

Leadership and innovation  
in turbulent times  
Sustainability Report  
2008/2009

09

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# Scope of the report

## Relevance, information systems and the reporting process

Deloitte reports its sustainability activities on an annual basis. This report refers to all Deloitte activities in the Netherlands from 1 June 2008 to 31 May 2009 and includes data from Deloitte Holding BV and its fully owned entities. The scope of the report is similar to annual review report.

We have taken the utmost care to ensure the information in this report is accurate. When data relating to a different period or older data has been adjusted, the text explicitly says so. As a rule, we compare progress to similar charts from last year so that our readers can benchmark our performance.

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“Our five sustainability themes are clients, people, integrity, society and environment.”

The report is based on the reporting guidelines of the Global Reporting Initiative (GRI) G3 requirements. The GRI table can be found at the end of this report and on our website. It states which subjects have been and have not been included in the report and refers to other sources used. Several levels of application are possible for the GRI guidelines. Our level is B+. We provide the required profile information, an overview of the management approach and at least 25 performance indicators.

HR information has been derived from our integrated business information system. The other information has been carefully collected from various other parts of the organisation. For data supporting the chapter “Our ecological footprint” we have used data provided by our suppliers. The mathematical model applied is the UNEP GHG model. The text states whether the data is based on estimates.

The registration of complaints and the registration of additional functions occurs on a voluntary base, hence we cannot assure completeness.

## Materiality and selection of issues

The report has been prepared according to the five themes of corporate responsibility; clients, people, integrity, society and the environment. In determining content, Deloitte selected the issues through an interactive process that involved the people responsible for these themes in our operations. They identified the dominant issues in this year’s agenda, according to our strategy, the feedback received on our last sustainability report and other inputs.

We will report on the same (key) performance indicators. These indicators have been included in our management information system and from 2009/2010 onwards we will regularly include our sustainability data in management information. New issues or activities that have arisen during the year under review are explained.

## Stakeholders

Our most visible stakeholders are our employees and our clients. However, we also look seriously at the interests of others such as; professional associations, government bodies, suppliers and the users of information that we have audited. Apart from the day-to-day contact through our business, we have several instruments for dialogue with our stakeholders.

We asked our people their opinions on our sustainability performance in a sustainability survey at the end of 2008/2009. About 73 percent agree or strongly agree that sustainability has become a key initiative in our LEAP strategy and about half agree that we should integrate sustainability issues into the advice we give to clients wherever possible. In March we also conducted an internal inventory of the existing skills within Deloitte with regard to sustainability.

Throughout the year we participated in several external stakeholder events and brainstorm sessions on sustainability. We also hosted a so-called reality day at the Vrije Universiteit, during which we discussed our Sustainability Report 2007/2008 and accountancy students worked on real life Deloitte case studies.

## External Assurance

Ernst & Young Accountants audited the information provided in our report. The assurance report can be found at the end of this document.

Since 2007, Ernst & Young Accountants audited the information in our sustainability reports. No assurance was obtained on the information for the year 2005/2006.

# Letter from the Board

Deloitte takes corporate responsibility and sustainability very seriously, which is why we chose to produce this report outlining our actions and goals – our fourth Sustainability Report. We are committed to communicating in a clear and transparent manner our targets and our progress. In this report we outline where we are achieving our aims and where further work must be done.

Our commitment to being a responsible organisation is evident throughout the firm and includes not just the services we offer but also the mindset we try to create among our employees and our clients.

As a professional services organisation, we have our biggest impact on society via the services we deliver to our clients. By acting towards them in a responsible way and by providing them with high-quality sustainability services, we believe we can enhance their transparency and performance as well as help them have a positive impact on society.

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“As a professional services organisation, we have our biggest impact on society via the services we deliver to our clients.”

Another component of Deloitte’s sustainability practices is the contribution of our people and the transfer of their knowledge and expertise. Our intellectual capital can provide a great benefit to society at large, including not-for-profit organisations and charities.

Deloitte is also aware of the impact our operations have on the natural world and we have set strict targets to minimise any potential damage. A key component of this is our goal to reduce our carbon emissions by 40% from our 2006/2007 levels by 2011.

The recent economic downturn has presented us with a variety of challenges, however we remain fully committed



to invest in responsible practices. Despite the turbulent times, we have not lost sight of our goal; to be a sustainable innovator and to lead in our areas of expertise.

Our sustainability efforts are a work in progress and we work hard to develop and improve our strategies to meet changing demands. By constantly evolving in this way, we feel we can find the best way to be a responsible corporate citizen.

The Executive Board:

Roger Dassen  
Chief Executive Officer

Jan Dalhuisen  
Chief Clients & Markets Officer

Cees de Boer  
Chief Financial Officer / Chief Operations Officer

Jorrit Volkers  
Chief People & Partner Officer

# Our sustainability strategy

At the heart of everything Deloitte does stands a thorough commitment to behave ethically and responsibly. We demonstrate this commitment through:

- The advice and services we provide to clients
- Investment in our people
- Commitment to our local communities and the wider society
- Environmentally sustainable operations

In 2008, Deloitte developed a new three-year strategy: LEAP. This stands for Leadership in the marketplace, Eminence and quality, Accelerated growth by innovation and People leadership. One of the key initiatives under the heading of Eminence and quality is our objective to be a sustainability leader. To put it plainly; without a proper internal and market-focused sustainability strategy we wouldn't be able to deliver LEAP as a whole. In addition, clients and business partners wouldn't reward us with the same level of trust as currently Deloitte enjoys.

