

GREENHOUSE GAS EMISSIONS STATEMENT - DELOITTE NORTH & SOUTH EUROPE

This greenhouse gas (GHG) emissions statement has been calculated using an operational control consolidation approach as described in the GHG Protocol. The full methodology is outlined in the Basis of Reporting. In summary:

- Scope 1 refers to direct emissions from gas usage; and our owned vehicles powered by internal combustion engines
- Scope 2 refers to indirect emissions from the generation of our purchased electricity; district heating & cooling; and owned electric vehicles
- Scope 3 includes our emissions from business travel; employee commuting and homeworking; and our purchased goods and services

This disclosure relates to the Deloitte North & South Europe member firm. Country-level carbon emission disclosures will be found in the relevant Impact Report.

Assessment Parameters

Baseline year	FY19
Consolidation approach	Operational control
Boundary summary	All entities and all facilities either owned or under the operational control of Deloitte NSE, the member firm covering Belgium, Denmark, Finland, Greece, Iceland, Ireland, Italy, Malta, Middle East, Netherlands, Norway, Sweden, Switzerland and the UK plus Jersey, Guernsey, Isle of Man and Gibraltar.
Consistency with the financial statements	The only variation to our financial statements is that all properties under operating leases in Deloitte NSE are included in our Scope 1 and 2 data. Upstream and downstream emissions outside of our operational control are included in our Scope 3 data
Emission factor data source	IEA 2022 (for Electricity/Location factors); AIB, European Residual Mixes 2022 (for Electricity/Market factors); Carbon Disclosure Project 2022 (for PG&S factors); and UK Government - BEIS 2022 for all remaining emissions factors
Assessment methodology	Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard (revised edition, 2004); and Corporate Value Chain (Scope 3) Standard
Materiality threshold	A materiality threshold was set at a consolidated Deloitte NSE & ME level at 5% for Scopes 1, 2, and 3
Independent assurance/verification	Limited assurance was provided by BDO LLP at a consolidated NSE level over all reported carbon metrics
Intensity ratio	Emissions per Full Time Equivalent (FTE)
Targets (FY19 to FY30)	100% of the vehicles in our Scope 1 & 2 owned fleet will be electric or plug-in hybrid 100% of the electricity used across our operations will be matched with electricity produced from renewable sources 50% per FTE reduction in Scope 3 business travel GHG emissions ¹ 67% of our global suppliers of goods, services and business travel by emissions, will have set science-based targets

Greenhouse Gas Emissions	FY19 (Baseline Year)		FY20		FY21		FY22		FY23		% change against baseline	
	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)
Scope 1	37,329	0.75	29,989	0.56	19,535	0.35	23,846	0.38	24,176	0.33		
Fuel combustion	5,184		4,269		3,950		3,612		3,090			
Vehicle fleet (ICE)	32,145		25,720		15,585		20,234		21,086			
Scope 2	26,818	0.54	7,774	0.14	2,098	0.04	1,978	0.03	1,752	0.02		
Electricity (market-based)	23,900		4,656		0		0		0			
Electricity (location-based)	26,892		20,786		18,795		18,179		14,862			
District heating and cooling	2,419		2,201		2,098		1,978		1,752			
Vehicle fleet (Electric, market-based)	499		917		0		0		0			
Total Gross "Operational" Emissions	64,147	1.30	37,763	0.70	21,633	0.39	25,824	0.42	25,928	0.36		
Scope 3	241,864	4.89	194,448	3.60	89,767	1.61	166,364	2.67	304,507	4.20		
Upstream scope 3 emissions												
Purchased goods and services ²	111,278		88,990		69,618		122,379		221,186			
Capital goods	Included in PG&S		Included in PG&S		Included in PG&S		Included in PG&S		Included in PG&S			
Fuel- and energy- related activities	Not material		Not material		Not material		Not material		Not material			
Upstream transport and distribution	Included in PG&S		Included in PG&S		Included in PG&S		Included in PG&S		Included in PG&S			
Waste generated in operations	Not material		Not material		Not material		Not material		Not material			
Business travel (excl. radiative forcing)	96,041	1.94	74,663	1.38	4,718	0.08	18,955	0.30	50,699	0.70		
Business travel (incl. radiative forcing)	154,899		117,927		5,515		28,524		79,369			
Employee commuting and homeworking ³	34,545		30,795		15,431		25,030		32,622			
Upstream leased assets	Included in PG&S		Included in PG&S		Included in PG&S		Included in PG&S		Included in PG&S			
Downstream scope 3 emissions												
Downstream transport and distribution	Not applicable		Not applicable		Not applicable		Not applicable		Not applicable			
Processing of sold products	Not applicable		Not applicable		Not applicable		Not applicable		Not applicable			
Use of sold products	Not applicable		Not applicable		Not applicable		Not applicable		Not applicable			
End-of-life treatment of sold products	Not applicable		Not applicable		Not applicable		Not applicable		Not applicable			
Downstream leased assets	Not material		Not material		Not material		Not material		Not material			
Franchises	Not applicable		Not applicable		Not applicable		Not applicable		Not applicable			
Investments	Not applicable		Not applicable		Not applicable		Not applicable		Not applicable			
Biogenic emissions	-		-		-		-		-			
Total Gross "Operational & Travel" Emissions	160,188	3.24	112,426	2.08	26,351	0.47	44,779	0.72	76,627	1.06		
Total Gross Emissions	306,011	6.19	232,211	4.30	111,400	1.99	192,188	3.09	330,435	4.56		
Exported renewable electricity	-		-		-		-		-			
Certified Emission Reductions (CERS)	74,047		112,426		111,400		192,188		109,249			

