver integrated expertise and innovative services on a global and local level with professionalism, quality and integrity.

### Legal status

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (DTTL), a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see [www.deloitte.com/about](http://www.deloitte.com/about) for a detailed description of the legal structure of Deloitte Touche Tohmatsu and its member firms.

With a globally connected network of member firms in more than 150 countries, Deloitte brings world class capabilities and deep local expertise to help clients succeed wherever they operate. Deloitte has more than 195,000 professionals, committed to becoming the Standard of Excellence.

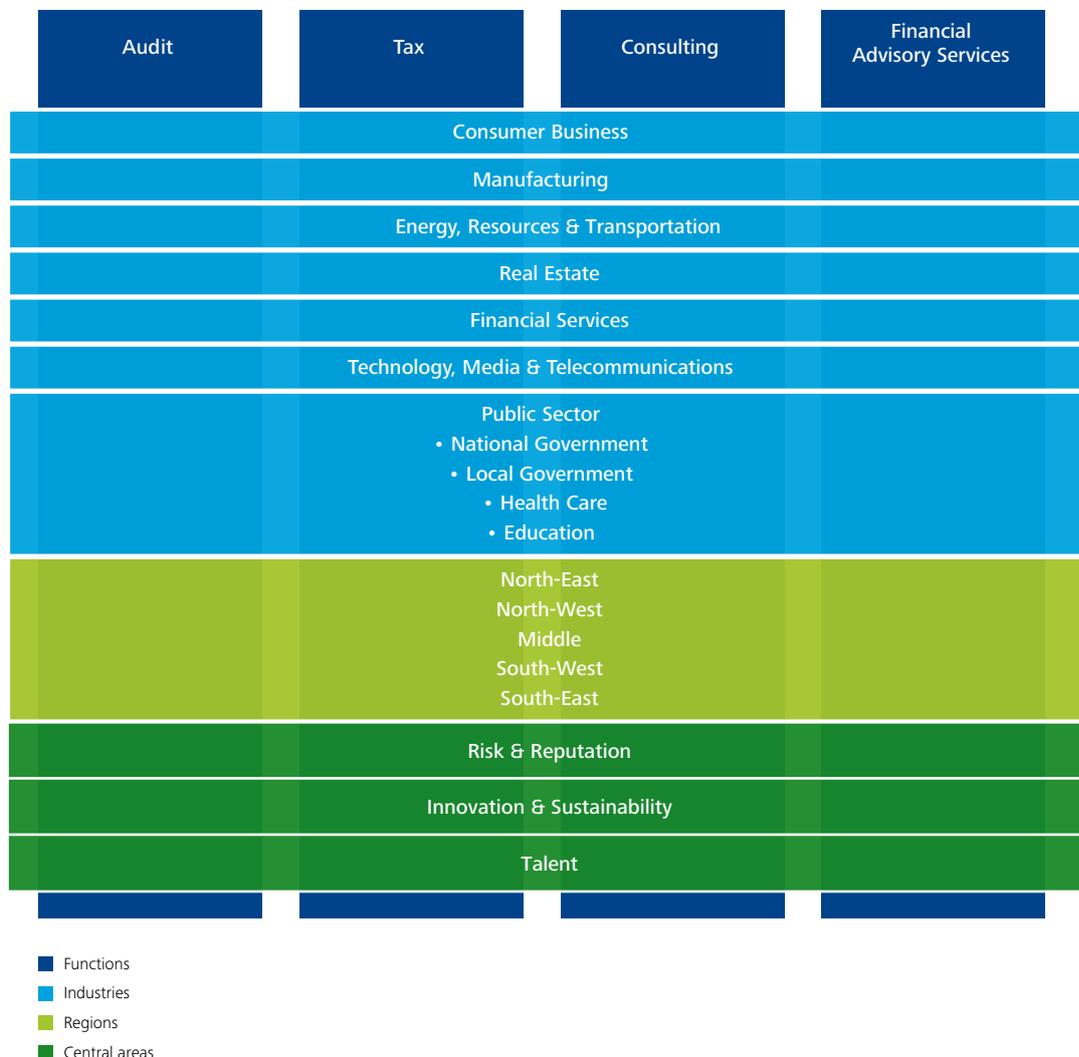
Deloitte's professionals are unified by our shared values: integrity, outstanding value to markets and clients, commitment to each other and strength from cultural diversity. They enjoy an environment of continuous learning, challenging experiences and enriching career opportunities. Deloitte's professionals are dedicated to strengthening corporate responsibility, building public trust and making a positive impact in their communities.

### Strategy

The downbeat prospects for the Dutch economy and ongoing decline of the public sector, offers limited growth prospects for large parts of our highly mature markets. In this environment, we understand that growth will primarily be achieved through greater market penetration and by increasing the number of services available to our clients. At the same time, acquisition opportunities may also arise, enabling us to increase scale and benefit from expected growth in the consulting and financial advisory services markets.

In 2010, we began the As One strategy for the period 2010/2013 that will enable us to fulfil our vision to be the Standard of Excellence, while achieving sustainable growth and a leadership position in the market. The strategy consists of 18 initiatives under the headings of quality, sustainable growth and operational excellence, and addresses the dramatic changes that have occurred in our market environment over the past two years. These initiatives have been further distilled into six priority areas that will provide us with immediate traction and commitment to drive our growth in the longer term. These six priorities are:

- Focus on quality
- Increasing client focus
- Growing the number of services per client
- Driving innovation
- Cost reductions
- Strengthening our As One culture



### Our services

Deloitte offers services in the areas of audit, tax, consulting and corporate finance. These core functions collaborate across specialist industry and market segments.

### Governance

Deloitte is managed by an Executive Board responsible for creating a strategic and policy framework and objectives, monitoring the implementation of policies and maintaining cohesion between the company's various units and disciplines. The Executive Board reports to the Supervisory Board and the General Meeting of Shareholders.

The Supervisory Board oversees and advises the Executive Board and supervises all general developments at Deloitte. The Supervisory Board is

collectively responsible for the performance of its tasks and reports to the General Meeting of Shareholders. Members of the Supervisory Board are appointed by the General Meeting of Shareholders on the basis of recommendations made by the Supervisory Board. The General Meeting of Shareholders brings together the entire group of shareholders. The meeting helps maintain Deloitte's "checks and balances" system by exerting its influence on the policies of the Executive Board and the Supervisory Board. The company's budget, the company's long-term policy and various other matters referred to in the Articles of Association require the approval of the General Meeting of Shareholders.

For a more detailed description of our corporate governance, please refer to the Annual Report 2011/2012.

### Shared values and ethical principles

Deloitte's shared values define the underlying beliefs that bind DTTL and its member firms together. Our ethical principles further determine the specific standards of behaviour expected of all Deloitte's leaders and people.

The shared values are:



Our ethical principles give guidance on appropriate professional conduct, covering the following issues:

#### Honesty and integrity

"We act with honesty and integrity."

#### Professional behaviour

"We operate within the letter and the spirit of applicable laws."

#### Competence

"We bring appropriate skills and capabilities to every client assignment."

#### Objectivity

"We are objective in forming our professional opinions and the advice we give."

#### Confidentiality

"We respect the confidentiality of information."

#### Fair business practices

"We are committed to fair business practices."

#### Responsibility to society

"We recognise and respect the impact we have on the world around us."

#### Respect and fair treatment

"We treat all our colleagues with respect, courtesy and fairness."

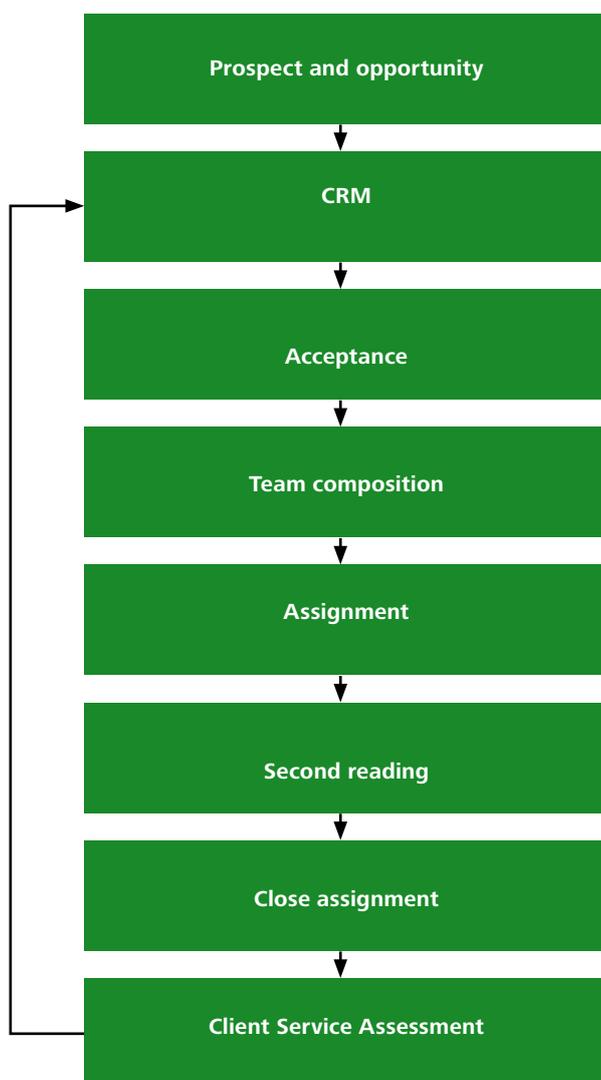
#### Accountability and decision making

"We lead by example, using our shared values as our foundation."

### Business process

To maintain the trust of our stakeholders, we have a standard business process in place that supports the quality of our work and ensures our professional opinion is unbiased and forward thinking.

Our standard business process can be depicted as follows<sup>1</sup> :



<sup>1</sup> This is a high level, overall process description. For more detailed process descriptions, please refer to our Transparency Report 2010/2011

A prospect is an organisation or individual that we believe is of added value. Prospects may contact Deloitte or may be identified and contacted by us in relation to the specific sector and industry knowledge we provide.

When a concrete opportunity for a new prospect has been identified, it is usually listed in our customer relationship management (CRM) system. For existing clients, new opportunities are added to the existing CRM file.

Deloitte wants to ensure that we do not accept clients and suppliers that may jeopardise our vision to be the Standard of Excellence or accept engagements that could create a conflict of interest or impair our independence. We manage processes to comply with all applicable laws and regulations regarding client and engagement acceptance. All relevant partners and employees are trained in the application of our rules regarding acceptance and independence.

As a safeguard to our efforts, our Acceptance Centre runs checks on newly created prospects and opportunities in our CRM system. In 2011/2012, a total of 4,695 background checks on new prospects were performed and 15,623 checks on new opportunities were completed. During the year a total of 31 (potential) clients have been earmarked as organisations to whom we do not want to render services. Furthermore, for 2,138 opportunities the Acceptance Centre asked for additional information in order to comply with all applicable laws and regulations.

After the formal acceptance of a client or engagement, the engagement team is composed. Members of the engagement team are expected to be in an independent position vis-à-vis the client. Conflicts of interests should be avoided at all times. Personal independence is a joint responsibility of each team member and our organisation.

Once there is a signed engagement letter and the team has been composed, the engagement can be performed. As part of our quality framework, it is our standing policy that predetermined written documents, sent to an external party, are reviewed by an internal expert that is not directly involved with that specific engagement.