Our goal, which we aim to achieve by 2011, is as follows:

*"Within our profession, we want to be a front runner on CR&S. This involves our strategy, how we integrate CR&S in our governance processes and external reporting on concrete internal CR&S targets. In addition, we will also integrate CR&S more and more in our external service offerings."*

Firstly, however, we believe we should practise what we preach. With this in mind, Deloitte has established an ambitious internal sustainability programme with measurable goals and targets.

During the year under review, we implemented a variety of internal corporate responsibility and sustainability activities and started to integrate our (Key) Performance Indicators in the Management Information System. Our goals are to fully embed CR&S into all of Deloitte's service offerings, deliver HR service excellence, maintain high standards of integrity and client evaluation, increase our contribution to society and reduce our ecological footprint. We also work closely with global colleagues and are actively involved in the Deloitte Global CR&S Council.

The framework for our internal and external CR&S services is what we call SWITCH. This is our acknowledgement that CR&S practices have to be Systemic, Worldwide, Integrated, Transparent, Collective and Holistic.

In essence, SWITCH recognises that sustainability has to be part of the 'genes' of an organisation and that means being embedded within the whole value chain and in all infrastructural areas.

With this in mind, Deloitte offers a variety of CR&S services, including Strategic Consultancy, Sustainability Value Mapping, Sustainability Reporting Consultancy, Green Building Consultancy, Green IT and Climate Change Risk Management Services. We aim to be the partner of choice for organisations seeking assurance services for their sustainability reporting process or reports.

The Deloitte firms of Denmark, Belgium, Germany, Central Europe and the Netherlands work together internationally within the context of Deloitte Société Européenne (DSE) a regional cooperation that is focused on serving client seamlessly across borders. We are in discussion with our colleagues in DSE and Deloitte Global about providing cross-border services - an offering that multinational clients expect us to deliver.

We continually develop and improve our CR&S strategy to meet evolving conditions and are confident that our flexible, holistic approach is the right way to balance the complex demands, needs and responsibilities of Deloitte and of our clients.

### Adhering to international standards

We believe in the positive effects of having transparent CR&S standards. Globally, Deloitte has made significant commitments including signing the World Economic Forum's Global Corporate Citizenship Initiative, joining the World Business Council for Sustainable Development and joining the UN Global Compact. Deloitte also complies with the GRI – the globally accepted standard for sustainability reporting. These initiatives and organisations influence and shape the debate on corporate responsibility issues.

Deloitte Netherlands joined the UN Global Compact in 2008. The Compact is a voluntary international network of corporations, UN agencies, trade unions and nongovernmental organisations that supports ten universal principles. We want to conduct our business in line with these ten principles in a sustainable way.

As a signatory to the United Nations Global Compact, Deloitte has made a public pledge to promote corporate responsibility in the areas of human rights, labour, the environment and anti-corruption. Deloitte has delivered last year's sustainability report as the yearly communiqué on our UN Global Compact progress.

The UN Global Compact is also an important forum for Deloitte to meet with like-minded companies. The Netherlands Network of the UN Global Compact is an initiative of Dutch business leaders 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.

### CR&S policy of Deloitte on global level

The Global Corporate Responsibility Council is presided over by John Connolly. Jan Dalhuisen, member of the Deloitte Netherlands Executive Board, is a member of the Council. The Council meets twice a year.

The Council has global oversight and responsibility for our broad Corporate Responsibility agenda, which includes:

- **Community investment:** "Putting something back" by encouraging and supporting member firm actions with clear priorities and goals, sharing best practices and establishing selected global activities.
- **Operational sustainability:** Amending our own working practices in member firms to be more sustainable.
- **Helping our clients to be responsible:** Influencing, aligning and challenging the global development of services relevant to responsibility.
- **Engaging with the wider agenda:** Influencing the wider agenda (policy and action) on major issues with emphasis on climate change and education. Ensuring these vital issues are key features in all four major elements of our programme.

## Internal Policies

UNGC Principle	Governance Instruments	Compliance Monitoring Apparatus
Human Rights	Shared Values	Policy Manual
Labours	Ethical Principles	Annual Member Firm Compliance Representations
Anti-corruption	Code of Conduct	Practice Reviews
	Health & Safety	Ethics Programme Effectiveness Survey
	Global People Engagement Survey	
	Diversity	
	Global Excellence Model (gEm)	
Environment	Employee Relations Policies	

## Value Chain Policies

UNGC Principle	Suppliers	Clients
Human Rights	Service Level Agreement	Client Risk
Labours		Client Acceptance
Anti-corruption		
Environment		

## Objectives and priorities

Wherever possible, Deloitte's sustainability efforts are quantifiable. We try to set ourselves clear targets by which we can measure our progress year-on-year.

For the coming years, we will further improve the processes and systems for gathering qualitative and quantitative data used in this sustainability report.

## Key objectives

2008/2009	Internal and external network is functional and Deloitte CR&S is known to major clients
2009/2010	Deloitte is active in the market and is recognised as a CR&S Integrated Service Provider
2010/2011	CR&S is embedded in Deloitte's service offerings

## Our strategic goals

### External focus

Roll-out a visible and comprehensive set of CR&S service components that are built on SWITCH; our framework that acknowledges that CR&S practices have to be Systemic, Worldwide, Integrated, Transparent, Collective and Holistic. We will develop SWITCH into a holistic set of CR&S principles, linked with Deloitte's brand positioning "always one step ahead" and based upon:

- A generic set of solutions that covers all components of a comprehensive sustainability management system
- The use of existing functional expertise and methodologies to strengthen CR&S key services
- Embedding CR&S in existing service offerings