Other Metrics	FY19 (Baseline Year)		FY20		FY21		FY22		FY23		% change against baseline	
	(Metric)	(Benchmark)	(Metric)	(Benchmark)	(Metric)	(Metric / FTE)	(Metric)	(Metric / FTE)	(Metric)	(Metric / FTE)	(Metric)	(Benchmark)
Full-Time Equivalents (FTE) ⁴	49,444		53,955		55,910		62,198		72,517			
Floor Area (m ²)	564,792		563,710		568,671		576,777		520,145			
Fuel Consumption (kWh)	158,167,361	3,199 kWh/FTE	127,104,201	2,356 kWh/FTE	71,496,610	1,279 kWh/FTE	97,741,988	1,571 kWh/FTE	115,904,334	1,598 kWh/FTE		
Owned Vehicles, Internal Combustion Engine	129,112,557		103,613,988		62,810,837		82,263,561		86,259,534			
Owned Vehicles, Electric	961,443		1,761,452		1,865,986		5,094,547		14,488,416			
% electric/ plug-in hybrid vehicles in fleet	7%		11%		17%		26%		42%			
Reimbursed Mileage & Car Rentals	28,093,361		21,728,761		6,819,787		10,383,881		15,156,384			
Utilities Consumption (kWh)	126,522,351	224 kWh/m2	107,772,927	191 kWh/m2	99,943,385	176 kWh/m2	102,542,739	178 kWh/m2	90,969,784	175 kWh/m2		
Gas	28,178,575		23,220,220		21,482,098		19,721,829		16,930,304			
Electricity from buildings	84,345,607		70,901,684		65,022,390		68,242,719		61,441,139			
Electricity from Renewables	34,133,641		63,884,872		65,022,390		68,242,719		61,441,139			
% electricity from renewables	40%		90%		100%		100%		100%			
District Cooling	2,244,583		1,658,100		1,630,245		2,441,013		1,522,681			
District Heating	11,753,586		11,992,922		11,808,713		12,137,179		11,075,660			
Total Energy Consumption (kWh)	284,689,712	5,758 kWh/FTE	234,877,128	4,353 kWh/FTE	171,439,996	3,066 kWh/FTE	200,284,728	3,220 kWh/FTE	206,874,118	2,853 kWh/FTE		
Water Usage (m³) ⁵	312,141	6.3 m3/FTE	260,202	4.8 m3/FTE	144,700	2.6 m3/FTE	171,849	2.8 m3/FTE	195,663	2.7 m3/FTE		
Waste Production (tonnes) ⁵	5,977	0.121 t/FTE	4,991	0.093 t/FTE	1,572	0.028 t/FTE	2,708	0.044 t/FTE	2,715	0.037 t/FTE		
Recycled (%)	55%		60%		53%		54%		65%			
Diverted from Landfill (%)	89%		90%		89%		87%		93%			
% of DTTL Supply Chain (by emissions) with SBT ⁶	-		-		8%		14%		20%			

1 Our business travel emissions reduction target is anchored to a commitment to deliver an absolute reduction in these emissions regardless of future growth.

2 The PG&S methodology is based on procurement spend data for 5 geographies (including UK as the largest). This procurement spend data accounts for 74% of our PG&S emissions, with the rest extrapolated. As stated in our Basis of Reporting 4% of the PG&S emissions are based on actual supplier data submitted to CDP. This figure represents the proportion of our scope 1 and 2 data that comes from actual supplier data. We apply a number of assumptions to the spend data, including how we allocate spend into procurement categories, how we treat our suppliers' reported Scope 3 emissions, the CDP sector emission factors we apply to each spend category, and the extrapolation factors. We continually review our approach to reduce the risks inherent in these assumptions and the impacts of year-on-year fluctuations. In FY2023, Deloitte revised the methodology for calculating real estate emissions included in reported purchased goods and services (PG&S) emissions to align with updated guidance from the real estate sector. As a result of the updated guidance, Deloitte has removed upfront embodied carbon real estate emissions from reported PG&S emissions. For comparability, this change in methodology has been retroactively applied to previously reported PG&S amounts, which has resulted in a recalculation and restatement of PG&S amounts and emissions totals for the base year and all the previous years' data shown in this report. The recalculation and restatement has resulted in emissions decreases of 46743 tonnes in FY2022, 49919 tonnes in FY2021, 39605 tonnes in FY2020, and 29700 tonnes in FY2019. Reported FY2023 PG&S emissions would be approximately 30,000 tonnes higher if using the previous methodology. Additional details on this restatement are provided in the Deloitte Global FY2023 Basis of Reporting. We will continue to review our approach to Scope 3 reporting in the future, aiming to continually improve the accuracy of our disclosures. When these enhancements lead to a material change in a reported figure, we are committed to explaining the nature of the change, our reasoning for its appropriateness, and the percentage variance compared to previous methodologies.

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

4 From FY23 we are taking a new approach to Beyond Value Chain Mitigation (BVCM). We are purchasing CERs ('carbon offsets') equivalent to our Scopes 1&2, business travel and homeworking/ commuting emissions; we are additionally providing direct investment and skills-based support to projects that will drive the net zero transition outside of our value chain. We are therefore no longer reporting 'net emissions' that solely factor in carbon credit purchases.

5 For consistency across NSE, the Full-Time Equivalents (FTE) data used to normalise our environmental data is sourced from NSE internal management reporting. These FTE amounts vary slightly with those reported in statutory financial statements depending on country-specific reporting requirements.

6 Prior to FY21 a large proportion of water and waste figures was based on estimates. This proportion was reduced in both FY22 and FY23, particularly for water consumption; we will continue to improve the accuracy of this data moving forwards.

7 Our supply chain target is tracked at a global/DTTL level as that is where our core Procurement function sits. All global Deloitte member firms contribute to progress against this target.