After the work has been concluded to the satisfaction of our client and all bills are paid, we close the engagement. Through the Client Service Assessment, that is performed among major clients and that uses interviews or online questionnaires, we give our clients the possibility to render feedback on their experiences with Deloitte. This feedback is used to continuously improve our services to clients. Additionally, we measure customer satisfaction through our Group Market Study.

On an annual basis, all partners and employees of Deloitte are required to submit an independence confirmation. All these submissions are checked by our Independence Centre and, additionally through sample testing by the Internal Audit Department. Additionally, on a continuous basis, all employees at management level and above must list their personal (financial) interests, and those of their dependents. The Independence Centre is charged with the monitoring of these registrations. On the basis of a risk analysis, our Internal Audit Department under responsibility of the Director of Independence, performs sample tests. In 2011/2012, our Internal Audit Department conducted investigations into the submissions of 126 employees, leading to 21 cases of non-compliance with our strict internal rules on independence. The Independence Centre provides regular online and classroom training on our rules regarding independence. In 2011/2012, 2,391 partners and employees participated in our online training activities.

We perform annual practice reviews. These are designed to ensure that the quality of our work is meeting the requirements from various applicable standards and society at large and to provide evidence of our compliance with, and consistency in, the application of our policies and methodologies, including those that are function specific or cover risk management.

# Sustainability in Deloitte

## Vision

Technology has given us greater insights into the mutually dependent systems and organisms that make up our world, in addition to an understanding that its resources are not endless. Deloitte is fully aware that the creation of economic value can sometimes lead to the destruction of the well-being, habitats and dignity of others. We also know that the current growth in world population and increasing global wealth means we are rapidly approaching barriers caused by stress factors. Continued growth, necessary for the continuity of our company, requires us to think not just about what we do, but how we do it.

As a leading business services company, our operational impact on the economy, society and the environment is relatively small. However, as an active and integral part of society, we do not believe this makes us exempt from making a continuous effort to reduce negative direct impacts and enhance positive ones. To this end we will keep investing in greener offices, the use of more sustainable energy sources, and in the communities in which we operate, among other programmes.

Although our operational footprint is somewhat limited, our influence on the footprint of others is potentially huge. We are committed to helping our clients adapt to the new market realities making their organisations fit for a new era, creating business opportunities for both Deloitte and our clients. By integrating sustainability throughout our core business services, Deloitte is fully equipped to be change leaders; a knowledgeable, visionary and inspirational team that can convey a sense of urgency to others and provide logical solutions, making human activity more sustainable.

## Ambition

Our sustainability ambition is to be the Standard of Excellence in making Deloitte and its clients sustainable for the future.

## Strategy

In line with our vision, Deloitte has two main focal points: impacts from services and impacts from operations.

### Impacts from services

The impact from our services by far exceeds our operational impact. We act as financial auditor, consultant or sparring partner to around 20,000 clients, all of which make an impact on their own business environment. We serve our clients using a holistic approach where sustainability is an integral part of our work, rather than a bolted-on activity. This means that our Lead Client Service Partners are responsible for detecting sustainability opportunities with their clients inside and outside the scope of their assignment, and to then help design solutions. The Sustainability Team in Deloitte Innovation is continuously developing new and innovative service offerings that contribute to the sustainability of our clients that our partners and consultants can use, and is a good sounding board for ideas internally. Through awareness and learning programmes, partners and consultants are kept up to speed with the latest developments.



### Operational impacts

In reducing direct harm to our business environment and the maximising positive, operational impacts, we have identified four areas that we believe are material to Deloitte. These areas are:

- 1. Integrity**

It is vitally important that our business is a trusted partner to our clients and society at large. To ensure the integrity of our services, we maintain robust programmes to secure our independence and the quality of our work. In addition, we have implemented strict procedures for client acceptance. We actively maintain our Code of Ethics and all our staff are trained in the application of our ethical principles.
- 2. Our people**

We hire the best talent in order to provide high added value to our clients. Through extensive training and career development programmes, we continuously harness and develop the talents and skills of our people. We challenge our diverse workforce to form multidisciplinary teams that utilise the wealth of experience within Deloitte in order to meet and exceed the expectations of our clients.
- 3. Our impact on society**

We are a knowledge company and we want the broader community to profit from the knowledge and experience we have in-house. We aim to make a positive contribution to the development of people in the communities in which we operate. Our vehicle to achieve this goal is the Deloitte Fair Chance Foundation. The Foundation offers a variety of educational initiatives to help underprivileged children shape a better future for themselves and their families. We contribute to a better world through the implementation and maintenance of our Supplier Code and sustainable specifications for the products and services that we purchase.
- 4. Our ecological footprint**

Although our energy consumption is limited, we believe we are all responsible for preserving natural resources for future generations. Furthermore, there is overwhelming evidence that CO<sub>2</sub> emissions are driving climate change. We maintain strict policies regarding mobility with the aim of reducing fossil fuels consumption and related financial costs. All our existing offices are powered by energy from renewable, CO<sub>2</sub>-neutral sources. When designing new offices, state-of-the-art technology is used and high standards, such as BREEAM, are met. We see waste as a raw material for new products and aim to conduct separated waste collection in all our premises. When we organise events, we do so in accordance with high sustainability standards.

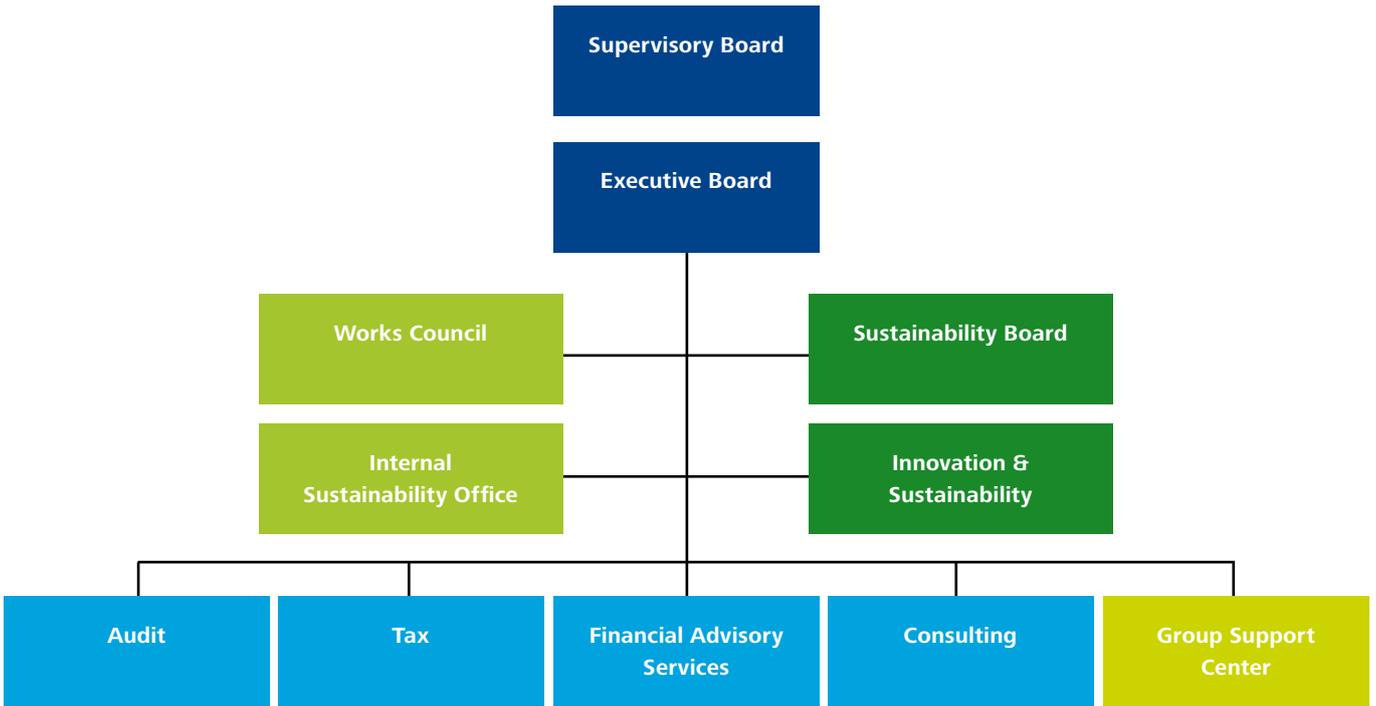
### Enabler

We believe that being transparent about our business helps to refine our strategy and improve our operations through the feedback we receive from our stakeholders. We publish a wide range of financial and non-financial information on our activities and performance and our publicly available reports provide a truthful reflection of our practice, externally assured to the highest level. Using a wide variety of feedback mechanisms, such as employee and client surveys, social media, webcasts, face-to-face meetings, and desktop research, we actively seek the opinions of the people and organisations that shape our business environment.

### Governance

Responsibility for our sustainability agenda and related activities falls to the Executive Board, that is in turn guided by the Supervisory Board. Deloitte has created an internal Sustainability Board to safeguard the implementation of sustainability as an integral part of our business. This Board consists of representatives from all our business functions as well as specialists and issue owners within Deloitte. The Sustainability Team within Deloitte Innovation has an external focus and is tasked to develop innovative solutions to sustainability challenges affecting our clients. Our internal Sustainability Office co-ordinates and supervises our internal sustainability priorities. Finally, it is the responsibility of our functions to deliver our sustainability services to the client in an integrated manner.





- Operational impacts
- Impacts from services
- Integrated sustainability services

## Targets

In order to measure our progress, we track our performance and have set targets on a general level as well as for our four focus areas, to be achieved by 2016.

Tabel 2

Targets for Sustainability Report	Target 2016	Baseline 2012
<b>General targets</b>		
Transparency	Deloitte is the highest ranked professional services company in the Transparantie Benchmark	Deloitte ranked third in benchmark group
Client awareness	70% of clients are familiar with Deloitte's sustainability activities and appreciation score is >7.0 as measured by our Client Service Assessments	Client awareness and appreciation are not yet structurally measured using Client Service Assessments
<b>Serving our Clients</b>		
Embedding sustainability	Sustainability is addressed in 75% of our engagement letters	Sustainability not yet structurally embedded in engagement letters
Measuring our impact	Development, improving and testing of a methodology to calculate the monetary value of the impact of our services on sustainability	No such methodology currently exists
Innovation	Each year, 10 new and innovative service offerings that contribute to the sustainability of our clients are developed	7 fast tracks involving sustainability were organised
<b>Our People</b>		
Employee engagement	75% score in employee engagement as measured by our Talent Survey	Employee engagement score is 70%
Diversity	Eight diversity initiatives are embedded in business practices	Proactive diversity management in nomination, succession and client team selection processes
Health & safety	Sick leave below 3% as measured on an annual basis	Sick leave is 3.0%
<b>Ecological Footprint</b>		
Sustainable offices	70% of office space BREEAM certified to the level of at least "very good"	
Carbon footprint	15% reduction of carbon emissions caused by mobility	Total mobility related CO2 emissions amount to 21,659 tonnes
<b>Partnerships</b>		
Global Compact	Deloitte to reach advanced level in Global Compact	Deloitte has basic level in Global Compact
Suppliers	100% of major suppliers in conformity with Deloitte Supplier Code	Deloitte currently has no Supplier Code
Fair Chance Foundation	Total of 1.500 volunteers deployed 12,500 children in underprivileged areas have benefited from the foundations activities	Currently 397 volunteers deployed

### Measuring performance

As a general management approach to managing our impact, in addition to setting new targets, we have also started to restructure our data collection process. Starting in 2012/2013, we will produce a comprehensive overview of the impact of our activities on a quarterly basis, towards realising our targets. This will enable us to manage our performance more closely and intervene, if necessary, to ensure we stay on track to meet our targets.

