

2014 Stakeholder Report
Growing together.
Sharing success.

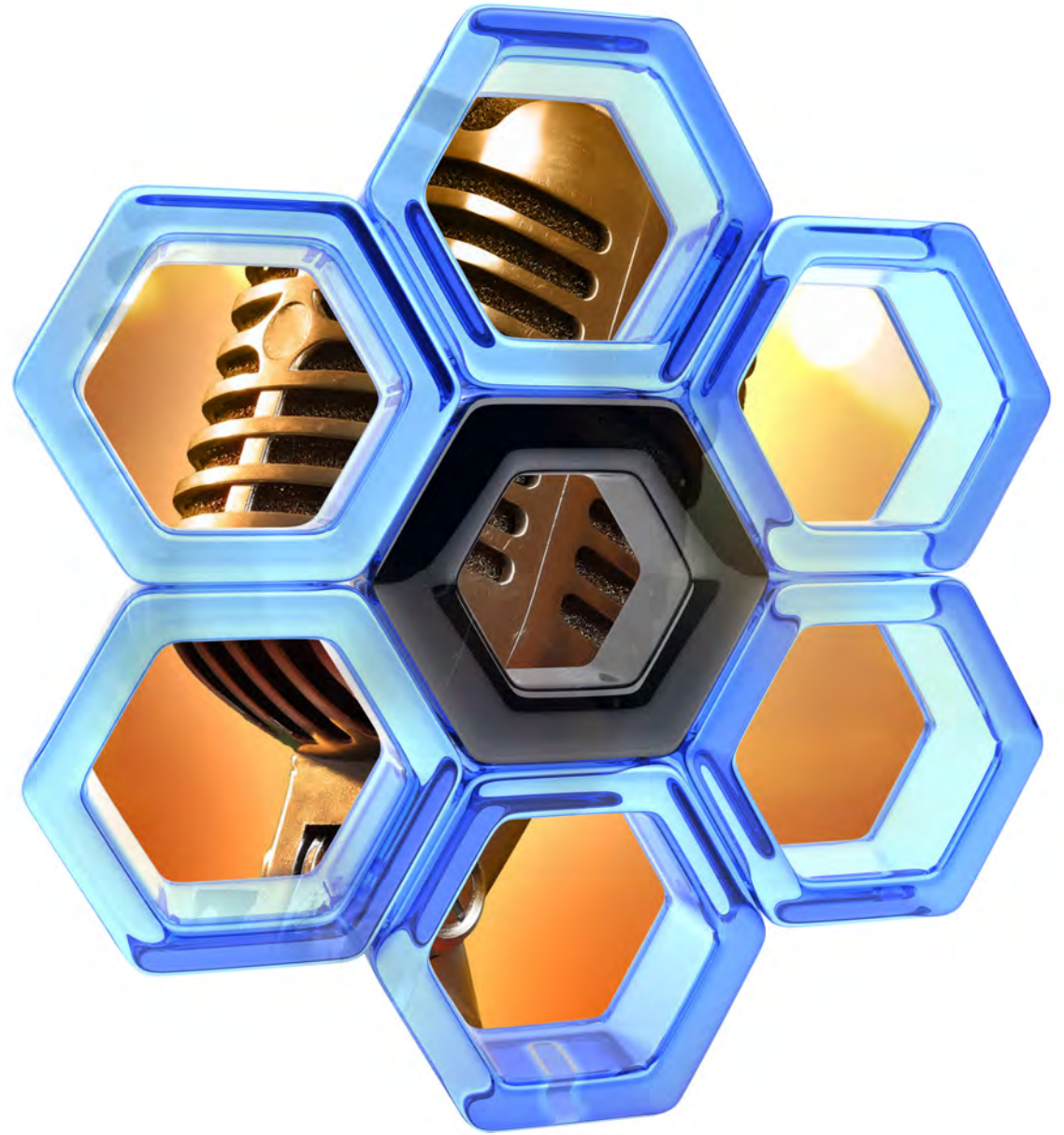


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Message from the Chief Executive





Lwazi Bam
Chief Executive

Dear Stakeholders

This report provides a regional review of our firm's impact during the 2013 and 2014 fiscal years. We produce it every second year and it provides a road map for anyone seeking more detailed information on how our firm serves clients, the culture of our firm and the opportunities we provide to our people. We also detail our impact on our communities and how we challenge ourselves to continue to earn the trust and confidence of our stakeholders.

Our Values

The report highlights various activities of our people but more than anything else, it showcases the values that this firm embodies. These are values that are lived by both the leadership and the staff of the firm. These values you will find interspersed throughout this report. I am proud to say that the leadership team and staff have all played their part in building the distinctive Deloitte brand. Our fundamental brand attributes that align the Deloitte global network across geographic and functional lines are **leadership, innovation, and impact**. These are not just internal qualities, but qualities that I am proud to say our clients, communities, potential talent, and broader stakeholders experience of us every day.

Performance of the business

The turbulent economic environment has been felt by all our service lines, not only in the Southern African practice but throughout our African practice and the global network. Despite this context, our financial and operating performance during the past two years was strong. As was the case throughout the entire Deloitte global network,

we grew revenues. Our investments in areas such as quality and innovation reinforced and extended our service capabilities, reinforcing our position as a leading professional services firm in Africa.

Unwavering commitment to quality

I trust this report faithfully demonstrates our unwavering commitment to quality in all we do. Both the quality and impact of the work reflected in this report are possible because of the talent and leadership of our Deloitte people. That culture of quality is underpinned every day through the Deloitte experience of diversity, state-of-the-art training, and local and international work opportunities. The global vision of the Deloitte network instils shared values and a distinctive culture that makes us proud. For clients, this results in consistent quality and higher levels of trust in our insights and solutions.