### Internal focus

“Practising what we preach” by continuing to develop Deloitte’s sustainability approach in terms of:

- Our own sustainability programme and targets
- Our internal community building – awareness, learning, project collaboration
- Our internal collaboration with Deloitte Global Network (to maximise synergies) and the Global CR&S Council
- Our external relationships (e.g. UN Global Compact Netherlands, GRI, other philanthropic relationships)

### Summary

- Develop ‘authenticity’ and ‘authority’ to be accepted as a serious business partner in CR&S
- Balance an integrated approach on both sides: CR&S portfolio and integration in existing methodologies

### Our performance goals

We are implementing ambitious and effective sustainability activities in the following ways:

### Strengthening our internal sustainability reporting according to GRI G3

- Setting up a feasible stakeholder engagement process
- Defining materiality with stakeholders, including the Board
- Assessing reporting boundaries
- Improving disclosure about our management approach
- Continuing work on required policies, for example Community investment and pro-bono work
- Continuing to report on indicators to reach at least a GRI G3 ‘B+’ level (see scope of the report for performance)

### Responding to growing demands to include CR&S in client requests for proposals

- CR&S requirements in our supply chain will increase in number and in the depth of requirements (see chapter clients).

### Delivering HR service excellence by setting HR targets

- Enhancing diversity – 8% female representation at partner and director level by 2011
- Making staff retention a strategic priority – reduce attrition of top performers by 18% by 2011
- Recruiting effectively but given the economic downturn our recruitment targets will be revised (see people chapter)

Bringing more coherence to all philanthropic activities by rolling out the Deloitte Foundation (see society chapter)

Reducing Deloitte’s ecological footprint; focus on building, energy, travel and procurement; the aim by 2011 is to reduce carbon emissions by 40% from the 2006/2007 baseline (see ecological footprint chapter)

# Our clients

Deloitte firmly believes companies must balance providing solid returns for their shareholders with delivering measurable benefits to society and the environment - sustainability has to provide social, ecological and economical value.

At the same time as developing CR&S services, Deloitte is ensuring they are woven through our current portfolio. The aim is to fully embed sustainability into all of Deloitte's service offerings and to translate this into a change of mindset at our clients' organisations.

To this end, Deloitte has created a varied toolset, including the Sustainability Assessment Framework, Maturity Assessment, Sustainability Strategy Benchmarks and the Sustainability Value Map.

The Sustainable Value Map identifies opportunities for value protection and value creation. This tool links directly to stakeholder demand and helps define material issues and strategy development. It also informs key performance indicators definition and external reporting schemes and enables long-term programme setting.

In early 2009, Deloitte went to market with this new service offering. The various components can be used in combination to help companies create a roadmap to becoming a more sustainable enterprise.

## Creating a responsible mindset

Our experience is that excellence in sustainability is only possible if practices are integrated into an overall business strategy. We believe that changing perspectives on sustainability will have a profound impact on the way business is conducted around the world.

The traditional approach to CR&S focuses on compliance with CR&S standards and CR&S reporting and assurance that comes from a third party. Organisations often find it a challenge to integrate CR&S into day-to-day operations and to demonstrate added value. This results in add-on and disconnected internal and external information and reporting which is difficult for a third party to audit.

Deloitte's recommended approach is to follow the right steps to efficiently and effectively integrate CR&S into the overall business strategy. This begins with the question: 'Are we doing the right things?' and is followed by management asking: 'Do we implement and execute strategies effectively and efficiently in all relevant business processes?'. This leads to integrated CR&S activities and accurate reporting, which can be efficiently audited.

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**“Corporate responsibility can reveal opportunities, catalyse innovation and enhance reputations.”**

When done properly, corporate responsibility can reveal opportunities, catalyse innovation and enhance reputations, at the same time as conferring great benefits on society. Part of our commitment to clients is to help them embed sustainable practices into their DNA.

The current economic crisis has made it even more apparent that businesses must be accountable, responsible and uphold ethical standards. Trust in the business world has diminished, leading to an increased requirement for accountability, transparency and the full engagement of stakeholder groups. Good sustainability practices can offer another line of defence in a downturn.

## An essential journey: nine steps to sustainability excellence

### Step 1: Understand the present

Evaluate the regulatory climate, benchmark the field, survey stakeholders, take inventory, don't neglect the business of business

### Step 2: Envision the future

Define long-term vision (what will your company's legacy be), key growth strategies, remain inextricably integrated with core business strategy

### Step 3: Plan the journey

Prioritise your CR&S issues, mark the gaps, perform risk intelligent scenario planning (risk for reward)

### Step 4: Plan and build

Assess resource requirements, pull oversight to executive level, define performance and incentives, define traditional and non-traditional collaboration (internally and externally), define alliances and networking (e.g. UN GC, WBCSD, GRI)

### Step 5: Execute

Take measured steps, develop governance policies and procedures related to implementation

### Step 6: Review and revise

Monitor progress and assess the success, get feedback from stakeholders

### Step 7: Report and communicate

Use the GRI G3 Guidelines and sector supplements

### Step 8: Assure internally

Involve internal auditors in business process analysis (financial, operational, compliance, IT controls, risk management)

### Step 9: Assure externally

Envisage a 'roadmap to assurance' (phasing in), stakeholder involvement, track voluntary and mandatory requirements

# Our people

People are our most important asset and we strive to attract, engage and retain the best employees. Deloitte's overall firm objective is to be a market leader, through our LEAP strategy. In order to achieve this, we have to lead in the area of people, which means becoming a best place to work.

The year under review was the first of our three-year strategy of People Leadership. During this time, we broadened awareness of the importance of our people.