### Case

#### The Zeronauts Symposium 2012

As our footprint continues to increase, the world's absorptive capacity is rapidly shrinking, along with its natural resources. It is estimated that humans are already overusing the planet by 50 percent and that without a radical shift in production and consumption habits, a future world with 9 billion inhabitants will consume up to three or four times the world's actual capacity.

Given that such an outcome is untenable, it is clear that we require a new production paradigm and a more sustainable way of living.

This was the starting point for an exciting Deloitte Growth Track programme developed in 2011/2012 by Deloitte Innovation and John Elkington (Volans), a global leader in sustainability, and author of the book 'The Zeronauts – Breaking the Sustainability Barrier.'

Together, we designed an open innovation platform to help shape the idea that 'zero impact' growth - the basic premise behind the Zeronauts concept - can set a real benchmark in sustainability performance across industries. No such sustainability benchmark methodology for this concept currently exists. Yet, at the same time there is a great deal of discussion about what would be the required path for global economic growth, as the current mere quantitative growth paradigm seems a slow death path for humanity.

The first milestone in this project was in June 2012, when Deloitte held the inaugural Zeronauts Symposium. This comprised a presentation of the Zeronauts book by John Elkington, as well as the outcome of the first-ever Zero Impact Growth Strategy Monitor carried out by Deloitte on 65 world leading companies, across 10 industries. In addition, workshops were organised around innovative methods of measurement, collaboration, products and services, and leadership.

The conclusions of the Zeronauts Symposium form the basis for a broader initiative that can deepen knowledge about 'zero impact' growth. This includes work on 'Zeronautics', which are the necessary measurement and accounting methods for individuals and companies for developing a common 'zero impact' growth vision. It is our aim to become leading advocates of 'zero impact' growth and to advise other organisations that are preparing their journeys to zero.

# Section II: our performance

## Serving our clients

We realise that the combined impact of our client base on people, planet and profit, far exceeds our operational impact. As such, we work with our clients to increase their sustainability performance, which not only makes good business sense for Deloitte as an auditor or consultant, but also allows our people the opportunity to contribute to a more sustainable world. Moreover, we aim to make sustainability an integral part of our service offering to clients. This means that in addition to our specific sustainability services, we want to include the effects on sustainability in all our engagements. We realise that we still have considerable ground to cover until we reach this objective.

Building the knowledge and understanding of sustainability for all Deloitte's working on client engagements is crucial to achieving our objective. In 2011/2012 we continued our focus to empower Deloitte's to include sustainability in their client proposals. The result was that more than 150 colleagues are now able to actively address and discuss sustainability issues with their clients. In our specific sustainability work, we perform a holistic set of services that cover all the important aspects of sustainability management. This is in full alignment with Deloitte's international approach: from strategy to reporting to assurance, and from supply chain management to human capital deployment.

In our assignments, we are able to mobilise our international network for our assignments. More than 750 colleagues are available worldwide, either through being actively involved and providing expertise in client projects or by acting as a sounding board for new proposals and activities. This enables us to work for SMEs in the same way we work for multinational clients, where international teams are a prerequisite.

As with all the services Deloitte provides, innovation is a crucial differentiator in our sustainability offerings. We work with our clients in a number of ways to connect sustainability and innovation:

- o In Fast Tracks we make existing products and services more sustainable
- o In Innovator Tracks we develop new products and service ideas for our clients
- o In Growth Tracks we stimulate participants to think out of the box and to move the barriers

For examples of these Tracks, please see the case studies in this section of the report.

For a professional services provider in the area of sustainability, it is vitally important we remain at the forefront of industry and sector debates. Therefore we spend considerable time and effort in the development of fresh thinking on sustainability with organisations such as the Global Reporting Initiative, the International Integrated Reporting Council, and MVO Nederland. In addition, we participate in MBA curriculums and alumni programmes from Universities, and facilitate serious gaming sessions.

Next to integrated offerings where sustainability is part and parcel of a solution, we offer a set of specific sustainability client offerings:

1

**Sustainability and climate change strategy**

Developing a roadmap to help address sustainability issues in support of objectives

2

**Sustainability governance and risk intelligence**

Developing strategies and governance to address sustainability related risks

3

**Energy and natural resource management**

Managing energy, natural resource consumption and emissions within sustainable limits

4

**Human capital and stakeholder engagement for sustainability**

Strategic communications and organisational design to engage employees in sustainability initiatives and create lasting behavioural change

5

**Sustainable operations and supply chains**

Integrate sustainability throughout supply chains, product lifecycles and internal operations

6

**IT for sustainability**

Information management capabilities to enable sustainability strategies, programmes and processes

7

**Sustainability reporting, assurance and compliance**

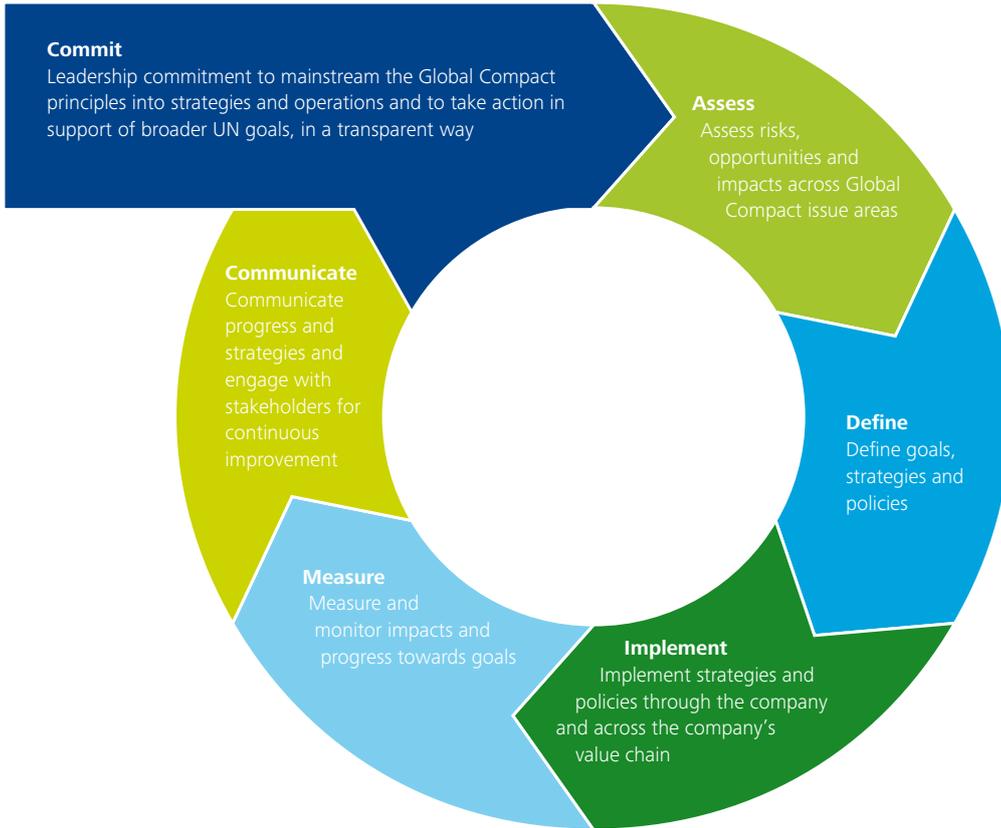
Collecting and reporting data in compliance with laws, regulations and stakeholder expectations

8

**Sustainable innovation**

Create business opportunities focused on sustainable value, using Fast, Innovator or Growth Track methodologies.

## Global Compact Management Framework



**Commit**

Business simulation gaming as tool to develop balanced leadership and awareness on sustainability

**Client**

A leading technology company

**The challenge**

We were invited by a client to develop and facilitate a programme for their leadership and top commercial teams to raise awareness and embed sustainability in their strategic plans and daily practice, using the Deloitte Business Simulation Game.

**Our approach**

The programme was composed of three elements. Firstly, we presented global megatrends affecting the sustainability of our future society and market place to the participants to set the scene and highlight the urgency of sustainability on a global scale. Secondly, the participants were divided into teams to play the Deloitte Simulation Game. In this game, the teams are challenged to lead a logistics company to sustainable business success over a twelve year period, encountering numerous dilemmas in the areas of people, planet and profit. To be successful the teams need to determine an effective strategy, engage in collaborative decision-making, master multi-stakeholder engagement and take well-balanced decisions making the right trade-offs. Finally, learnings from the presentation and game-experience were subsequently translated to daily practice in a consequent workshop-exercise. In this exercise the teams were facilitated to define smart goals and actions on how to embed sustainability in their strategic plans and daily practice. As a result each individual was equipped with a practical action plan to address the sustainability of his/her portfolio.

The programme was initially successfully organised for the Dutch Board of Directors, subsequently covered the client's Key Account Managers, and is now planned for international roll-out. Similar programs are being rolled-out at other clients, more information on the Deloitte Business Simulation Game on [http://www.deloitte.com/view/en\\_NL/nl/services/innovation-services/innovation-portfolio/business-simulation-game/](http://www.deloitte.com/view/en_NL/nl/services/innovation-services/innovation-portfolio/business-simulation-game/).

**More information**

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“This game helped me to identify opportunities with colleagues in other divisions and to understand each other's challenges”



### Assess

Calculating Carbon Capture and Storage

#### Client

An international player in the oil and gas industry

#### The challenge

Our client was invited to participate in a carbon capture storage (CCS) project. CCS is about the collection and storage of CO<sub>2</sub> and is an important pillar in the reduction of CO<sub>2</sub> in our atmosphere. Through this highly complex and costly project, our client would be able to reuse depleted gas reserves as well as the connected infrastructure. For the realization it was vitally important that a thorough estimate of the cash flow was established in order to negotiate the contractual requirements and to convince stakeholders.

#### Our approach

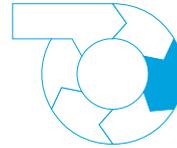
We developed two flexible models that allowed us to calculate cash flow scenarios for both the injection process of CO<sub>2</sub> in the underground storage and the storage itself. The models allow for adaptation of important variables such as the duration of the contract, and enables the client to calculate and share the different scenarios. Next to this, the model can be used after the investment decision to calculate the value of future contracts and to attract equity.

#### Advantages for the client

- Thorough preparation for contract negotiations
- Calculation of alternative propositions has led to a deep insight into the positive and negative aspects of CCS

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### Define

Developing a Sustainability strategy and action plan

#### Client

A European industrial sales and service supplier

#### The challenge

Our client is facing more and more sustainability challenges by requirements of customers. The client asked Deloitte to facilitate the client by developing a sustainability strategy and translate the strategy into a concrete action plan. In this project we used the Sustainability Assessment Model.