In addition to our people and our clients, we acknowledge our commitment to government and our community. We support government through the assurance and advisory work we undertake for various government departments and public sector entities. We offer support whenever necessary to the Auditor-General and South African Revenue Service (SARS), a service which helps government improve its performance and ability to deliver services.

Impact on Stakeholders

The impact upon clients by our 4000 plus people in Southern Africa is often broader and deeper than we commonly acknowledge.



Over this reporting period Deloitte assurance and advisory professionals helped and enabled companies, many of which are listed on the Johannesburg Stock Exchange and on other leading global exchanges, to discover revenue opportunities by expanding into new markets. They have partnered with and advised executives on how to better navigate complex business landscapes and to deal with the many challenging macro-economic and socio-economic issues.

Assurance and Advisory services remain the cornerstones of our service offerings for the foreseeable future. These service lines are a crucial aspect of our strategy to take seriously our public interest role. We work, wherever possible, with national and international regulators in the development of policies that promote investor confidence and economic growth through quality, objectivity and competition.

We are interested parties in shaping the audit of the future, which will benefit stakeholders by revealing a more complete picture of companies' financial positions and triple bottom line performance. Deloitte is continually investing in innovative tools and methods, like our new auditing methodology and platform, to further enhance the quality of our work.

Deloitte also has practical global insight from our client experience and therefore, is in a position to take a leading role in joint efforts with fellow large corporates and organisations to address challenges faced in common by businesses, governments, and communities. This is in keeping with our

continued support for the 10 principles of the United Nations Global Compact.

Where we believe we can have the greatest practical impact is in areas such as combating corruption through risk management techniques, as well as to increase the integrity of markets and promote prosperity and better livelihoods for everyone.

For our community, we participate in a range of initiatives spelt out in detail in this report. We place a high value on supporting education, social investment and enterprise development.

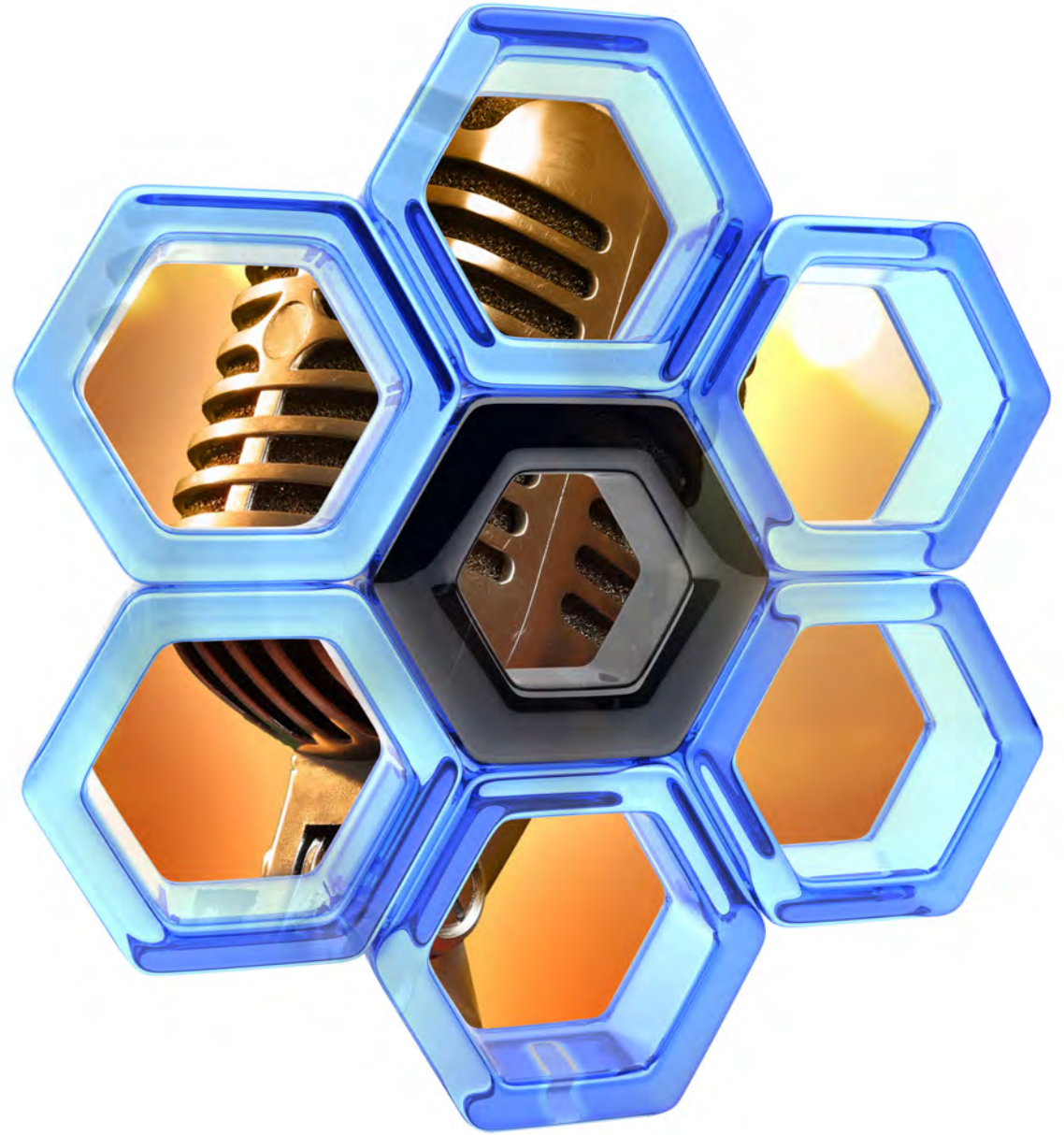
To all our stakeholders, we offer our thanks for your valued support. We hope you find this report as informative and inspiring as we do. We welcome your feedback on this report and in general and look forward to continued engagement with you in the years ahead. Thank you for investing your time in learning more about Deloitte's impact.

