

Carbon Reduction Plan

Supplier name: **Deloitte LLP**

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Commitment to achieving Net Zero

Deloitte LLP has publicly committed to becoming Net Zero, as part of our global [WorldClimate](#) strategy. In the first phase of our long-term decarbonisation plan we have set 'near-term' 2030 carbon reduction goals covering our operations and value chain. These have been verified by the Science-Based Targets Initiative (SBTi) as being in line with a 1.5°C decarbonisation pathway. We have also committed to becoming Net Zero over the long-term, before 2050, in line with the guidance set out in the SBTi Corporate Net Zero standard.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 01 June 2018 to 31 May 2019 (FY19)	
Additional Details relating to the Baseline Emissions calculations:	
<p>Our carbon emissions are calculated using an operational control consolidation approach as described in the GHG Protocol. Our detailed methodology is outlined in this Basis of Reporting. From FY19 to FY22 BDO LLP provided limited assurance of our consolidated Deloitte North & South Europe carbon emissions. Their work considered all underlying country data including that of Deloitte LLP – our UK firm. From FY23, BDO's assurance is also provided at UK level.</p> <p>The emissions reproduced in this CRP differ slightly from those in our externally assured carbon statement. This is because our assured footprint is aligned with the GHG Protocol and our own global reporting standard – as such we report all material sources of emissions. To ensure alignment with the Procurement Policy Note 06/21 we have estimated emissions from waste and added this to the totals (see *). We have also used analysis from the 2018 SBT Value Chain report to split out 'Upstream Transport and Distribution' from 'Purchased Goods and Services' emissions (which are combined in our own reporting).</p> <p>In FY23, we revised the methodology for calculating real estate emissions included in Purchased Goods & Services (PG&S) emissions to align with updated guidance from the real estate sector. As a result, we have removed upfront embodied carbon real estate emissions from reported PG&S emissions. This change in methodology has been retrospectively applied to previously reported PG&S amounts, which has resulted in a restatement of PG&S emissions for all previous years back to the baseline of FY19.</p> <p>Due to limitations on actual data, it should be noted that a proportion of the commuting and working from home calculation rests on assumptions. We continue to refine these assumptions and improve the methodology moving forwards.</p>	
Baseline year emissions	
Emissions Source	Total Emissions (tCO ₂ e)
Scope 1	3,192
Fuel combustion	3,083
Vehicle fleet (internal combustion engine)	109
Scope 2	3,615
Electricity (market-based)	3,353

District heating & Cooling	258
Vehicle fleet (electric)	3
Scope 3	119,628*
<u>Upstream</u>	
Purchased goods and services	44,452
Capital goods	Reported in the PG&S category
Fuel- and energy- related activities	Not material
Upstream transport and distribution	899
Waste generated in operations	52*
Business travel (excl. radiative forcing)	50,999
Employee commuting and teleworking	13,640 (<i>see footnote</i>)
Upstream leased assets	Reported in the PG&S category
<u>Downstream</u>	
Downstream transport and distribution	Not relevant. Deloitte does not sell or transport products
Processing of sold products	Not relevant. Deloitte does not sell or transport products
Use of sold products	Not relevant. Deloitte does not sell or transport products
End-of-life treatment of sold products	Not relevant. Deloitte does not sell or transport products
Downstream leased assets	Downstream asset leasing is only done in rare circumstances. Emissions assumed to be negligible compared to overall footprint
Franchises	Not relevant. Deloitte does not own franchises
Investments	Not relevant according to the GHG Protocol as Deloitte is not a financial institution
Total Gross Emissions	115,949*

Employee commuting and teleworking is split as follows in the Baseline year: employee commuting **12,805 tCO_{2e}** and teleworking (homeworking) **835 tCO_{2e}**.