Our People Leadership strategy involves three key initiatives:

#### **Significantly increase our commitment to each other**

We focused on increasing the engagement of our people at all levels. Via research, including our people survey, we identified the areas of importance to our people. These are; value my contribution, enhance my career, give me an opportunity to excel and connect with me. We developed programmes aimed at improving in each of these areas and launched Performance Coaching, Mass Career Customisation, Leadership Development, the Women Partner Director programme and Straight Talk.

for our people. In 2009/2010 we will implement a new management training programme; the Milestone Programme.

In the previous year under review, retention was our critical challenge. By the end of 2008/2009, however, people turnover dropped from 22% to 18%. Despite this, long-term retention remains a key objective.

#### **Recruit effectively to achieve our LEAP strategy**

We launched a national recruiting campaign aimed at high-quality graduates, increased the quality of our recruiting processes and resources, appointed a recruiting partner, worked to encourage collaborative sourcing throughout the firm and increased our focus on e-recruiting. Looking forward, despite the economic downturn, we will continue with selective and strategic new hires to ensure the continued renewal and progress of our firm. We will roll out additional targeted campaigns and will continue to increase our competency and tooling to attract the best possible people.

#### **Integrated HR service excellence**

We reorganised HR, improving resources and focus and hiring specialists in certain areas. We also enhanced day to day support of our people in areas such as health, pension, onboarding and leave administration. We successfully launched a vitality programme, which encourages a proactive and shared approach to health.

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**“People are our most important asset.”**

We continued to invest in core training, implemented an automated learning management system, improved learning support and renewed the Business Skill Programme. We worked closely with our colleagues in DSE providing international development opportunities

### Navigating the downturn

During the year under review there were challenges presented by the global economic downturn and it was necessary to undertake two rounds of lay-offs; one, market-driven, in Consulting (in December 2008) and the other to rationalise our Support Group (in February 2009) given reduced activity. However, the financial pressures meant the focus on key talent was even more critical. Thus the decisions we have taken in preparation for 2009/2010 are aimed at retaining our talent. In April 2009 we communicated our key initiatives for 2009/2010:

- Revise the compensation and benefits package. Salary increases are focused on performance excellence and promotions and we will offer profit-dependent bonuses. We aim to manage our capacity in low periods with employees taking 13 additional leave days of which they will “buy” 10 and the firm will give 3. We are also offering three types of long leave at a percentage of salary - for Deloitte-related education, corporate social responsibility activities, or personal reasons.
- Increase the focus on performance and formation management.
- Continue with our strategic people investments and programmes and selective, strategic recruiting.

### People data for 2008/2009

During the year under review we recruited 969 new hires, of which 736 were graduates and 233 experienced hires. Due to attrition and disposition of certain businesses at the end of last year, our average headcount dropped 163 to 5489.

An appreciation of diversity is a core value at Deloitte and we continue to focus on encouraging a wide range of talents to join and stay at the firm, at all levels. The advancement of women was our diversity focus for the year under review. With this in mind, in March 2009 we initiated the Women Partner Director Programme, which is aimed at increasing the number of women in leadership positions.

We have set a target of 8% female representation at partner and director level by 2011. For the year under review we achieved 5% for partner level and 10% for director level.

Regarding new appointees for 2009/2010 – we will exceed our target for new partners with women constituting 30% but we will not achieve our target regarding director nominations.

The people data is outlined in more detail in the boxes on the next page.

### People commitment survey

One of our key tools for measuring the commitment of our people is the people survey. For the first time, during the year under review the survey also measured engagement.

The results from the June 2008 survey show we made a 1 point improvement in overall commitment over the prior year. The results also indicate we have a lot of work to do to better engage our people. Our strategic initiatives are aimed at achieving this.

The two most common priorities mentioned by respondents are a desire to improve work/life balance and to have performance recognised in meaningful ways. In response, we are rolling out our Mass Career Customisation and Performance Coaching. The two items rated strongest are firm leadership and our supervision/management. We will run the 2009/2010 survey in October 2009.

People data (1)	Realised 2008/2009	Realised 2007/2008	Realised 2006/2007	Targets 2008/2009	Targets 2007/2008
Average FTE's	5,098	5,192	5,406		
Average Headcount	5,489	5,652	5,883	-	-
Total Hires	969	1,274	1,081	1,287	962
Total Experienced Hires	233	309	208	447	374
• Total Partner Hires	8	5	6		
Total Graduate Hires	736	965	873	840	588
Total Internship	233	357	355	-	-
Total Exits	1,005	1,322	1,184	-	-
Total Divestments <sup>1</sup>	12	257	-	-	-

People data (2)	2008/2009	2007/2008	2006/2007
Average Age	33	34	34
Male (%)	63	62	62
Female (%)	37	38	38
Sickleave (%)	3.20	3.60	3.60

	Targets 2008/2009	Realised 2008/2009	Realised 2007/2008	Realised 2006/2007
Diversity figures (Female)				
Partner (%)	6	5	4	4
Director (%)	6	10	5	4
Senior Managers (%)	20	16	15	13
Managers (%)	25	25	23	21
Aspirant/Jr. Managers (%)	35	31	30	29
Other staff (%)	50	53	53	53

Part-time/Full-time population (%)	Part-time 2008/2009	Full-time 2008/2009	Part-time 2007/2008	Full-time 2007/2008
Population of Fee-earners (%)	19	81	20	80
Population of Support (%)	45	55	46	54
Population of Deloitte (%)	24	76	25	75

All HR data is based on information excluding temporary employees. In exits, hires and sickleave data internships are also not included. Further all HR calculations are based on average headcount.