#### Our approach

Deloitte assisted the client in developing a sustainability framework to define the key steps to integrate sustainability principles into the client business processes. Therefore we used the Sustainability Assessment Model by which we determined their current level of sustainability and also their level of ambition. We hereby look at six different subjects including Vision & Strategy, Embedding, Products and Services, Supply Chain, Internal Operations and Communication. Based on the ambition level we helped the client to develop their sustainability strategy and its objectives. Next to this, we established an action plan, which clearly defines and prioritises action steps, responsibilities and timelines. An important focus will be on quick wins. In addition to long-term goals, we believe quick wins are essential in order to maintain stakeholder support and for improving your financial performance in the short-term.

#### Advantages for the client

- Focus on their sustainability strategy and objectives
- Concrete action plan to achieve their strategic objectives

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### **Implement**

Introduction of Sustainable Sourcing and Procurement to realize 100% sustainable supply

#### **Client**

A leading energy and utility company

#### **The challenge**

Deloitte was invited to introduce sustainable Sourcing and Procurement into the organization as the leading principle and implement supplier code of conduct and supplier self-assessments.

#### **Our approach**

The programme consisted of three main phases. The first phase was to assess a pilot group of the supply base with the Deloitte composed web survey. The survey consisted of a variety of business processes and impact on sustainability (e.g. Strategy, Supply Chain, Environment, and Social). The outcome of this survey divided suppliers in four main categories: Laggard, Starter, Performer and Leader.

In the second phase a plan was made to implement a 50% sustainable supply base. A Supplier Code of Conduct was made and sent to suppliers. The same supplier selection was assessed through the web survey.

The third phase consists out of a supplier development program, where supplier performance is measured and developed in a structured and consistent way. In this part, innovation, cost efficiency and sustainability go hand in hand.

#### **More information**

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### **Measure**

Setting up a reliable and comprehensive measurement system for sustainability

#### **Client**

Global market leader in the maritime services industry

#### **The challenge**

We were invited by our client to set up the reporting process for CSR and ensure a complete report was produced for FY 2011/2012 that would meet the GRI guidelines. Support included validating current KPI's, establishing common definitions, determining the required amount of depth for reporting, setting up a standardised data request procedure and linking CSR to financial reporting.

#### **Our approach**

A systematic approach was used in this project. An Initial assessment was made of the current situation and the status of the reports up till this time. Including relevant stakeholders of the company we then drafted and agreed upon the indicators to be included in the report and the definitions of each indicator. KPI's were then determined related to each indicator and were established in cooperation with senior management. After setting up these guidelines we supported the client in the data gathering process, setting up a formal process and reporting structure and aiding them in collection and analysis of the initial data. Later in the trajectory the data was updated which was left to the client but coordinated by our team and supported where necessary. After tracking the response and collecting all the data required for the report we aided in the total consolidation and initial analyses to leave them with a complete set of data to complete their CSR report.

The project resulted in a complete data gathering procedure and reporting structure for the CSR report. Client benefit included having a standardised reporting structure to simplify and improve the quality of CSR reporting in the future. Additionally detailed data on company performance for fleet, personnel and SHE-Q was uncovered and reported that can be used to measure the company's sustainable performance and improve this in the future, which can translate to direct cost benefits.

#### **More information**

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### **Communicate**

Transparency and credibility are key requirements in the communication about sustainable performance. External assurance ascertains stakeholders that the reported information is reliable.

#### **Client**

Construction company for (sustainable) energy infrastructures.

#### **The challenge**

We were requested by our client to provide assurance on their first integrated report. Integrated reporting addresses the financial, environmental and social performance in coherence to inform stakeholders how the organization creates and sustain value in the short and long term.

#### **Our approach**

We applied an integrated approach to provide assurance on the financial, environmental and social information in the integrated report. As environmental and social performance becomes an increasingly important factor, internal and external stakeholders are demanding consistent insights based on accurate data and information. Therefore, we assessed the processes and controls for managing the environmental and social data across the business units and systems. Further, we assessed whether the report meets the content and quality requirements of the international guidelines on sustainability reporting (reporting guidelines of the Global Reporting Initiative GRI 3.1) based on the B+ application level.

As a result of our assurance engagement and its formal conclusions, the client received an assurance report, which contains information about the objective and purpose of the assurance activities, the fundamentals they are based on, the measures performed, and the resulting conclusions. Further, we presented our findings to the board and provided specific recommendations to improve on internal controls, data collection and application of the GRI guidelines.

#### **More information**

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“The assurance engagement helped me to identify opportunities how we can support audit clients towards integrated reporting and assurance”

# Our people

More than 4,800 people look at Deloitte for the fulfillment of their personal ambitions and income. We feel it is our responsibility to create an environment where our people are encouraged to develop themselves as leaders and are motivated to give their best to the success of Deloitte.

**Table 3**

	2011/2012	2010/ 2011	2009/2010
Average FTE's	4,475	4,472	4,624
Average headcount	4,847	4,836	4,993
Total experienced hires (incl. partners)	164	190	84
Total partner hires	6	8	3
Total graduate hires	546	546	395
Total internship	240	226	182
Total exits	669	741	926
Total divestments	0	0	0

**Table 4**

Part-time / Full-time population (%)	Part-time 2011 / 2012	Full-time 2011 / 2012	Part-time 2010 / 2011	Full-time 2010 / 2011
Population of Fee-earners	19	81	19	81
Population of Support	47	53	47	53
Population of Deloitte	25	75	25	75

The core mission of our talent organisation is to enable the leadership of Deloitte to create high performance teams. As such, our talent organisation aims to build leadership capabilities, such as performance management, invest in our business culture, and offer innovative tailor-made solutions to safeguard efficient processes in relation to talent.

Deloitte's goal is to assign the best possible people to exceed our clients' expectations. To this end, our talent strategy is at the heart of our business strategy. As the nature of our business is subject to significant change, we constantly map the capabilities we need to adapt to new market challenges. One of the prerequisites to achieve this is what we call a self-directed learning environment where continuous on and off the job education is seen as normal by everyone in Deloitte: learning is work, work is learning.

## Business ethics

Deloitte maintains a Code of Ethics that is based on our Shared Values and Ethical Principles. Our Code of Ethics determines our attitudes and behaviours as a professional business services provider. The National Ethics Officer heads our Ethics Office and is responsible for the design and roll-out of our national Ethics & Compliance Programme, which is fully aligned with the Deloitte Global Ethics & Compliance Programme. The Code of Ethics was updated during 2011/2012 and will enter into force during the financial year 2012/2013.

Activities of our Ethics Office include, but are not limited to, being available for our colleagues to report and/or discuss ethical dilemmas. This main task is a shared responsibility with our counsellors. Furthermore our National Ethics Officer updated our

Code of Conduct and commenced the roll out of our awareness program in order to secure the compliance with this code in the behaviour of our people. Our new Social Media Policy and awareness programme were developed and implemented in close cooperation with our National Ethics Officer.

As part of our internal policies the National Ethics Officer is also involved in the performance management process for our Audit Function. In line with our Ethics Policy an Ethical Survey was conducted. The results showed an overall improvement compared to the results of last year's survey. Especially the awareness of the fact that we have an Ethics Officer, a Code of Conduct, ethical principles and channels in place to report unethical behaviour increased. Topics of attention are the fact that we, as a firm, need to show that we take action to address unethical conduct in a confidential manner and create an environment that supports discussions related to ethical conduct. Last but not least we need to put some effort in our partners who must lead by example with respect to integrity and ethical behaviour.

Employees, clients and other third parties have the possibility to file a complaint about unwanted behaviour, or they can ask the Ethics Officer or one of the counsellors for advice. Clients and other third parties are encouraged to solve an issue with their counterpart within Deloitte, but can also address the Complaints Committee if the issue is not solved according to their expectations. Table 5 provides an overview of the number of incidents that were brought to the attention of the Executive Board by Ethics Officer.

**Table 5: Incidents, number of reported occurrences**

Type	2011/2012	2010/2011
Sexual harassment	2	4
Intimidation	8	3
Stalking	4	1
Other disrespectful treatment of colleagues (including bullying)	28	20

Besides the incidents mentioned in table 5, in 16 instances the Ethical Officer was pro-actively consulted.

### Diversity

Deloitte believes in a culture where diverse talent thrives. Diversity is critical to innovation and long term success. We see diversity not primarily as a demographic issue, but as variety in thinking, feeling and acting. Gender, ethnic background and sexual orientation are all indicators of potential diversity. Deloitte recognises and appreciates these differences. As diversity covers so many aspects, it is impossible to catch all the different elements of our definition of diversity in measurable performance indicators. In the tables and graphs below, we present the data that we do collect.



**Table 6 Headcount male/female 2011/2012**

Employment category	2011 / 2012	Male 2011 / 2012	Female 2011 / 2012	2010 / 2011	Male 2010 / 2011	Female 2010 / 2011
Partner	249	231	18	240	223	17
Director	227	202	25	211	190	21
Senior Managers	502	403	99	469	383	86
Managers	697	499	198	676	481	195
Aspirant / Jr. Managers	1,098	723	375	1,131	770	361
Other Staff	2,074	981	1,093	2,110	985	1,125

**Table 7: Gender diversity**

Diversity figures - female	Realised 2011/2012	Realised 2010/2011	Realised 2009/2010	Realised 2008/2009
Partner	7%	7%	6%	5%
Director	11%	10%	8%	10%
Senior Managers	20%	18%	18%	16%
Managers	28%	29%	27%	25%
Aspirant / Jr. Managers	34%	32%	31%	31%
Other staff	53%	54%	54%	53%

**Table 8 Turnover**

Employment category	Turnover male 2011/2012	Turnover % male	Turnover female 2011/2012	Turnover % female
Partner	2	1%	0	0%
Director	12	6%	4	16%
Senior Managers	32	8%	14	14%
Managers	45	9%	39	20%
Aspirant / Jr. Managers	83	11%	63	17%
Other Staff	112	12%	263	25%

**Table 9 Ethnic Diversity**

Employment category	% Foreign	% Native	% Unknown
Partner	3%	72%	25%
Director	7%	82%	11%
Senior Managers	9%	78%	13%
Managers	10%	79%	11%
Aspirant / Jr. Managers	16%	74%	10%
Other Staff	20%	68%	12%
Interns	17%	64%	19%

\* 'Native' refers to persons whose parents are originally of Dutch descent. 'Foreign' refers to persons from which one or both parents is not originally of Dutch descent. 'Unknown' refers to person for whom it is unknown (not registered) what the place of birth or origin of one or both parents is.

### Recruitment

In 2011/2012, we recruited 710 people. An important element of our recruitment activities is the active deployment of online and social media. For the second consecutive year, our recruitment site ([www.werkenbijdeloitte.nl](http://www.werkenbijdeloitte.nl)) was awarded the Best Digital Application Experience Award by Digitaal-werven. In the area of social media, we expanded our visibility on sites such as LinkedIn, Twitter and Facebook. Although the Dutch labour market currently has a large surplus, finding and attracting the right people remains a challenge. Although we continue to recruit a vast amount of graduates, the shift in focus to the attraction of experienced professionals continued in 2012/2013.

### Incubation of sustainability

Sustainability is integral to the way we do business. All new hires obtain general information on sustainability during the National Introduction Day; a one day curriculum that is attended by all new hires to familiarise them with Deloitte and organised on a monthly basis. Furthermore, we aim to engage our employees in concrete initiatives, actions and trainings. In 2011/2012 we organised 7 Fast Track sessions where sustainability was addressed. Fast Track is an intensive three-day programme where teams from Deloitte, sometimes with external stakeholders, work on improving business solutions. In total 35 Deloitte employees participated in sustainability Fast Track sessions in 2011/2012, gaining a greater insight in the sustainability aspects of their work.