Sincerely

Lwazi Bam
Chief Executive
Deloitte Africa

For questions and comments, email
sustainability@deloitte.co.za

Message from the Chairman of the Board





Trevor Brown
Chairman of the
Board

Dear Stakeholders

Deloitte has a proud history in Southern Africa stretching back well over a century. Our success is built not only on our relationships with clients and stakeholders but on our values, which our firm has honed over this time.

The Deloitte brand and reputation is synonymous with those values – each of which is spelled out in this report. In today's world one cannot look purely to the bottom line, but also to what we are doing with our people and the planet. We firmly espouse this triple bottom line philosophy.

Our business

Never has there been such a wave of regulation – many would say over-regulation – of business as we have witnessed since the 2008/09 recession. Though South Africa may have appeared to be on the periphery of much of the global economic trauma and changing government policies - from stimulus to austerity to monetary easing – the reality is that our large companies and their markets are almost all cross-border.

The dichotomy they face is that while governments and regulators are typically nationally focused businesses, investors and markets increasingly operate across borders. This means that complying with the changing regulations on national, regional and international levels is becoming an ever more complex undertaking.

Of course, this has considerable impact on the audit profession as it does on investors, as some of these changes include important alterations to standards that globally may change the auditor's report. We support any policy reform that contributes to increased confidence in financial reporting, as well as the importance and relevance of audit.

Such changes serve to reinforce our values and sense of purpose. We take the long-term view of our markets and while the economic environment at the moment appears uncertain, we have confidence that the South African economy will continue to grow and social inequalities to diminish.

Welcome to 2014 Deloitte Stakeholder Report, the review of our financial years 2013 and 2014. A snapshot of the depth and breadth of the Deloitte story, it provides facts about our network and highlights of our work, culture, people, and broad range of businesses.

The over-riding value we commit to and continually quest is *Quality*. It is quality above all that is core to our business and drives client services, partnerships, strategy, acquisitions, and investments.

Our people

If a firm such as Deloitte consists primarily of its reputation for trust and integrity, then the custodians of that reputation are our people. I thank all our people for their contribution and extend a particular



thanks to those newly-graduated professionals and experienced professionals who joined our firm during the past two years.

I can, with confidence say to these professionals that as they work towards obtaining the Chartered Accountancy qualification or building on their already established careers at Deloitte, and as they work through the ranks of either our assurance business or advisory businesses, Deloitte will provide them with one of the best learning experiences available in business today.

The future of our profession rests in the progress of our young CAs. To each one, I can also say: You have joined a great firm - a place where people are highly valued. During your time with us you will have the opportunity to gain exposure to all types of disciplines and a diverse group of clients. Use this opportunity to its fullest and learn from all those with whom you come into contact.

To our partners and directors, especially those that have been newly appointed, and to all of our people, thank you for your personal contribution. Self-actualisation and pushing personal boundaries are intrinsic to the fabric of Deloitte, and in this spirit, we look forward to your continued hard work and commitment to each other.

Our planet

For a firm such as Deloitte, what we do ourselves can sometimes be less important than the influence we have on

our clients as a trusted business partner. To this end, we have to not only do the right things but very much be seen among all our stakeholders to be doing so.

For instance, as a professional services firm our impact on the physical environment is inevitably going to be less than, say, an operation in the Energy & Resources sector. Yet it remains incumbent upon us to develop the intellectual property around environmental practices and reporting. It is our responsibility to adequately advise clients on how best to improve their businesses.

The theme of our 2014 Stakeholder Report is 'Growing Together. Sharing Success'. It is in this direction that we have pointed our compass and it remains a crucial part of our strategy that we continuously monitor and assess the impact and impressions we have made as corporate citizens. In true Deloitte style, we strive - and will continue to strive - to always do a bit more to create a sustainable future.

Sincerely

Trevor Brown

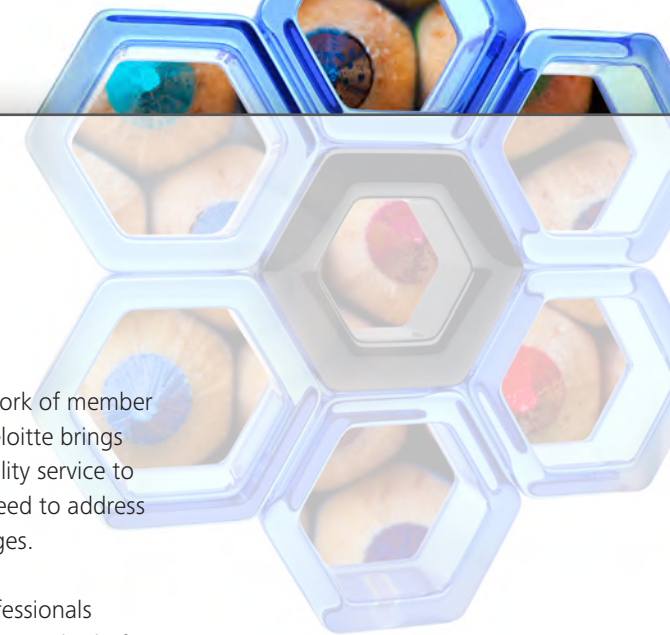
Chairman

Deloitte Southern Africa Board of Partners and Directors

For questions and comments, email
sustainability@deloitte.co.za

About Deloitte





The purpose of this section is to define the nature of our business, our geographical footprint across the African continent and fundamental business principles for our stakeholders. This report specifically covers, in detail, the progress of the Southern African firm from June 2012 to April 2014.