<sup>1</sup> Decline in divestment as result of limited disposal of local offices 2008/2009.

# Integrity; the basis of trust

## Client acceptance; know your client

At Deloitte, we understand it is important to maintain high standards of integrity within our own organisation, by reserving our advice and support for clients upon whose integrity we can rely. Furthermore, it is an important part of our own integrity to identify potential conflicts of interest between individual clients and to ensure they do not become a reality. We understand it is part of our duty of care to our stakeholders to implement stringent “know your client” procedures before agreeing to undertake work on their behalf.

## Formal procedure

To maintain consistency, we have a formal client acceptance procedure which must be carried out before a client is accepted. We evaluate clients according to their independence, ethics, the type of business and their reputation. In the year under review this procedure has been refined to increase efficiency and minimise disruption to clients while ensuring our stringent standards are not compromised.

## Escalation

We apply a specific escalation procedure in cases where conflicts arise between Business Management and the Acceptance centre. In the case of ethical dilemmas the matter is referred to the Ethical Officer. In other cases the matter can be referred to the Executive Board if Business Management disagree with the decision of the Acceptance Centre.

## Ethical Officer

The Ethical Officer reports on a wide variety of topics including client acceptance. In the year under review, the Ethical Officer has had to reject several potential clients on grounds related to their business model or practices.

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“It’s an important part of our own integrity to identify potential conflicts of interest between individual clients.”

## Complaints and Whistleblower procedure

The Complaints and Whistleblower procedure was set up in 2007 at the suggestion of the Ethical Officer. The current procedure is functioning and has resulted in alerts in areas where Deloitte’s integrity may have been compromised. This procedure is in addition to the existing tools and procedures already in place to safeguard our integrity, quality awareness and ethical conduct. The procedure is based on the following legal foundations:

- The Accountants’ Organisations (Supervision) Act (WTA)
- The Accountants’ Organisations (Supervision) Decree (BTA)
- The International Standard on Quality Control (ISQC) 1, on complaints procedures
- The Dutch Corporate Governance Code (Tabaksblat Code)

The Complaints Committee, which reports to the Executive Board and the Works Council, deals with complaints from staff, clients and third parties and covers matters such as intimidation, violence, discrimination and bullying. In the year under review, the committee received five complaints. All have been addressed.

# Our role in society

Deloitte puts a great deal of effort into social engagement. In today's globalised world, companies can no longer operate in isolation. Instead, every company must endeavour to engage with the communities in which it operates.

In addition, employees, more than ever before, are passionate about working for a company with a strong sustainable agenda and want to find opportunities to engage in responsible practices themselves. At the same time, we are aware that our people have a variety of talents and skills which they can use to have a positive impact on society.

## Establishing solid foundations

With this in mind, in 2009/2010 we set up the Deloitte Foundation in the Netherlands - a non-profit vehicle which invests the time, funds and expertise of Deloitte and its people in the areas of education and skills building. The aim is to make Deloitte's community investment activities more focused and coherent, in line with our core business.

The foundation will act as an umbrella organisation, offering a range of contributions to differing audiences, including financial assistance via a disaster fund, skill-based volunteering by Deloitte employees and pro-bono assistance from Deloitte experts.

Deloitte also encourages volunteering through its IMPACT day, when Deloitte employees can give something back to society by offering knowledge and expertise to a variety of organisations in the community.

In 2008, a Deloitte Consulting IMPACT day event was held in association with Kunst & Zaken, a foundation which finds experts from the business world to provide pro bono advice and services to organisations in the arts sector.

During the day, representatives from Deloitte and from arts organisations discussed ways to combine ideas from the business and cultural worlds to find new approaches to problem-solving.

Deloitte has been working with Kunst & Zaken for over a decade and has matched numerous experts with arts organisations. In 2008, Deloitte consultants took part in three pro-bono projects for arts organisations, involving an IT-plan for a museum, a strategic plan for a museum and cultural entrepreneurship for a music festival organisation.

## Community involvement

In addition, Deloitte matches leaders with external CR&S roles through our 'Insidership' programme, which was launched in 2008. Through this programme, Deloitte employees are matched with non-profit organisations in need of board members.

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## “Every company must endeavour to engage with the communities in which it operates.”

In 2008, Deloitte committed to a three-year partnership with the Red Cross. Deloitte supplies financial assistance via a disaster relief fund and also offers support including advice on how to effectively set up financial resources.

Deloitte worked with the Red Cross to provide aid to victims of Cyclone Nargis, which hit Myanmar in May 2008. Deloitte gave €40,000 from its disaster relief fund to the Red Cross, which was used to quickly deliver aid packets containing personal hygiene items for a family for one month.

According to Cees Breederveld, Director of the Dutch Red Cross, this collaboration is an important enabler for the Red Cross to achieve its goals: “Our partnership with Deloitte is very important as it means fast and efficient support can be offered if a disaster occurs,” he explains.

“As well as financial support, Deloitte also shares its knowledge with us,” he adds. “Mainly thanks to Deloitte, the Red Cross was able to not just supply aid packets to victims of the hurricane in Myanmar, we have improved our working processes too. Through funds, people and expertise, Deloitte makes a very valuable contribution to our work.”

Deloitte experts also contributed to society by recalculating in 2008 the state budget of the Netherlands and presenting findings on where improvements in terms of accounting and reporting could be made.

Approximately 500 Deloitte professionals have additional functions and as such serve as board members and officers of foundations and non-profit organisations . This is an increase from the previous year’s figure of 430 professionals.