We continued our specific training efforts in the area of sustainability assurance. In 2011/2012, we have conducted the training sessions to train auditors in the application of COS 3410N and the reporting guidelines from GRI. Additionally, we have conducted a webcast on sustainability assurance for Deloitte auditors and have participated in all our regions in the Audit Professional Meetings, where presentations were held on sustainability and the role of the auditor.

### People development

As part of our quality framework, we want to establish a culture that embraces learning. At present, we believe our learning efforts are still too traditional and do not provide sufficient room for a dialogue-based learning experience, which we aim to create. In this respect, the Taxperiment and the Risk Lab initiatives we organised in 2011/2012 are examples of innovative approaches where learning and client engagement are combined. Our ambition is to make the shift from the creation of world class experts to the development of world class leaders. As such, we started to work on a leader-focused learning vision and programme. We continued our LEAD programme in 2011/2012, open to all newly appointed senior managers and comprising a two-year curriculum in which strategy, authentic leadership and self-reflection, and building and maintaining client relations are addressed. In 2011/2012, a total of 145 employees participated in the LEAD programme. We achieved our ambition to establish the Deloitte University on the European agenda. A European Deloitte University allows us to better utilise successful learning programme from other Deloitte member firms and to anchor the unique Deloitte identity across borders.

**Table 11: Average training days / fte**

Function	2011/2012	2010/2011	2009/2010
Audit	13.9	14.8	14.0
Consulting	2.5	2.4	2.3
FAS	6.0	5.8	6.8
Tax	8.4	6.6	8.6
Innovation	0.9	0.7	NA
Others	2.3	2.5	2.2

### Retention

In November 2011, we conducted our Talent Survey. The survey forms part of global Deloitte research into the engagement of our people with the company, the way in which we support our talent and areas for improvement our people see. A total of 3,128 colleagues participated in the Talent Survey, 67 percent of the total headcount. The results show our employee engagement index stands at 70 percent. This is well above the European professional services benchmark of 64 percent as measured by Kenexa.

The engagement aspects our employees were most pleased with included the respect Deloitte has for our people, the quality of our service to clients, the possibilities for career customisation, our fresh approach to branding and our innovation efforts. Points for improvement included elements such as the complete execution of the As One strategy, the lack of honest two-way communication, the quality of leadership and the retention of talent. We will work hard to improve our scores in these areas in the coming years.

One of the important labour conditions is salary. We agreed to make two adjustments in this area during 2011/2012. First of all, we noticed that our system for variable remuneration was generally perceived as being unsatisfactory for our employees. We therefore replaced this system with a new one called 'performance based profit sharing', offering greater predictability to the employee that is unbiased. The second change addressed the fact that the internal dynamics of Deloitte no longer justify a uniform remuneration system across the whole company. Recognising labour market developments, we decided to replace this system with a new model that allows greater flexibility.

We think it is important our people understand their role at Deloitte and that there is absolute clarity on the expectations that we have for their performance. To this end we link people targets with our business targets to increase personal motivation and lead to more meaningful and unbiased career decisions and appraisals.

**Table 12: Number of performance reviews**

Performance reviews	2011/2012	2010/2011	2009/2010
Number of employees	4,847	4,836	4,993
Number of performance reviews	4,126	4,196	4,544
Percentage of performance reviews	85%	87%	91%

The health, safety and vitality of our people is a priority for Deloitte. We run a number of programmes to ensure that our facilities remain a great place to work, which our internal Health Services department is responsible for. Due to their activities, our sick leave declined from 3.5 percent in 2010/2011 to 3.0 percent in 2011/2012. In addition, Deloitte maintains a programme aimed at the vitality of its people. In the context of our vitality programme, our employees have access to in-house and/or external fitness facilities. In 2011/2012, around 250 Deloitteers participated in our fitness programme.

#### Alumni network

In 2011/2012, a total of 885 people including interns left our company. Due to our succession planning and our good recruitment processes, this did not impact our business continuity.

There are a number of reasons for the voluntary termination of a contract, including: the termination of a contract with a fixed end date, termination due to a change in career, and taking retirement. Involuntary termination of a labour contract is generally due to underperformance or an outsourcing of non-core activities.

We believe in life time affinity and our alumni network enables us to do this, so that we can learn from shared experiences. More than 1,500 people took part in the alumni network in 2011/2012.

# Our impact in society

Our impact reaches beyond our employees, our clients and the environment. Many actors in society are affected by our work and we therefore feel a deeper responsibility that merits a focus beyond our core business activities. As a customer, we can exercise a certain influence in our supply chain and where necessary stimulate our suppliers to enhance their own sustainability performance. Furthermore, we feel that by sharing our knowledge and experiences in the communities in which we operate, and by supporting organisations that share our vision, we can contribute to a better world and life for all.

## Supply chain responsibility

We purchase goods and services to run our business. We aim to prevent buying goods and services that jeopardise our ambition to be the Standard of Excellence. Some of our major contracts already include terms related to sustainability. For example, we maintain a strict policy on the types of cars available to our employees (see 'Our Ecological Footprint') through the lease car scheme. Yet, we were so far lacking a common framework that sets out requirements for all our suppliers.

In order to investigate our role and the possible solutions to fill this gap, our purchasing department has analysed our practice and has come up with advice on how to proceed. In 2012, we will adopt the Deloitte Supplier Code as a framework for our future actions. In 2012/2013 we will commence the rollout of this Code and over the coming years we will report on our progress.



### Corporate Social Investments and the Fair Chance Foundation

The Fair Chance Foundation is our main platform for community investment. Through the Foundation, we support underprivileged children in the Netherlands and help to improve their knowledge and skills through a range of educational initiatives. It benefited around 5.000 young people in 2011/2012. Deloitte leverages the time and expertise of its employees to run projects for the Foundation and also provides funding. By engaging our own people in the Foundation's activities, we offer them great learning and personal development opportunities, enhancing both emotional intelligence and social skills. Increasingly, we are opening up the Foundation to our clients so that they too have access to this meaningful learning and development opportunity.

Aside from support from Deloitte, the Foundation seeks to fulfil its mission by partnering like-minded organisations that its goals. The Foundation provides people, knowledge and financial support to these partnerships.

Society is becoming significantly more complex financially. Money is less tangible and advertising temptations are great – especially for children. Ordering through the Internet, paying by debit card and downloading apps are all the rage. So, for young people, it's often quite difficult to figure what the consequences of one's actions can be. Young people's debts are on the rise: a social problem with dramatic consequences.

This is why Deloitte Netherlands has taken the initiative to develop a Money Exam for primary school pupils. This educational package has been developed for pupils aged 10-12 and teaches children to manage their money wisely. Each participating pupil receives a Money Exam Certificate on completion of the program. A Deloitte employee initiated this program and called on the expertise of the NIBUD (National Institute for Budgeting) and a Dutch publisher, Thieme Meulenhoff to further develop the NIBUD Money Exam.

Fair Chance Foundation donated the NIBUD Money Exam to all primary schools in socio-economical underprivileged neighbourhoods in the Netherlands. Well over 6,500 pupils have been reached and more

than 50 Deloitte staff members very enthusiastically act as "money coaches" at these schools, taking care of one of the eight lessons (as a train-the-trainer). Our ambition is to increase these numbers considerably every year.

The Fair Chance Foundation also participates in the activities of JINC, an organisation that aims to help youngsters from socially and economically marginalised neighbourhoods get a good start in the labour market. Through the Foundation, Deloitte offers coaching, internships and training for job interviews. Moreover, Deloitte contributed to the development of the 'Ondernemen doe je zo' curriculum that offers students in their final year of primary school the opportunity to experience what it is like to be an entrepreneur. A total of 50 employees from Deloitte were actively involved with the JINC program in 2011/2012.

The Foundation has supported IMC in professionalising their growing alumni network by helping to define their mission and vision, products, and service offering, as well as implementing an innovative social media strategy. Our volunteers also support Young People's Advisory Councils for children aged between thirteen and sixteen. Children from these Councils are involved with issues that affect their neighbourhood and they receive mentoring in valuable skills such as listening, debating and decision-making. Foundation volunteers assist these children with this process and inspire them to resolve issues. Deloitte volunteers also act as guest teachers and coaches. A total of 30 volunteers supported the IMC Weekendschool in 2011/2012, positively affecting the lives of children.

Close The Gap is an international organisation aiming to bridge the digital divide. It improves local knowledge and puts local talent to use on projects in developing countries by offering cost-efficient IT-solutions, such as refurbished computers. Deloitte Netherlands is involved with Close The Gap's activities in Uganda and made a cash donation of €15.000 in 2011/2012 to facilitate its work. After a thorough evaluation of the work of the Fair Chance Foundation in 2011/2012, we decided to end our involvement with Jong Ondernemen as they do not focus enough on the position of underprivileged children.

Impact Day was held on September 28, 2011. More than 400 Deloitte volunteers spent the day working with underprivileged children, offering training on how to prepare for job interviews, the safe use of social media, and management of personal finance (NIBUD).

In 2011/2012, Deloitte spent a total €450,594 in cash on Corporate Social Investments either directly or through the Foundation. In addition, Deloitte's have spent over 5,800 hours working as volunteers on projects for the Fair Chance Foundation.

**Table 13: Economic Value Added**

Component	€ in millions	Explanation
<b>Direct economic value generated</b>		
Revenues	638,0	Net sales plus revenues from financial investments and sales of assets
<b>Economic value distributed</b>		
Operating costs	247,0	Payments to suppliers, non-strategic investments, royalties and facilitation payments
Employee wages and benefits	283,3	Total monetary outflow for employees (current payments, not future commitments)
Payments to providers of capital	7,9	All financial payments made to the provider of the organisation's capital
Payments to government	0,5	Gross taxes
Community investments	0,5	Voluntary contributions and investment of funds in the broader community (including donations)
<b>Economic value retained</b>		
Economic value generated less economic value distributed	98,8	equity release

### Memberships and partnerships

Deloitte Netherlands fully supports the commitments made by the global DTTL organisation to the UN Global Compact (UNGC), the World Economic Forum's Partnering Against Corruption Initiative (PACI) Principles, the Global Corporate Citizenship Initiative (GCCCI), and the Global Reporting Initiative (GRI). We translate these wherever possible into local activities and initiatives and share our knowledge and experience with other member firms.

Our support for these commitments enables us to:

- Have an understanding of sustainability initiatives undertaken by other member firms and identify opportunities to leverage and learn from these activities
- Translate the commitments made by DTTL to the UNGC, World Economic Forum's PACI Principles and Global Corporate Citizenship Initiative and the GRI, into activities for Deloitte Netherlands
- Set targets for Deloitte Netherlands.

#### UN Global Compact (UNGC)

The UNGC is a voluntary international network of corporations, UN agencies, trade unions and non-governmental organisations that supports ten universal principles. Deloitte has made a public pledge to promote corporate responsibility in the areas of human rights, labour, the environment and anti-corruption.

The Netherlands Network of the UNGC is an initiative of Dutch business leaders that aims to further the contribution of private business – within its sphere of influence – to sustainable development. We actively participate in the Steering Committee of the Netherlands Network, take part in the yearly UNGC Netherlands Symposium and contribute where feasible to projects or workshops.