Deloitte drives progress. Our firms around the world help clients become leaders wherever they choose to compete. Deloitte invests in outstanding people of diverse talents and backgrounds and empowers them to achieve more than they could elsewhere. Our work combines advice with action and integrity. We believe that when our clients and society are stronger, so are we.

Our global strength

'Deloitte' is the brand under which a global network of professionals in independent firms throughout the world collaborate to provide audit, consulting, financial advisory, risk management, and tax services.

Through its globally connected network of member firms in more than 150 countries, Deloitte brings world-class capabilities and high-quality service to clients, delivering the insights they need to address their most complex business challenges.

Deloitte has more than 200 000 professionals who are committed to becoming the standard of excellence in professional services and serve over one-half of the world's largest companies spanning multiple industries, including large national enterprises, public institutions and successful fast-growing global companies.



Legend:

- Deloitte offices
- Countries serviced
- Countries not serviced

Countries Serviced (Blue): Mauritania, Mali, Niger, Sudan, Chad, Central African Republic, Guinea, Sierra Leone, Liberia, Ivory Coast, Ghana, Togo, Benin, Nigeria, Cameroon, Equatorial Guinea, Gabon, Congo, Angola, Zambia, Zimbabwe, Mozambique, South Africa, Lesotho, Swaziland, South Sudan, Ethiopia, Kenya, Uganda, Rwanda, Burundi, Tanzania, Malawi, Madagascar, Reunion, Mauritius, Seychelles, Comoros.

Countries Not Serviced (Grey): Morocco, Algeria, Libya, Egypt, Tunisia, Eritrea, Djibouti, Somalia.

Deloitte Offices (Green): Morocco, Algeria, Tunisia, Libya, Egypt, Sudan, Chad, Nigeria, Cameroon, Equatorial Guinea, Gabon, Congo, Angola, Zambia, Zimbabwe, Mozambique, South Africa, Lesotho, Swaziland, South Sudan, Ethiopia, Kenya, Uganda, Rwanda, Burundi, Tanzania, Malawi, Madagascar, Reunion, Mauritius, Seychelles, Comoros.

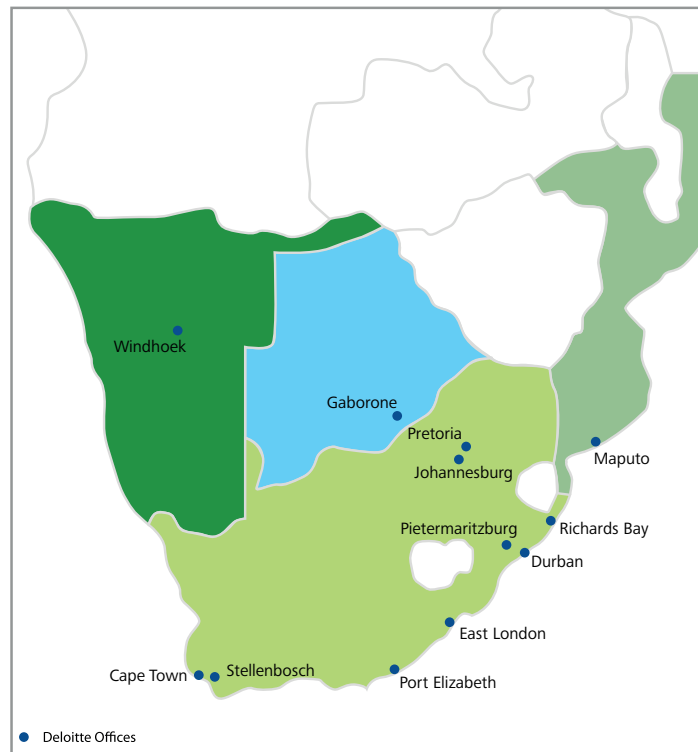
We have a physical presence in 34 African countries and service 51 out of the 54 countries in Africa. Our vast footprint of the integrated Deloitte Africa spans 15 countries, including Botswana, Burundi, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Namibia, Nigeria, Rwanda, South Africa, Tanzania, Uganda, Zambia and Zimbabwe, across 27 offices and cities.

With 54 countries on the continent, the sheer size and diversity of its markets present unique challenges for local, national and international businesses as they seek to establish or expand their influence in Africa's rapidly expanding business sectors. Deloitte member firms provide trusted assistance to such clients by bringing their insight, experience and professional skills to bear in a region that is currently a focus for international businesses seeking growth opportunities outside of developed markets such as Europe and the USA.

“The history of Deloitte in Africa is longstanding, and through our African integration we aim to continue to deliver value-adding services during Africa’s rise.”

Joe Wangai, Chairman of the Deloitte Africa Board

Deloitte in Southern Africa



Connected. Unified. Mobilised.

The origin of Deloitte South Africa dates back to the 19th century when Howard Pim, Murray Smith, Harry Hands and Gurney Close started up their own operations. More recently, in 1990, Deloitte Haskins & Sells merged with Pim Goldby to form Deloitte Pim Goldby and in 1992, the legal name was changed to Deloitte & Touche to conform with the international name. In 2004, the international firm changed its brand name to Deloitte.

The Southern African headquarters is in Johannesburg, South Africa and our reach across this region is well facilitated through our physical presence of twelve offices.

Our Purpose, Our Values

Our vision

We aspire to be the standard of excellence, the first choice of the most sought-after clients and talent.

Our mission

Deloitte Southern Africa exists to:

- Serve the public interest as one of the cornerstones of corporate governance, by supplying world-class assurance services
- Insofar as this is compatible with local and international regulations and the best principles of corporate governance, supply world-class advisory professional services to our clients
- Through both these activities, to help our clients and our people excel.