# Our ecological footprint

Deloitte understands that the health of our business is linked to the environment in which we operate. We have made a firm commitment to reduce the carbon emissions of our business and are implementing a number of strategies to achieve this. Our plans focus on reducing emissions through improved energy efficiency in travel, procurement, buildings and IT.

## Our green agenda 2011

Our desire to run a sustainable business is defined by an ambitious target for reducing our carbon footprint. Last year was the second year of this plan; so far we have reduced carbon emissions by 25% since 2006/2007 levels and are on target to reach our goal of a 40% reduction in by 2011.

## Green buildings

We have reduced the amount of office space we use from 2007/2008 levels of 132,731m<sup>2</sup> to 124,765m<sup>2</sup> and have taken steps to ensure that energy use in these buildings is environmentally friendly. With effect from calendar year 2008, we purchase our electricity from renewable energy sources.

## Green transport

The travel requirements of our employees are a large source of carbon emissions. In this area we have made changes to our car-lease programme to offer reduced lease rates to employees on a range of hybrid and fuel efficient cars which meet energy label A, and have CO<sub>2</sub> emissions of less than 148g/km. In 2008 more than 20% of cars ordered met these standards. We also encourage our employees to use public transport with our subsidised NS Businesscard. This works towards our goal of exchanging 10% of car journeys to rail travel by 2010.

## Green procurement

We carefully examine the sustainability credentials of our suppliers. By selecting flexible Service Level Agreements that include green and social measures we make sure that our commitments to sustainability are not undermined by outside factors. We also ensure the majority of our office paper is sourced sustainably and has Forestry Stewardship Council approval. In addition, we have introduced a new "five-stream" waste collection initiative in our new Maastricht office, which will be rolled out across our offices in the coming months; our waste is divided into five categories which allow for efficient recycling, processing and disposal.

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**“We encourage our employees to use public transport with our subsidised NS Businesscard.”**

## Thinking green

Training our employees to think about how their actions affect the natural world can have a big impact. A desire to help the environment cannot simply be imposed by management; it requires the cooperation and participation of all our employees. The facility employees in our offices are trained on the subject of energy management and discuss ways to realise carbon savings in regular meetings. Also, our intranet site and internal magazine keep staff up to date on the latest sustainability initiatives.

### Green IT

Deloitte set the challenge of reducing total IT energy consumption by 10% per year. The Deloitte Cyber Center managed to keep the energy usage at the same level, while meeting increasing business demands.

During the year under review the Deloitte Cyber Center performed the "Deloitte Sustainable Data Center Scan". This scan is performed to identify opportunities for improvement and look at initiatives in the attention areas shown below:

**1 Sustainable IT strategy**

**2 Sustainable IT management**

**3 Sustainable application landscape**

**4 Sustainable data storage**

**5 Sustainable IT infrastructure**

**6 Sustainable IT facilities**

Deloitte Cyber Center deploys several initiatives, for example:

IT components are assessed for energy efficiency, during both purchasing and use. Older, less efficient hardware is replaced in an ongoing cycle.

Large organisations have huge data storage requirements, so our Cyber Center makes savings by providing different storage types with unique energy consumption profiles. For example, archived files from a closed account may be stored offline with low power consumption, while frequently-accessed data will be kept online. Monitoring on claimed storage space is performed.

The Deloitte data center is monitored with sensors to ensure temperature and humidity remain at optimal levels and at minimum energy-cost. By increasing the data center temperature the Cyber Center diminishes energy necessary for cooling. Energy efficiency is monitored in monthly management meetings.

### Basic assumptions of the overall carbon reduction target 2011:

- The main contributors of carbon emissions are; heating, electricity, car travel (excluding commuting), flights and paper consumption. Our reduction scheme targets these areas
- Our focus is on the reduction of CO<sub>2</sub> emissions and does not account for other greenhouse gas emissions or their CO<sub>2</sub> equivalents at this time
- We will realise our target by taking measures on the contributors listed above, purchasing renewable energy, offsetting our carbon emissions and through generic developments (EC directive on carbon emission of cars)

Category	Description	2008/2009	2007/2008	2006/2007	Unit
Travel	Number of lease cars	3,718	3,403	3,500	--
	Number of professional km per lease car	22,869	22,500	22,000	km
	CO <sub>2</sub> emission per lease car based on km	4.69	3.94	4.07	tCO <sub>2</sub>
	CO <sub>2</sub> emission per lease car based on liters <sup>1)</sup>	3.73	--	--	tCO <sub>2</sub>
	Number of flown km per FTE <sup>2)</sup>	2,806	4,179	3,177	km
	CO <sub>2</sub> emission of flights per FTE <sup>3)</sup>	0.32	0.60	0.45	tCO <sub>2</sub>
Building and energy	Square meters in use (year end)	124,765	132,731	143,268	m <sup>2</sup>
	Energy consumption (kWh per m <sup>2</sup> ) <sup>4)</sup>	132	117	133	kWh
	Energy consumption per Fte	3,240	3,276	3,527	Fte
	Increase/ decrease in consumption (kWh per m <sup>2</sup> )	-4.41%	-7.70%	1.45%	%
	CO <sub>2</sub> emission due to energy consumption <sup>5)</sup>	0	7,398	8,293	tCO <sub>2</sub>
	Percentage energy consumption Deloitte Datacenter	26%	26%	20%	%
Non-hazardous waste and disposables	Total paper in use	363,712	456,383	545,890	kg

NS Business Card	2008/2009		2007/2008	
	Number of journeys	km	Number of journeys	km
Taxi	1,580	8,238	2,009	11,660
Train	25,431	2,815,357	17,228	1,842,189
Bicycle, etc.	3,073	--	1,085	--
Total until March 2009	30,084	2,823,595	20,322	1,853,849
Total <sup>6)</sup>	32,792	3,077,719	25,403	2,317,311