This sustainability report is based on the G3 Reporting Guidelines of the GRI and also serves as the annual communication on progress regarding the UNGC.

#### GRI

We are an organisational stakeholder of the Global Reporting Initiative (GRI) and this report follows GRI G3 Guidelines for the fifth consecutive year. Based on a self-assessment and external verification by our auditor, this report classifies as a GRI A+ level report.

In 2012, Deloitte Netherlands launched the GRI Taxonomy which allows sustainability reporters to report on sustainability in an XBRL format. This gives users of the report the chance to compare and analyse data electronically. Additionally, the electronic format can assist the reporting organisation in the data collection phase, as XBRL can be linked with existing data information systems that the reporting organisation may use. As a pilot project, this report is also made available on our company website [www.deloitteannualreport.nl](http://www.deloitteannualreport.nl).

#### MVO Nederland

We are an active member of the network of Sustainably Responsible Organisations (MVO) in the Netherlands.

#### World Economic Forum – Sustainable consumption

Deloitte supports the World Economic Forum and its initiatives. In 2011/2012, we contributed to its Business Society Initiative, which aims to redefine the purpose that business has in society. Based on the internal Millennial Survey 2011, attending business leaders were challenged to think about the societal purpose of their business rather than just the financial performance in order to bridge the gap that currently exists in the trust that society has in the private sector.

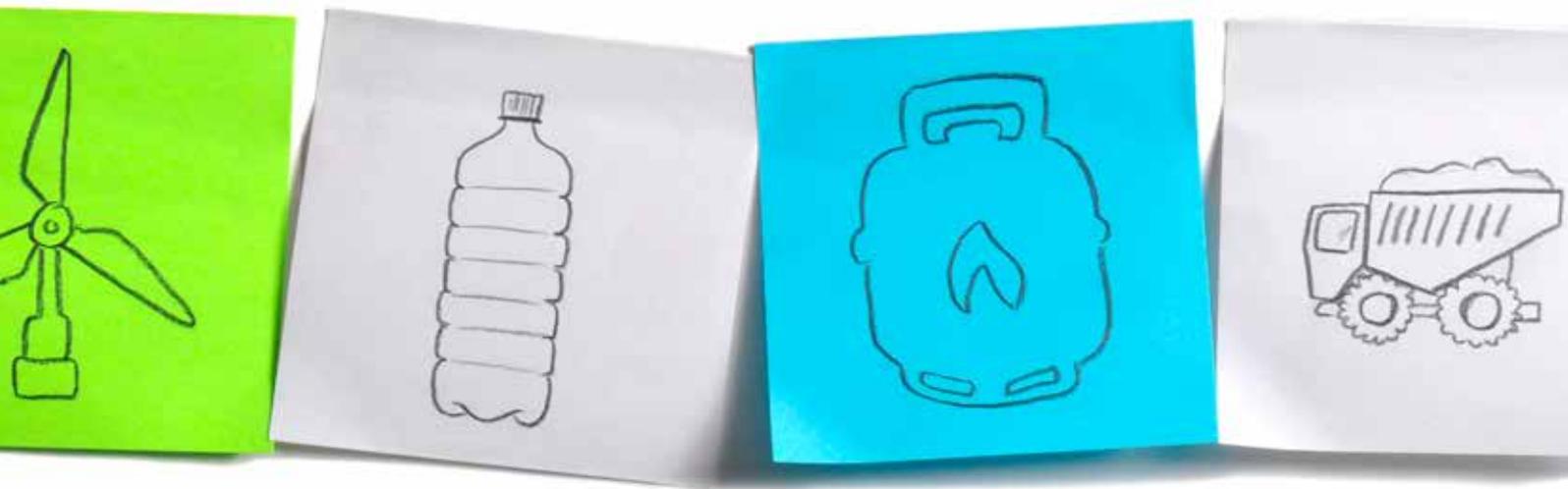
#### International Integrated Reporting Council (IIRC)

Deloitte has joined the IIRC, an international body that aims to develop standards for integrated reporting. Integrated Reporting is a new approach to corporate reporting that demonstrates the linkages between an organization's strategy, governance and financial performance and the social, environmental and economic context within which it operates. By reinforcing these connections, Integrated Reporting can help business to take more sustainable decisions and enable investors and other stakeholders to understand how an organization is really performing. On an international level, Deloitte is part of both the Council and the Working Group. Deloitte Netherlands has committed to the publication of an integrated report in 2012 as part of an international pilot that involves around 60 companies.

### Political activity and lobbying

Deloitte does not want to be an active part of the democratic political system in The Netherlands. Deloitte does not want to unduly intervene in or influence the political decision process. However, without being part of the political debate and decision making process, we will voice our opinion in the case our interests or those of our clients are at stake. We do this either directly or through trade and industry organisations. The purpose of such interventions is always to build an informed opinion amongst policy makers that enables them to make fact-based decisions.

We encourage our employees to be an active part of society. Any political activity or participation in the activities of social organizations is always voluntary and not supported by Deloitte. As certain predefined social and political activities may jeopardize our rules on independence, such activities do require notification.



# Ecological footprint

As a professional services provider, our ecological footprint is fairly limited and consists mainly of the energy that we use and the goods that we consume. Deloitte, however, feels that it is every social actor's obligation to use scarce resources in the most efficient way and to actively search for alternatives that are less burdensome to the environment. To this end we maintain an environmental policy that is built on the hierarchy: reduce – reuse – recycle – recovery – disposal.

## Target setting

In last year's report, we stated that we would use the year 2011/2012 to establish new targets for our ecological footprint, taking into account the conclusions of our stakeholder dialogue. You can find our new targets on page 22 of this report. We have also established new data definitions and scope for these targets and will monitor them on a quarterly basis, enabling early intervention in case we do not meet intermediary target values. We have conducted a baseline study to determine our starting point for further improvements. The results are published in this report.

## Energy and CO2

We use energy to run our servers, to heat, cool and light our offices and for mobility. The energy we use causes CO2 emissions. For our power supply, we purchase green electricity, meaning that there are no indirect emissions in relation to our consumption. For heating, when possible we use green gas. Mobility (lease cars, flights and public transport) is an important contributor to our carbon footprint.

We have appointed an energy coordinator responsible for periodically measuring the energy data of our offices. This can sometimes be difficult, especially in multi-tenant buildings, where it is not always clear how much of the energy consumption should be attributed to Deloitte. In 2012/2013, our energy manager will start to examine the possibilities for more efficient lighting solutions. We have already made changes to the illuminated Deloitte signs on the buildings that we occupy, which consume less and allows us to automatically adjust the lighting timeframes.

We maintain strict design and operation criteria for the buildings that we rent. To this end we make active use of the framework that is offered by the Dutch Green Building Council based on Building Research Establishment Environmental Assessment Method (BREEAM). In November 2011, the design for our new Amsterdam office was awarded four stars – a BREEAM excellent rating. We have begun work to achieve a BREEAM BBG (Existing Buildings and Use) for our current office in Eindhoven. Our ambition is to achieve an excellent certificate and we anticipate that we will successfully do so in 2012/2013.

Lease cars are an important constituent to our carbon footprint. Deloitte maintains a green lease policy that encourages eligible employees to choose energy efficient lease cars and discourages the lease of cars that do not meet our criteria. This policy was amended as per January 1, 2012 to include stricter limits for CO2 emissions. In practice this means that we only include cars with a predetermined fuel economy on our preferred lease car list and - in addition to a maximum allowed CO2 emissions of 175 grams per kilometre - our lease car programme includes an environmental correction in the form of a bonus/penalty scheme. Average CO2 emission have been determined for each fuel type in each lease category.



The employee receives a bonus if he opts for a company car with lower CO2 emissions. A penalty is calculated in the event of higher CO2 emissions. On an annual basis, the CO2 emissions are monitored - and where possible - further adjusted. Additionally, all employees are issued an NS Business Card which allows them to travel by train. The use of the NS Business Card provided for 37,398 journeys by train, accounting for a total of 2,363,060 train kilometres.

**Table 14: Energy consumption and related emissions**

	2012	2011	2010	Related emissions 2012
<b>Housing</b>				
Total electricity consumption	13,865,809 kWh	15,442,108 kWh	15,048,366 kWh	0 tonnes CO2
Specific electricity consumption	125,3 kWh/m2	134.9 kWh/m2	129 kWh/m2	
Total thermal energy consumption	78,018 GJ	n/a	n/a	0 tonnes CO2
Specific thermal energy consumption	0.74 GJ/m2	n/a	n/a	
<b>Mobility</b>				
Total kilometres driven by lease cars	88,445,227 km	93,624,687 km	103,146,920 km	
Number of lease cars	2,957	3,231	3,448	
Kilometres/lease car	29,910	28,977	29,915	
Total petrol consumption	4,760,122 litres	5,618,675 litres	5,653,654 litres	13,233 tonnes CO2
Total diesel consumption	1,482,539 litres	983,455 litres	1,121,604 litres	4,648 tonnes CO2
Total LPG consumption	4,044 litres	23,694 litres	10,833 litres	8 tonnes CO2
Total kilometres travelled by air	27,345,619 km	19,506,864 km	12,817,728 km	3,686 tonnes CO2
Miles by air per FTE	6,112 km	4,362 km	2,772 km	
Total kilometres travelled by train	2,363,060 km	2,675,287 km	2,770,001 km	83 tonnes CO2
Train kilometres/FTE	528 km	598 km	599 km	
Total kilometres by taxi	2,947 km	7,241 km	3,371 km	1 tonnes CO2
Taxi kilometres/FTE	0.7 km	1.6 km	0.7 km	
<b>Totals</b>				
Total direct energy consumption	231,167 GJ	n/a	n/a	17,888 tonnes CO2
Total CO2 emissions	21,658 tonnes CO2	n/a	n/a	

Because this is the first time we have calculated the CO2 figures using the methodology as described in Annex II, CO2 data is not comparable to data published in previous years

**Other impacts**

We only use FSC certified paper for printing and in 2011/2012 reduced the amount of paper we used to 299,900 kilograms, from 315,901 kilograms in 2010/2011.

Office waste is categorised as the follows to allow for recycling:

- Paper
- Swill (such as food remains)
- Cardboard
- Small hazardous waste (such as batteries)
- Refuse (remaining after the separation of recyclable elements)

Paper, refuse and cardboard are collected on every office floor. Swill and small hazardous waste are collected centrally per office building.

**Table 15: Other environmental indicators**

	2012	2011	2010
Total water consumption	27,037m3	n/a	n/a
Specific water consumption	6.0 m3	n/a	n/a
Total paper consumption	299,900 kg	315,901 kg	373,183 kg
Paper consumption/FTE	67.0 kg	70.6 kg	80.7 kg
Total collected waste	475,608 kg	n/a	n/a
Total waste collected for recycling	278,625 kg	n/a	n/a
Waste recycling %	59%	n/a	n/a
Hazardous waste	531 kg	n/a	n/a



### CASE: Unoccupied office space in The Netherlands

The Netherlands faces an increasing number of offices that are not occupied. This has a number of reasons:

1. The economic situation and outlook causes companies and other organisations to focus on costs. Redundancies as a result of this focus lead to a reduced demand for office space;
2. Developments in ICT offer greater flexibility and allow office employees to work from any given location, including their homes;
3. There has been a historical disconnect between the development of new office space and the growth in the number of office jobs;
4. Many offices no longer meet the requirements of today in terms of operating costs, architecture, interior functionality, ecological footprint and mobility.