Our shared values

Our shared values are timeless. They succinctly describe the core principles that distinguish the Deloitte culture.

To fulfil our mission and achieve our vision, we:

- Focus on solving business issues and adding value to our markets and clients through our shared values of:
 - Integrity
 - Outstanding value to markets and clients
 - Commitment to each other
 - Strength through cultural diversity.
- Invest heavily in our culture, develop our people and continually build their technical skills, business acumen and industry experience
- Work together in multifunctional teams to facilitate the sharing of our combined professional skills, knowledge and ideas and thereby, develop solutions tailored to client needs.

Integrity	Outstanding value to markets and clients
We believe that nothing is more important than our reputation, and behaving with the highest levels of integrity is fundamental to who we are. We demonstrate a strong commitment to sustainable, responsible business practices.	We play a critical role in helping both the capital markets and our member firm clients operate more effectively. We consider this role a privilege, and we know it requires constant vigilance and unrelenting commitment.
Commitment to each other	Strength from cultural diversity
We believe that our culture of borderless collegiality is a competitive advantage for us, and we go to great lengths to nurture it and preserve it. We go to extraordinary lengths to support our people.	Our member firm clients' business challenges are complex and benefit from multi-dimensional thinking. We believe that working with people of different backgrounds, cultures, and thinking styles helps our people grow into better professionals and leaders.

Deloitte Service Offerings

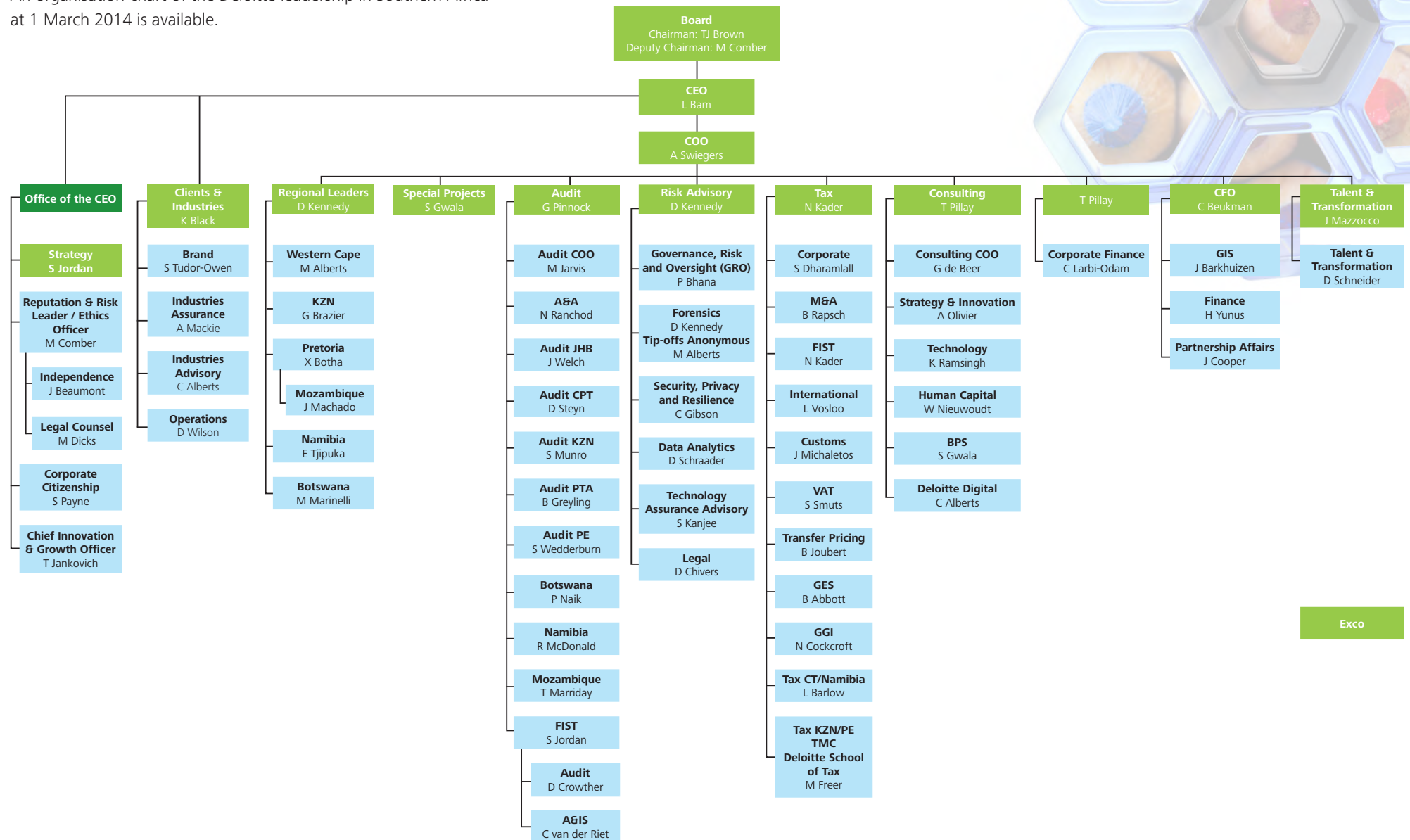
Deloitte operates through five strategic service lines namely Audit, Taxation Services, Consulting, Risk Advisory, and Corporate Finance, and partners with clients in both the private and public sectors.

Our competitive advantage lies in the 'Deloitte difference'. This philosophy draws on our offering of a unique suite of services, each based on a deep understanding of and insights into our clients' businesses. This differential is supported by cooperation based on shared values, global client service standards and the OneDeloitte multi-disciplinary approach.