1) Reporting in litres is more realistic in the CO<sub>2</sub> emission

2) Data based on flights booked by our preferred travel agent

3) For continental flights we used the short-haul conversion factor; for intercontinental flights we used the long haul conversion factor

4) Energy consumption is based on the weighted average of m<sup>2</sup> of which 60% is calculated and 40% estimated

5) We purchase all our electricity from renewable energy sources, the CO<sub>2</sub> emission is therefore 0, by greening 6,357 tCO<sub>2</sub>

6) Exploration 12-month period multiplier 1.09 based on estimation of growth

# Assurance report

## Engagement

We have performed an assurance engagement in accordance with Standard 3410, 'Assurance standard relating to social reports'. Our assurance engagement aimed to obtain reasonable assurance that the information in the sustainability report 2008/2009 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 2008/2009.

## Criteria

We assessed the sustainability report 2008/2009 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.

## The 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 three of the report.

## The 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 2008/2009;
- Assessing whether all relevant topics have been addressed

- Auditing the reliability of the information in the sustainability report 2008/2009 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 2008/2009 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 2008/2009 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 2008/2009, 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.

Rotterdam, 29 July 2009

Ernst & Young Accountants LLP  
signed D.A. de Waard

# GRI-table

GRI-indicator	Chapter or source	Report	Page number
<b>Strategy and Analysis</b>			
1.1	Statement of the CEO	Board Report	AR 5
1.2	Key impacts, risks and opportunities	Board Report and Risk management	AR 5 & 14
	Scope of the report and Objectives	SR	3 & 8
<b>Organisational Profile</b>			
2.1	Name of the organisation	Cover	
2.2	Primary brands, products, and/or services	Matrix of the organisation, At a glance, Board Report	ARe 4 AR 2 & 5 Website
2.3	Operational structure of the organisation	Matrix of the organization, Board Report	AR 2 & 5
2.4	Location of organisation's headquarters	Colofon/website	Website
2.5	Number of countries	Deloitte international	ARe 45 Website
2.6	Nature of ownership and legal form	Financial statements	AR 25
2.7	Markets	Board Report Website	AR 5 Website
2.8	Company size	Financial statements	AR 45
2.9	Scale of the reporting organisation	Financial statements	AR 45
2.10	Awards	Website	
<b>Report parameters</b>			
3.1	Reporting period	Cover Letter of the board Scope of the report & letter of the board	AR/ARe/SR 9 ARe 3 & 5 SR
3.2	Date of most recent previous report	Scope of the report	SR 3
3.3	Reporting cycle	Scope of the report	SR 3
3.4	Contact point for questions regarding the report or its contents	Colofon	Website
3.5	Process for defining report content,	Scope of the report & Objectives	SR 3 & 8
3.6	Boundary of the report	Scope of the report	SR 3
3.7	Specific limitations on the scope	Scope of the report	SR 3
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities	Scope of the report	SR 3
3.9	Data measurement techniques	Scope of the report	SR 3
3.10	Re-statements of information provided in earlier reports	Scope of the report	SR 3

AR = Annual Report

ARe = Annual Review

SR = Sustainability Report

GRI-indicator		Chapter or source	Report	Page number
3.11	Significant changes from previous reporting	Scope of the report This year three separate reports are defined: Annual Review, Annual Report & Sustainability Report (last two are audited)	SR	3
3.12	Table identifying the location of the Standard Disclosures in the report	Scope of the report & GRI table GRI index on website	SR Website	3 & 21
3.13	Policy and current practice with regard to seeking external assurance	Assurance Report	AR SR	63 20

#### Governance, Commitments, and Engagement

4.1	Governance structure	Report of the Supervisory Board & Corporate governance	AR	5 & 18
4.2	Chair of highest governance structure	Corporate governance	AR	18
4.3	Independence	Report of the Supervisory Board	AR	23
4.4	Mechanisms for shareholders and employees	Corporate governance Integrity	AR SR	18 14
4.5	Compensation members highest governance body	Financial statements	AR	25
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	Corporate governance	AR	18
4.7	The qualifications and expertise of the members of the highest governance body	Corporate governance	AR	18
4.8	Internally developed statements of mission or values, codes of conduct, and principles	Matrix of the organisation At a glance Integrity Website	AR ARe SR Website	2 4 14
4.9	Procedures of the highest governance body	Risk management	AR	14
4.10	Highest governance body's own performance	Corporate governance & Supervisory Board	AR	18 & 23
4.11	The precautionary approach or principle	Risk management	AR	14
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses	Adhering to global standards	SR	6
4.13	Memberships in associations and/or national/international advocacy organisations	Adhering to global standards	SR	6
4.14	Stakeholders	Scope of the report	SR	3
4.15	Identification of stakeholders	Scope of the report	SR	3
4.16	Stakeholder engagement	Scope of the report & Our people	SR	3
4.17	Key topics and concerns	Scope of the report & Our people	SR	3