Current Emissions Reporting

Reporting Year: 01 June 2022 to 31 May 2023 (FY23)	
Emissions Source	Total Emissions (tCO _{2e})
Scope 1	1,608
Fuel combustion	1,582
Vehicle fleet (internal combustion engine)	26
Scope 2	0
Electricity (market-based)	0
District heating & Cooling	0
Vehicle fleet (electric)	0
Scope 3	121,236*
<u>Upstream</u>	
Purchased goods and services	89,432
Capital goods	Reported in the PG&S calculation
Fuel- and energy- related activities	Not material
Upstream transport and distribution	1,825
Waste generated in operations	19*

Business travel (excl. radiative forcing)	22,863
Employee commuting and teleworking	7,098 (see footnote)
Upstream leased assets	Reported in the PG&S calculation
<u>Downstream</u>	
Downstream transport and distribution*	Not relevant. Deloitte does not sell or transport products
Processing of sold products	Not relevant. Deloitte does not sell or transport products
Use of sold products	Not relevant. Deloitte does not sell or transport products
End-of-life treatment of sold products	Not relevant. Deloitte does not sell or transport products
Downstream leased assets	Downstream asset leasing is only done in rare circumstances. Emissions assumed to be negligible compared to overall footprint
Franchises	Not relevant. Deloitte does not own franchises
Investments	Not relevant according to the GHG Protocol as Deloitte is not a financial institution
Total Gross Emissions	122,845*

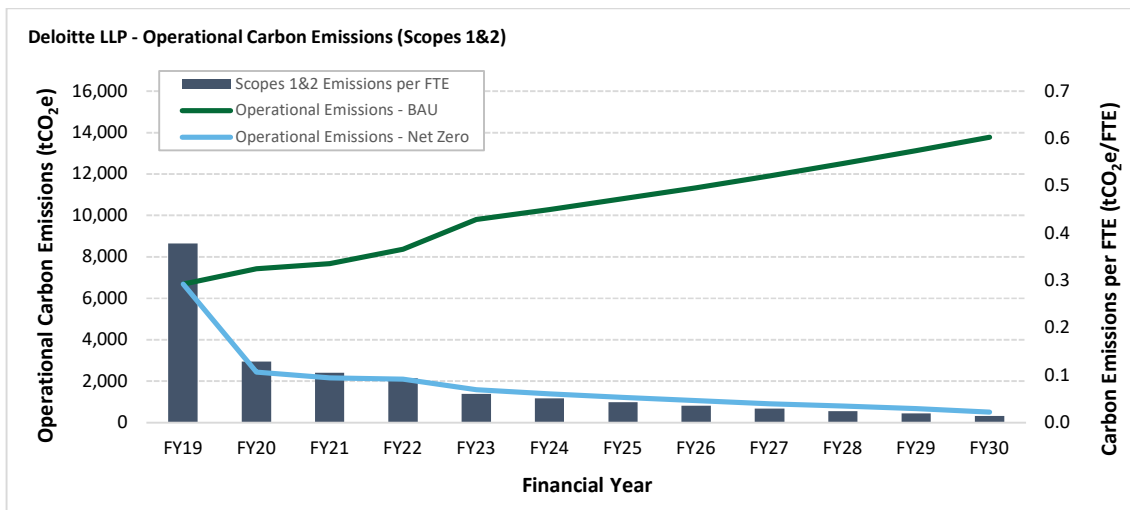
Employee commuting and teleworking is split as follows in FY22: employee commuting **3,661 tCO₂e** and teleworking (homeworking) **3,438 tCO₂e**.