Deloitte has the following industry-specific focus areas:

- Financial Services
- Public Sector
- Technology, Media & Telecommunications
- Energy & Resources
- Healthcare
- Manufacturing
- Consumer Business.

An organisation chart of the Deloitte leadership in Southern Africa at 1 March 2014 is available.



Highlights

Expansion of Excellence

- Deloitte acquired 100% of mining consultancy firm Venmyn Rand (Proprietary) Limited and established a new technical and economic mineral advisory business called Venmyn Deloitte.
- Deloitte Touche Tohmatsu Limited member firms (together, Deloitte) successfully acquired substantially all of the assets of Monitor Company Group Limited Partnership (Monitor), a highly influential C-Suite advisory firm. Monitor Deloitte was established and is led out of the Consulting Strategy & Innovation service area.
- Deloitte Africa was formed with effect from June 2013 when partners and directors voted and overwhelmingly supported the financial integration of Deloitte Southern Africa with the member firms in East Africa, Zimbabwe, Zambia and Malawi.

People of Excellence

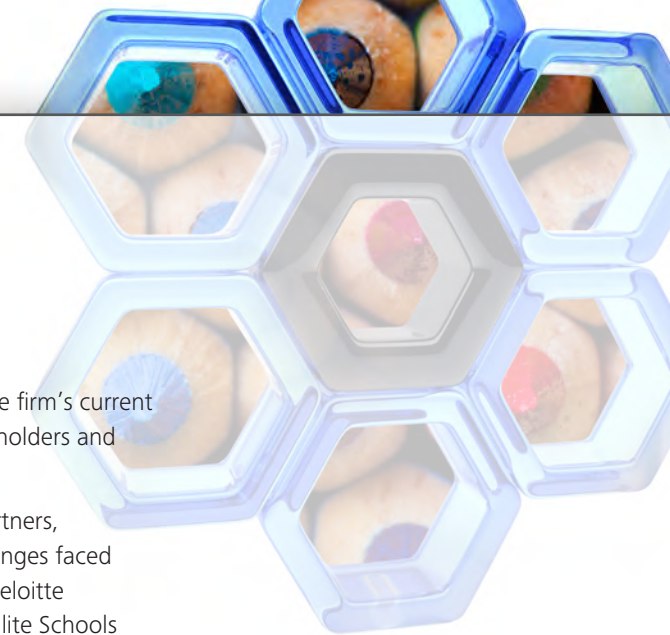
- Lwazi Bam was appointed Chief Executive of Deloitte Africa.
- National Chairperson of Deloitte Women in Leadership, Anthea Scholtz, and the Minister of Women, Children and People with Disabilities, Lulu Xingwana, were guest speakers at the press conference on United Nations (UN) Women's Empowerment Principles.
- Deloitte established its Innovation and Growth Services Unit in Consulting, led by Valter Adão.

- Tasneem Abdool-Samad was elected to the Southern African Board of Partners and Directors as the KwaZulu-Natal and Eastern Cape representative, and Anthea Scholtz was appointed and tasked to oversee the firm's transformation strategy and equality in respect of women's advancement in the firm.
- Professor Njabulo Ndebele joined the Deloitte Southern Africa Board of Partners and Directors as an external advisor.
- Marius Alberts was appointed as regional leader of the Western Cape.
- Karthi Pillay assumed the role of Manufacturing, Auto & Construction Industry leader.
- Deloitte Digital appointed Tim Bishop, widely regarded as South Africa's leading 'Mobilising the Masses' expert, as the new Deloitte Digital Chief Technical Officer (CTO) based in Stellenbosch.
- Thomas Jankovich was appointed as Chief Innovation & Growth Officer.
- Deloitte celebrated with 303 new Chartered Accountants (CAs) following the release of the November 2012 Public Practice Examination (PPE) (Part II) results and 313 new CAs following the release of the November 2013 PPE (Part II) results.
- Deloitte has produced 15% of all newly qualified African Black CAs in the market for 2013.