Currently, a total of over 7 million m<sup>2</sup> of office space in The Netherlands is unoccupied of which 2 million m<sup>2</sup> is located in the Amsterdam area.

Deloitte has a policy of not owning office buildings, but renting the required space. This allows for greater flexibility when market circumstances require us to expand or decrease our business. In 2005, Deloitte decided to reduce the number of offices from 45 to 20 now. For the two offices in the Amsterdam area, the decision was taken to move them to one single office to promote interdisciplinary cooperation between the various service lines within Deloitte. A set of functional requirements was defined for the relocation. These included among other:

- Available space of 35,000 m<sup>2</sup> Net Rentable Area (available upon termination of our current rental obligations)
- Good access by public transport, bicycle and car
- BREEAM certification
- Large floor sizes that allow for cross functional informal communication
- A1 profile, quality of life and agility that are suitable to our clients, our employees and our market ambitions

Primarily, we examined the possibilities of existing buildings on the market. At the time, none of the offices on the market for rent met our functional requirements. For this reason, we looked into the possibilities of a new development. In July 2010, after three years of preparation, we formally committed ourselves to the development of a new office building on the Amsterdam Zuid-As. This development is led by leading real estate development company OVG.

As a part of society, Deloitte shares the opinion that unoccupied offices are both a social and an environmental problem. Unoccupied offices have a negative impact on the quality of life in the areas that they are situated in and constitute waste from an environmental viewpoint.

In February 2012, a team from Deloitte examined possibilities for our company to be part of the solution to the problem of unoccupied office space in The Netherlands. We found that as a tenant, our possibilities to do something concrete are fairly limited. The complexity of the problem calls for an approach where all stakeholders (government, developers, architects, builders, investors and tenants) participate in defining and executing solutions. To a large extent, such an approach already exists in The Netherlands and various initiatives concerning alternative use (e.g. for housing or urban farming) of unoccupied office space are presently under way. However, in our opinion the alternative use of existing buildings is not a solution that can be applied to all the unoccupied buildings due to their location or design. Over the coming years, in order to reduce the surplus in available space, many buildings will need to be demolished.

On 27 June 2012, a large group of organisations, representing governments and relevant private sector organisations (a.o. investors and developers) signed an agreement: Approach to the Reduction of Unoccupied Offices. This initiative aims to reduce the amount of unoccupied office space in The Netherlands to a level of 5% in the coming ten years. As part of the solution, the demolition of office buildings that cannot be put to an alternative use is addressed. Deloitte welcomes this broad initiative and is assessing how its specific expertise in the real estate sector can be put to use in making this a success.

# Annex I: Assurance Report

To: Shareholders, Supervisory Board and Executive Board of Deloitte Holding B.V.

## Engagement

We have performed an assurance engagement in accordance with Standard 3410, 'Assurance standard relating to sustainability reports'. Our assurance engagement aimed to obtain reasonable assurance that the information in the sustainability report 2011/2012 of Deloitte Holding B.V. is, in all material respects, a reliable and adequate representation of the policy, activities, events and performance with respect to sustainability during 2011/2012. Our engagement did not include any quantitative or qualitative information relating to future information such as estimates, expectations or targets, or their achievability.

## Criteria

We assessed the sustainability report 2011/2012 against the Sustainability Reporting Guidelines (G3) published by the Global Reporting Initiative, the Guide to sustainability reporting of the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving) and Deloitte Holding B.V.'s own reporting policies. We believe that these criteria are suitable for our assurance engagement.

## Management's responsibility

Management is responsible for the preparation of the report and the information therein in accordance with the criteria mentioned above. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of a sustainability report that is free of material misstatements, selecting and applying appropriate reporting policies that include the GRI reporting principles and using measurement methods and estimates that are reasonable in the circumstances. The choices made by management, the scope of this report and the reporting policy, including any inherent limitations that could affect the reliability of information, are set out on page five of the report.

## Auditor's responsibility

Our responsibility is to express a conclusion with regard to the sustainability report based on the engagement described above. An audit is aimed at obtaining a reasonable level of assurance for our conclusions. We performed our procedures in accordance with Dutch law and the requirements set out therein with respect to the independence of assurance team members.

We have performed all the procedures deemed necessary to obtain the evidence that is sufficient and appropriate to provide a basis for our conclusions. Our main procedures were:

- Assessing the acceptability and consistent application of the reporting principles used, and the significant estimates and calculations made in preparing the sustainability report 2011/2012.
- Assessing whether all relevant topics have been addressed.
- Auditing the reliability of the information in the sustainability report 2011/2012 of Deloitte Holding B.V. by:
  - obtaining an understanding of the sector and the relevant sustainability issues specific for the organisation;
  - obtaining an understanding of the design and operation of the systems and methods used to collect and process the reported information, including the consolidation process;
  - identifying inherent risks relating to the reliability of the information and investigating the extent to which these risks are limited by internal controls;
  - assessing the concerning internal controls for their operating effectiveness, insofar as this was relevant for our assurance engagement;
  - perform based on a risk analysis further procedures related to the quantitative and descriptive information in the report, by a combination of:
    - interviews with relevant staff on strategy, policy, communication and management combined with document analysis to substantiate the related descriptive information in the report;
    - quantitative analyses to assess the quantitative data;
    - reconciliations with audited financial statements and underlying environmental and social data systems;
    - detailed checks of the data themselves on a test basis, using internal and external sources of information to substantiate the reliability of the information provided;
  - evaluating the sufficiency of the sustainability report 2011/2012 of Deloitte Holding B.V. and its overall presentation against the criteria mentioned above.

## Conclusions

Based on our procedures performed to obtain a reasonable assurance and taking into account the choices made by Deloitte Holding B.V. as reflected in the reporting policy, we believe that the information in the sustainability report 2011/2012 of Deloitte Holding B.V., in all material respects, provides a reliable and sufficient representation of the policy, activities, events and performance with respect to sustainability during 2011/2012, in accordance with the Sustainability Reporting Guidelines issued by the Global Reporting Initiative, the Guide to sustainability reporting of the Dutch Accounting Standards Board (Raad voor de Jaarverslaggeving) and the documented reporting policy of Deloitte Holding B.V.

Zwolle, July 18, 2012

Ernst & Young Accountants LLP

D.A. de Waard

# Annex II: Basis of reporting

The information presented in this report is collected from various online and offline, internal and external resources. In many cases, interviews with partners and employees took place in order to write the text. For the data, a variety of systems were used, including but not limited to our SAP systems, the Runbook scenario for sustainability that is part of our quality controls and specific project data.

## Targets

The year 2011/2012 was a transitional year in the sense that there were no targets to pursue. The 2016 targets that are included in this report, were compiled with the input from the responsible functional departments and ultimately approved by our Executive Board.

## Our people

Absentee rate is calculated by dividing the number of absentee days including weekends by the total employee population (in FTEs) in one year.

## Ecological footprint

The data included in the ecological footprint chapter of this report is gathered through a number of means:

- Total electricity consumption is measured through metering in our offices. In multi-tenant buildings the electricity consumption of public spaces is allocated on the basis of the relative share of the surface we rent in such buildings. As all occupied offices now have individual metering, the figures included for 2011/2012 have much greater accuracy than the figures for previous years and cannot be compared
- In single tenant buildings, the total gas consumption is obtained by reading the available gas meters. In multi-tenant buildings, gas consumption is allocated on the basis of occupied office space by Deloitte
- In buildings where Deloitte has full control, we purchase green electricity and gas. For other buildings, CO2 emissions are offset by purchasing green certificates so that total CO2 emissions are zero.
- Total kilometres driven by lease cars as well as the number of lease cars in use are obtained from our supplier
- Total litres of petrol, diesel and LPG are obtained from our supplier. For conversion of petrol to CO2 emissions we used the conversions as published by SKAO ([www.skao.nl](http://www.skao.nl)):  
Petrol: 1 litre equals 2.78 kilogrammes CO2  
Diesel: 1 litre equals 3.135 kilogrammes CO2  
LPG: 1 litre equals 1.86 kilogrammes CO2

As we do not separately monitor business trips, commuting and private use of lease cars, our data includes all these elements

- For the conversion of fuel consumption to MJ, we used the following conversions as mentioned in the GRI protocol for EN3, except in the case of LPG where we have opted for a locally accepted conversion value:

Natural gas: caloric value per m3 is 39,01 MJ

Petrol: caloric value per litre is 32.256 MJ

Diesel: caloric value per litre is 35.964 MJ

LPG: caloric value per litre is 24 MJ

- Total kilometres travelled by plane are obtained from our travel agents. For the calculation of the related CO2 emissions are calculated using the conversion factors as provided by DEFRA ([www.defra.gov.uk](http://www.defra.gov.uk)) using a classification that distinguishes economy, premium economy, business class and first class and categorises air travel in domestic, short-haul international and long-haul international flights. For the various subgroups, the following CO2 conversions are used

Domestic average: 0.16313 kg CO2/kilometre per passenger

Short-haul international average: 0.09589 kg CO2/kilometre per passenger

Short-haul international economy class: 0.09138 kg CO2/kilometre per passenger

Short-haul international business class: 0.13707 kg CO2/kilometre per passenger

Long-haul international average: 0.11037 kg CO2/kilometre per passenger

Long-haul international economy class: 0.08057 kg CO2/kilometre per passenger

Long-haul international premium economy class: 0.12891 kg CO2/kilometre per passenger

Long-haul international business class: 0.23365 kg CO2/kilometre per passenger

Long-haul-international first class: 0.32227 kg CO2/kilometre per passenger

- The total kilometres travelled by train are obtained from our supplier Nederlandse Spoorwegen. For the calculation of related CO2 emissions, we used a conversion factor of 0.035 kg CO2/kilometre per passenger as published by Nederlandse Spoorwegen
- Taxi kilometres are gathered through expense reports. For the conversion of kilometres to tonnes of CO2 we have used the conversion factor as published by SKAO for the average of diesel engine cars. This figure is 0.205 kg/driven kilometre.
- In multi-tenant buildings, we do not have individual metering for water. This means that water consumption in such building is attributed on the basis of the surface that Deloitte has in use

# Annex III: GRI Table

GRI performance indicator	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
<b>1. Strategy and analysis</b>				
1.1 Statement from the most senior decision-maker of the organisation (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy.	Letter from the Executive Board	4		
1.2 Description of key impacts, risks, and opportunities.	Sustainability in Deloitte, strategy	18-19		
<b>2. Organisational profile</b>				
2.1 Name of the organisation	About this report, scope	10		
2.2 Primary brands, products and/or services	About Deloitte, our services; <a href="http://www.deloitte.nl">www.deloitte.nl</a>	14		
2.3 Operational structure of the organisation	Annual Report, governance	20-23		
2.4 Location of organisation's headquarters	Back cover	56		
2.5 Number of countries where the organisation operates	About this report, scope	10		
2.6 Nature of ownership and legal form	Annual Report, governance	20-23		
2.7 Markets served	About Deloitte, our services	14		
2.8 Scale of the reporting organisation.	Annual Report	5		
2.9 Significant changes during the reporting period regarding size, structure, or ownership	Annual Report	20-23		
2.10 Awards received in the reporting period	<a href="http://www.deloitte.nl">www.deloitte.nl</a>	10		
<b>3. Report parameters</b>				
3.1 Reporting period (e.g. fiscal/calendar year) for information provided	About this report	10		
3.2 Date of most recent previous report (if any)	Our previous report was published on 22 July 2011			
3.3 Reporting cycle (annual, biennial, etc.)	About this report	10		
3.4 Contact point for questions regarding the report of its contents	Letter from the Executive Board	4		
3.5 Process for defining report content	About this report, materiality	10		
3.6 Boundary of the report	About this report, scope	10		
3.7 State any specific limitations on the scope or boundary of the report	About this report, scope	10		
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organisations	About this report, scope	10		
3.9 Data measurement techniques	Annex II Reporting basis	47		
3.10 Explanation of the effect of any re-statements	About this report, restatement of figures	12		
3.11 Significant changes from previous reporting	Annex II Reporting basis	47		
3.12 Table identifying the location of the Standard Disclosures in the report	Annex III GRI table	48-54		
3.13 Policy and current practice with regard to seeking external assurance for the report	About this report, reliability	12		