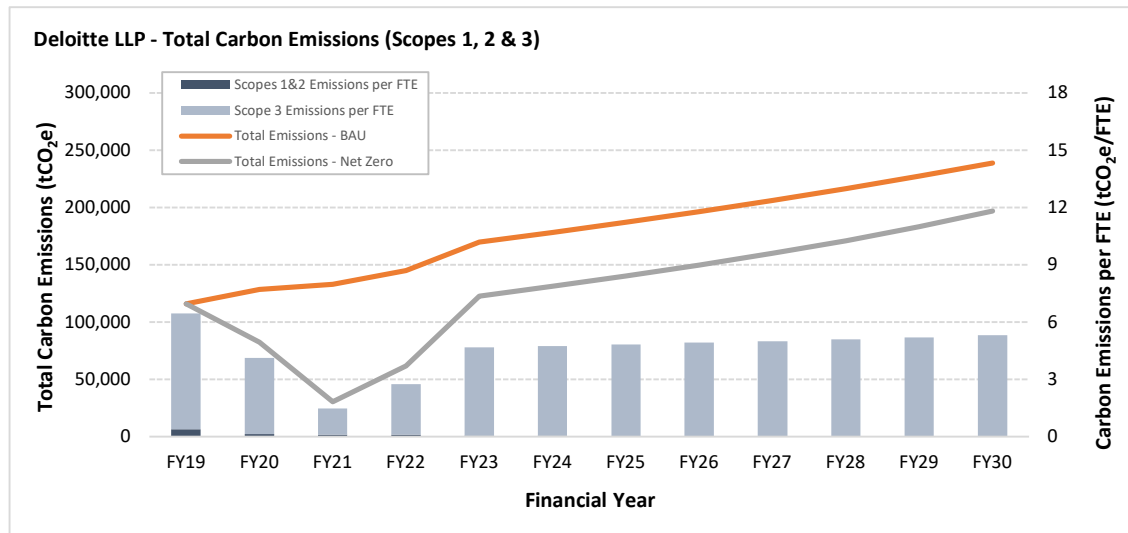
Emissions Reduction Targets

We are committed to becoming Net Zero before 2050 across our operations and supply chain, with 2030 near-term goals. Underpinning this commitment are the following carbon reduction targets. By 2030 or sooner we will:

- Reduce scopes 1 & 2 emissions by 70%
- Reduce business travel emissions by 50% per FTE
- Operate a fully plug-in hybrid/ electric vehicle fleet
- Source 100% renewable electricity for our buildings
- Require two-thirds of our global suppliers (by emissions) to adopt a science-based target by 2025
- Invest in certified, market solutions for emissions we cannot eliminate

Compared to a BAU trajectory from FY19, we project that total carbon emissions will decrease over the next five years (FY24-28) by **231,671 tCO₂e**. This is a cumulative reduction of **24%**.





Emissions Reduction Projects

The following environmental management measures and projects have been completed or implemented since the FY19 baseline. It is difficult to separate the impacts of our carbon reduction programme from the impact of Covid, but the cumulative carbon emission reduction achieved over the past five years (FY19-23) vs. our FY19 BAU trajectory equates to **278,811 tCO₂e**. All carbon reduction measures will remain in effect when performing the contract.

- We launched *WorldClimate*, our global strategy to drive responsible climate choices within our organisation and beyond, which includes a commitment to become Net Zero by 2050, with 'near term' 2030 goals.
- We set a carbon reduction target that has been external verified by the Science-Based Targets Initiative (SBTi) as being in line with the 1.5°C ambition set out in the Paris Agreement.
- We created a climate action roadmap that includes:
 - Creation of our 'Better Buildings' framework to ensure sustainability is a key factor in all office leasing, fit-outs and operational decisions.
 - Delivery of efficient operations from installing automatic meter readers (AMRs); to commencing a rolling programme of capital upgrades to our offices (e.g. installing LEDs; and decarbonising our heating systems).
 - Sourcing 100% renewable electricity across our estate.
 - Investment in digital technology and the launch of a 'Sustainable Delivery Framework' and Travel Emissions Calculator to help us work with our clients to reduce project-related travel emissions.
 - Implemented a travel policy that balances sustainability with employee experience and cost
 - Active engagement with our largest global suppliers so they monitor and report their carbon emissions, prior to setting their own 1.5°C aligned carbon reduction target.
- To effectively manage our broader environmental impacts, we continue to operate a combined ISO14001/50001 certified energy & environmental management system.

In the future we will continue to develop projects around the above themes of supplier engagement, business travel emissions reduction, real estate optimisation, and efficient operations. We will also embed wider sustainability considerations into our business operations, empower our colleagues to lead by example, and convene ecosystems that will enable us to accelerate climate action across the sectors in which we operate.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and the associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the Deloitte UK Managing Partner.

Signed on behalf of Deloitte LLP:



Philip Mills
UK Managing Partner
13 October 2023

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>