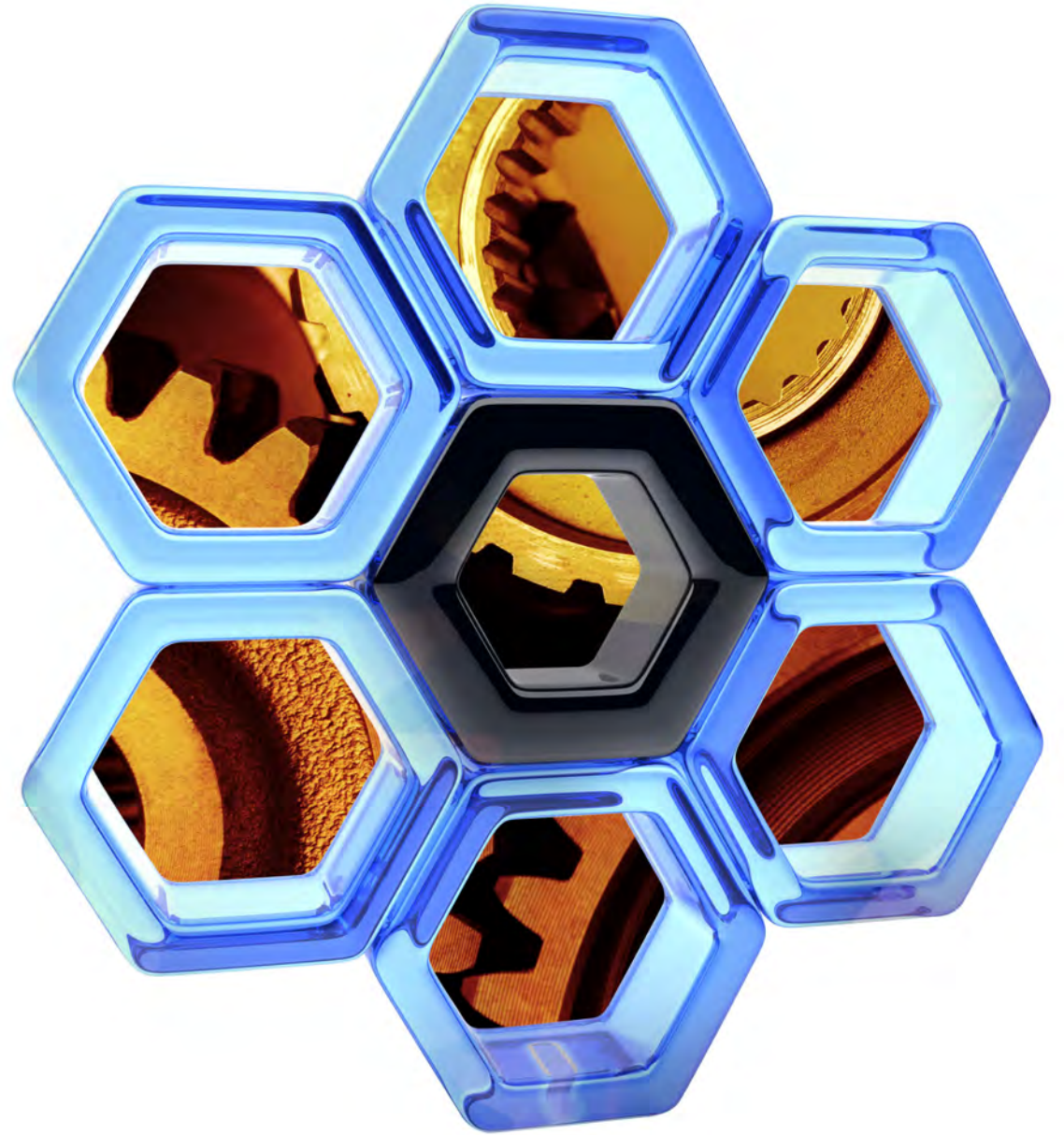
Engagements of Excellence

- We released its annual publication TMT Predictions, which presented the Deloitte view on major trends that are likely to significantly impact on companies in Technology, Media and Telecommunications and other industries over the next 12 to 18 months.
- We released our Tech Trends report which identified ten trends that we anticipate will impact CIOs over the next 18 to 24 months.
- Deloitte Botswana launched its Best Company to Work For Survey.
- Deloitte was the official knowledge partner of the Department of Trade and Industry for the 5th BRICS Business Forum, which was attended by public and private sector stakeholders from BRICS countries, Brazil, Russia, India, China and South Africa. Three Deloitte bodies, the Women in Leadership Committee, Deloitte Mining Industry and Women in Mining South Africa (WiMSA), co-hosted an event at which the topic of 'how women can act as positive change agents in the current mining environment' was discussed.
- Deloitte KwaZulu-Natal (KZN) hosted its KZN Funding Fair, a joint venture between Deloitte, the KZN Provincial Treasury and KZN Department of Economic Development and Tourism. The event facilitated face-to-face interaction between project promoters and funding institutions, showcasing the availability of funds across organisations for business development.
- Deloitte conducted its FY2013 Member Firm Ethics Survey to assist our member firms with DPM 2060 (Ethics) compliance, particularly with regard to measuring the effectiveness of our Ethics programme.

- We launched an online Press Office, a reference site for the firm's current business news and information aimed at the media, stakeholders and potential employees.
- Gauteng MEC for Education Barbara Creecy addressed partners, directors and members of staff, highlighting the key challenges faced by the department and key initiatives embarked on. The Deloitte Foundation simultaneously donated R100 000 to the Satellite Schools initiative, which aims to make satellite feed-based lessons accessible to students in all areas.
- Corporate Finance established a new Restructuring Services offering, specialising in providing professional and financial advisory services to management and stakeholders of underperforming or financially distressed businesses, as well as those approaching insolvency.
- We launched a global strategic business transformation initiative called Deloitte Audit, aiming to instil confidence in financial reporting and to develop talented practitioners.
- We hosted a Black Management Forum conference addressed by keynote speaker Minister Lindiwe Sisulu.
- We launched our first Deloitte Africa People Survey 2014 to members of staff in Botswana, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Namibia, Nigeria, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe. The survey aims to measure and understand the levels of engagement and satisfaction of staff, and will inform our strategic People and Talent mandates going forward.



Stakeholder Engagement



It is imperative that as a professional services firm, Deloitte examine its stakeholder groupings carefully. It is important that we not only list them but also identify areas where we may have certain impacts on them. The list of stakeholder groupings below are material to Deloitte and we have therefore listed our engagements with them, the type of topics/concerns identified as well as how we respond to them.