GRI-indicator		Chapter or source	Report	Page number
<b>Economic Performance indicators</b>				
EC 1	Direct economic value	Financial statements	AR Website	25
EC 2	Financial implications due to climate change	Not included: Although on the agenda of DTT CR council		
EC 3	Coverage of the organisation's defined benefit plan obligations	Financial statements	AR	25
EC 4	Significant financial assistance received from government	Not relevant: No such transactions between Deloitte and government		
EC 6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	Not relevant: Deloitte has no locally based suppliers		
EC 7	Procedures for local hiring	Not relevant: Deloitte does not operate in local communities as meant in EC 7		
EC 8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	Our role in society website	SR Website	15
<b>Environmental Performance Indicators</b>				
EN 1	Materials used by weight or volume	Ecological Footprint	SR	17
EN 2	Percentage of materials used that are recycled input materials	Not relevant: Deloitte is no manufacturer		
EN 3	Direct energy consumption by primary energy source	Ecological Footprint	SR	17
EN 4	Indirect energy consumption	Not included: Deloitte focuses on direct energy consumption first		
EN 6 (add.)	Initiatives to provide energy-efficient or renewable energy	Ecological Footprint	SR	17
EN 7 (add.)	Initiatives to reduce indirect energy consumption and reductions achieved	Ecological Footprint	SR	17
EN 8	Total water withdrawal by source	Not relevant: See report 2006-2007		
EN 11	Location and size of land of high biodiversity value outside protected areas	Not relevant: Deloitte does not own or lease land of high biodiversity value		
EN 12	Habitats protected or restored	Not relevant		
EN 16	Total direct and indirect greenhouse gas emissions by weight	Ecological Footprint	SR	17
EN 17	Other relevant indirect greenhouse gas emissions by weight	Not relevant		
EN 18	Initiatives to reduce greenhouse gas (add.) achieved	Initiatives to reduce greenhouse gas (add.) achieved Ecological Footprint	SR	17
EN 19	Emissions of ozone-depleting substances by weight	Not relevant		

GRI-indicator	Chapter or source	Report	Page number
EN 20	NO, SO, and other significant air emissions by type and weight	Not relevant	
EN 21	Total water discharge by quality and destination	Not relevant	
EN 22	Total weight of waste by type and disposal method	Ecological Footprint	SR 17
EN 23	Total number and volume of significant spills	Not relevant	
EN 26	Initiatives to mitigate environmental impacts	Ecological Footprint	SR 17
EN 27	Percentage of products sold and their packaging materials that are reclaimed by category	Not relevant	
EN 28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	Not relevant	
EN 29 (add.)	Significant environmental impacts of transport	Ecological Footprint	SR 17

#### Social Performance Indicators

LA 1	Total workforce by employment type, employment contract, and region	Our people	SR	11
LA 2	Total number and rate of employee turnover by age group, gender, and region	Our people	SR	11
LA 4	Percentage of employees covered by collective bargaining agreements	Not relevant: No collective bargaining agreement applicable		
LA 5	Minimum notice period(s)	Not relevant: Stated in Dutch law		
LA 7	Rates of injury, occupational diseases, lost days and absenteeism	Our people	SR	11
LA 8	Education, training, counseling, prevention, and risk-control programmes in place to assist workforce members	Our people	SR	11
LA 10	Average hours of training per year per employee by employee category	Not included		
LA 11	Programmes for skills management and lifelong learning	Our people	SR	11
LA 13	Composition of governance bodies and breakdown of employees per category according to diversity	Our people	SR	11
LA 14	Ratio of basic salary of men to women by employee category	Not included		
HR 1	Human rights clauses or human rights screening	Not relevant		
HR 2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Ecological Footprint	SR	17
HR 4	Discrimination	Integrity	SR	14

GRI-indicator		Chapter or source	Report	Page number
HR 5	Freedom of association	Not relevant		
HR 6	Child labour	Not relevant		
HR 7	Forced or compulsory labour	Not relevant		
SO 1	Nature, scope, and effectiveness of any programmes and practices on communities	Integrity	SR	14
SO 2	Risks related to corruption	Integrity	SR	14
SO 3	Percentage of employees trained in organisation's anti-corruption policies and procedures	Not included: Ethics training is part and parcel of regular training sessions		
SO 4	Actions taken in response to incidents of corruption	Integrity	SR	14
SO 5	Public policy positions	Integrity	SR	14
SO 8	Monetary value of significant fines	Not relevant: Deloitte is in compliance with laws and regulations		
PR 1	Health and safety impacts	Not relevant		
PR 3	Type of product and service information	Not relevant		
PR 6	Marketing communication	Code of conduct		
PR 8 (add.)	Substantiated complaints	<a href="http://www.deloitte.com/dtt/cda/doc/content/Klachten_en_Klokkenluidersregeling_versie_220107_(2).pdf">http://www.deloitte.com/dtt/cda/doc/content/Klachten_en_Klokkenluidersregeling_versie_220107_(2).pdf</a>		
PR 9	Monetary value of significant fines	Not relevant		

Management approach	Responsible	Goals and performance	Policy	Training	Monitoring
Economic	Executive board	Annual report	Annual Report	Not relevant	Annual Report
Environmental	Director Facilities	Ecological Footprint	Ecological Footprint	Not relevant	Management Information System SR - Ecological Footprint
Labour	HR Managing Partner	Our people	Our people	Not relevant	Management Information System SR - Our people
Human right	Ethics & Compliance Officer Risk, Reputation Leader	Integrity Client service standards (www.deloitte.nl)	Integrity Complaints and Whistleblower procedure (www.deloitte.nl)	Independence declaration	Management Information System SR - Integrity
Society	Director Marketing Communications and Business Development Director of Sustainability Strategies	Society Objectives and priorities	Deloitte Foundation	Induction day	Management Information System SR - Our role in society
Product	Function Leaders and Industry Leaders	Annual Report Operational Plan 2009/2010	Integrity (Deloitte Policy Manual)	Regular training	Annual Report

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“Leveraging our  
expertise and  
knowledge to further  
the sustainability  
agenda.”

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