GRI performance indicator	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
<b>4. Governance, commitments and Engagement</b>				
4.1 Governance structure of the organisation	Sustainability in Deloitte, governance	14		
4.2 Indicate whether the Chair of the highest governance body is also an Executive Officer	Sustainability in Deloitte, governance	14		
4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members			Not applicable as Deloitte does not have a unitary board structure	
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	Annual Report, governance	20-23		
4.5 Linkage between compensation for members of the highest governance body, senior managers and executives (including departure arrangements) and the organisation's performance (including social and environmental performance)	Annual Report, other notes to the financial statements Transparency Report 2011/2012	58		
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided	About Deloitte, business process	17		
4.7 Process for determining the qualifications and expertise of the members of the highest governance body	Governance	20		
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	About Deloitte, shared values and ethical principles	15		
4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance	Sustainability in Deloitte, governance	14		
4.10 Processes for evaluating the highest governance body's own performance	Annual report	22		
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation	Annual report, risk management	18-19		
4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	Our impact in society, memberships and partnerships	39		
4.13 Memberships in associations	Our impact in society, memberships and partnerships	39		
4.14 List of stakeholder groups	About this report, materiality	10		
4.15 Basis for identification and selection of stakeholders	About this report, materiality	10		
4.16 Approaches to stakeholder engagement	About this report, continuous stakeholder engagement	10/12		
4.17 Key topics and concerns that have been raised through stakeholder engagement	About this report, materiality	11		

GRI performance indicator	Reported?*	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
<b>Economic performance indicators</b>					
EC1	Yes	Our impact in society, Corporate social investments and the Fair Chance Foundation	38		
EC2	Yes	Annual Report, risk management	18-19	No material risks related to climate change have been identified in the risk assessment performed by the RRL. Specific risks related to our services are assessed as part of an ongoing key initiative 'service impact assessment'.	
EC3	Yes	Annual Report	35		
EC4	Yes			In 2011/2012, Deloitte received €269,114 in government subsidies	
EC5 add.	No			Not material, as the ratio between standard entry level wage and local minimum wage is not a relevant steering instrument for Deloitte. The remuneration system is based on function level and performance.	n/a
EC6	Yes	Our impact in society, supply chain responsibility	36		
EC7	Yes	Our people, diversity	32		
EC8	Yes	Our impact in society, Corporate social investments and the Fair Chance Foundation	37-38		
EC9 add.	Yes	Serving our clients	24		
<b>Environmental performance indicators</b>					
EN1	Yes	Ecological footprint, other impacts	43	No raw, associated process or packaging materials are relevant to Deloitte services and products.	
EN2	No			Not material, as this percentage is not significant for materials used considered significant, please refer to EN1.	
EN3	Yes	Ecological footprint, energy and CO2	42		
EN4	Yes	Ecological footprint, energy and CO2	42		
EN5 add.	Yes	Ecological footprint, energy and CO2	41/42		
EN6 add.	Yes	Ecological footprint, energy and CO2	47		
EN7 add.	Yes	Ecological footprint, energy and CO2	42		
EN8	Yes	Ecological footprint, other impacts	43	All water used by Deloitte comes from the municipal grid	
EN9 add.	No			Not applicable, as no water is directly withdrawn or discharged by Deloitte.	

GRI performance indicator	Reported?*	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
EN10 add.	No			Not reported, as no water is directly withdrawn or discharged by Deloitte.	n/a
EN11	No			Not applicable, as Deloitte does not own, lease or manage land in or adjacent to protected areas	
EN12	No			Not material, as Deloitte services and products have no direct impact on biodiversity.	
EN13 add.	No			Not applicable, as Deloitte does not own, lease or manage land in or adjacent to protected areas	n/a
EN14 add.	No			Not applicable as Deloitte does not have significant direct impact on biodiversity	n/a
EN15 add.	No			Not applicable as Deloitte does not have significant direct impact on biodiversity	n/a
EN16	Yes	Ecological footprint, energy and CO2	42		
EN17	No			Not applicable as no such emissions occur	
EN18 add.	Yes	Ecological footprint, energy and CO2	11/42		
EN19	No			Not material, as Deloitte does not have significant emission levels of ozone depleting substances.	
EN20	No			Not material, as Deloitte does not have significant NO, SO or other emissions.	
EN21	No			Not applicable, as no water is directly withdrawn or discharged by Deloitte.	
EN22	Yes	Ecological footprint, other impacts	43		
EN23	No			Not material, as no significant volumes of hazardous substances are processed by Deloitte	
EN24 add.	No			Not applicable, as no significant volumes of hazardous substances are processed by Deloitte	n/a
EN25 add.	No			Not applicable, as no water is directly withdrawn or discharged by Deloitte.	
EN26	Yes	Serving our clients,	24-25		
EN27	No			Not applicable, as Deloitte services and products do not involve packaging material	
EN28	No			Not applicable as no such fines were received	

GRI performance indicator	Reported?*	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
EN29 add.	Yes	Ecological footprint, energy and CO2	42	Only transporting members of the workforce is applicable to Deloitte operations	
EN30 add.	No			Not available, as expenditures or investments for protection are not specifically recorded and tracked. Initiatives to reduce Ecological footprint are disclosed under EN26	n/a
<b>Human rights performance indicators</b>					
HR1	No			Not reported, as human rights aspects are not directly relevant to operations in the Netherlands.	
HR2	Yes	Our impact in society, supply chain responsibility	36	We are in the process of adopting a supplier code. No screening has taken place in preparing this code	
HR3 add.	No			Not reported, as human rights aspects are not directly relevant to operations.	n/a
HR4	Yes	Our people, business ethics	31-32		
HR5	No			Not material, as no related significant risks apply to Deloitte's direct operations	
HR6	No			Not material, as no related significant risks apply to Deloitte's direct operations	
HR7	No			Not material, as no related significant risks apply to Deloitte's direct operations	
HR8 add.	No			Not material, as no related significant risks apply to Deloitte's direct operations	n/a
HR9 add.	No			Not reported as violations of rights of indigenous people is not applicable to operations in the Netherlands	n/a
Labour practices and decent work performance indicators					
LA1	Yes	Our people	33		
LA2	Yes	Our people, diversity	33		
LA3 add.	No			Not material, as the indicator is no relevant steering instrument for Deloitte. The basic benefits provided to all employees are in compliance with Dutch laws and regulations	n/a
LA4	No			Not material, as Deloitte makes only collective agreements that are valid for all employees.	
LA5	No			Not material, as standard notice period(s) are in compliance with Dutch law and legislation and included in standard employment contracts.	

GRI performance indicator	Reported?*	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
LA6 add.	No			Not material, as health and safety monitoring and advisory is largely conducted in collaboration with our external service providers.	n/a
LA7	Yes	Our people, retention	35		
LA8	Yes	Our people, retention	35		
LA9 add.	No			Not applicable as Deloitte has no formal agreements with trade unions.	n/a
LA10	Yes	Our people, people development	34		
LA11 add.	Yes	Our people, people development	34		
LA12 add.	Yes	Our people, retention	35		
LA13	Yes	Our people, diversity	32-33		
LA14	No			Not material, as the ratio between the salaries of men and women is not a relevant steering instrument for Deloitte. The remuneration system is based on function level and performance.	
<b>Product responsibility performance indicators</b>					
PR1	Yes	Serving our clients	25	In general, our services do not directly affect the health and safety of our clients. However, in some cases we will specifically address health and safety aspects as part of specific sustainability engagements	
PR2 add.	No			Proprietary information. No related administrative or judicial cases have been brought against the organisation resulting in significant fines or non-monetary sanctions for non-compliance to laws and regulations.	n/a
PR3	No			Not material, as no regulations or codes are applicable to the information and labeling of Deloitte services with respect to sustainability impacts.	
PR4 add.	No			Not material, as no regulations or codes are applicable to the information and labeling of Deloitte services with respect to sustainability impacts.	n/a
PR5 add.	Yes	About Deloitte, business process	17		n/a
PR6	Yes	About Deloitte, business process	16		

GRI performance indicator		Reported?*	Reference to disclosure in report	Page	Additional comments or external reference	GRI A+
PR7 add.	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcome	No			Proprietary information. No related administrative or judicial cases have been brought against the organisation resulting in significant fines or non-monetary sanctions for non-compliance to laws and regulations.	n/a
PR8 add.	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	No			Proprietary information. An integral security policy and corresponding governance process is in place to ensure customer privacy.	n/a
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	No			Proprietary information. No related administrative or judicial cases have been brought against the organisation resulting in significant fines or non-monetary sanctions for non-compliance to laws and regulations.	
Society performance indicators						
SO1	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting	No			Not material, as no significant direct societal impacts are relevant to the communities in which Deloitte operates. The indicator is not a relevant steering instrument for Deloitte. Indirect impacts of our services are assessed as part of an ongoing key initiative 'service impact assessment', refer to page 22	
SO2	Percentage and total number of business units analysed for risks related to corruption	No			Not material as corruption risks in The Netherlands are relatively low	
SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures	Yes	Our people, business ethics	31-32	Due to the relatively low risk, we do not provide specific training on anti-corruption policy: it is part of our overall Code of Conduct training.	
SO4	Actions taken in response to incidents of corruption	No			Proprietary information. No related administrative or judicial cases have been brought against the organisation resulting in significant fines or non-monetary sanctions for non-compliance to laws and regulations.	
SO5	Public policy positions and participation in public policy development and lobbying	No			Not material, as no publicly-expressed positions can be held that could affect the integrity of the practice.	
SO6 add.	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	No			Not applicable, as our charity related contributions focus on educational purposes only.	n/a
SO7 add.	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes	No			Proprietary information. No related administrative or judicial cases have been brought against the organisation resulting in significant fines or non-monetary sanctions for non-compliance to such laws and regulations.	n/a
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	Yes			In 2011/2012 we received a fine amounting to €54,450 from the AFM. In addition, the Dutch Association of Share Owners (VEB) filed a legal claim against Deloitte for alleged breach of the accountancy regulations in the Ahold fraud	

\*0 The materiality of the indicators has been determined through an engagement process of internal stakeholders and is validated by our stakeholder dialogue process as described in this report.



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Our vision on sustainability is to  
be the Standard of Excellence in  
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Designed and produced by Communications at Deloitte, Rotterdam.