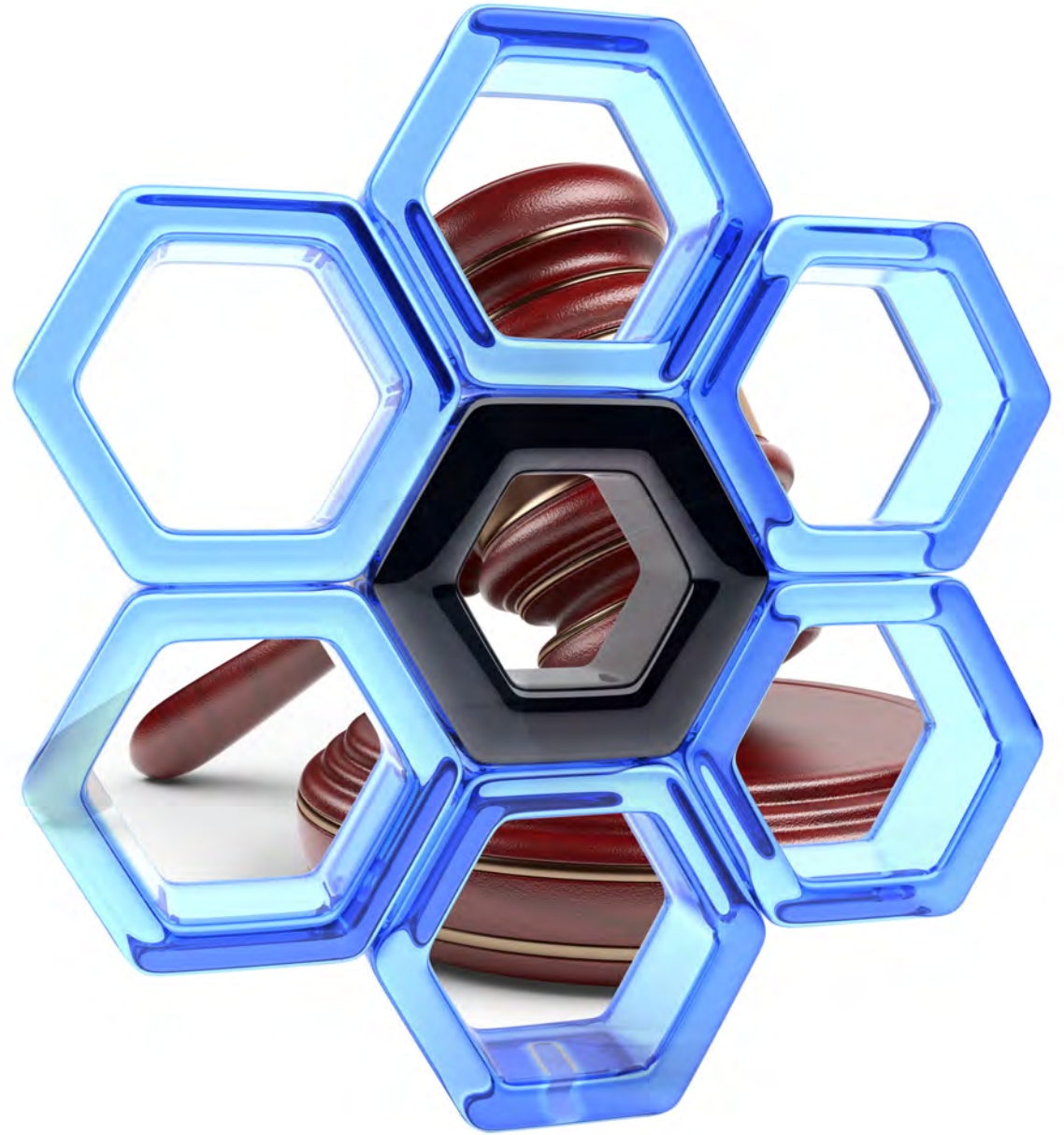
Stakeholder engagement summary



Click on a stakeholder group to read more about:

- The engagement approach and typical frequency of interaction with this stakeholder group
- Sample of topics identified
- Type of response (may vary across Deloitte)
- Issues addressed by Deloitte.

Our Governance





The purpose of this chapter is to define the nature and practice of governance embodied and applied by Deloitte.

Deloitte is a leading brand in Africa and within the global market. Operating in a highly regulated activity, our reputation is of vital importance to us - particularly in light of our engagement with roles such as auditor, advisor and business partner across the entire spectrum of the Southern African economy.

Our firm is governed by the Deloitte Southern Africa Board of Directors ('the Board') which in turn is constituted in terms of the provisions of the partnership agreement. The Board subscribes to the King III Code of Corporate Practices and Conduct to the extent possible for a partnership.

Proper management of the partnership requires a degree of flexibility to respond to changing circumstances, as well as to differences between individual contributions and the circumstances of each partner/director. The partnership agreement provides for a Board in recognition of the fact the number of partners/directors is too great for each to participate in its management. It is the Board's responsibility to oversee the business and affairs of the partnership and to pursue our mission of becoming the best professional services firm in Southern Africa.

At Deloitte, we aim to foster public trust through the practice and promotion of sound ethics, good corporate governance and quality in everything we do.

The Board, as the focal point of corporate governance, has oversight and is ultimately accountable and responsible to all stakeholders for the long term sustainable success of the firm and the quality and value of its contribution. It holds the responsibility to the broader stakeholders, which include the present and potential beneficiaries of Deloitte's products and services, clients, employees, alumni and the profession, to achieve continuing prosperity and maintain the pristine reputation of the firm.

In accordance with the best traditions of corporate governance, we have separated the Board of Partners and Directors from executive management. The Board elects a chairman at the beginning of its term, whose duties - in line with best practice in corporate governance - are similar to those of a corporate chairman. The Board of Partners and Directors is constituted in terms of the partnership agreement and is elected by partners and directors every three years.

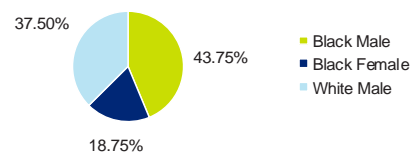
Our Board of Partners and Directors have the following mandate:

- To approve the corporate vision and mission
- To oversee the development and implementation of a strategic plan
- To ensure ethical behaviour and legal compliance
- To select, monitor, evaluate and compensate the firm's CEO.

To facilitate its work, the Board comprises a number of committees, each with its own charter which governs its role and performance.

The following graph depicts the composition of the Board of Partners and Directors as at 1 March 2014.

Board of partners and directors



Black Male	7	43.75%
Black Female	3	18.75%
White Male	6	37.50%

Black: 62.50%

Black Women: 18.75%

Ethical framework

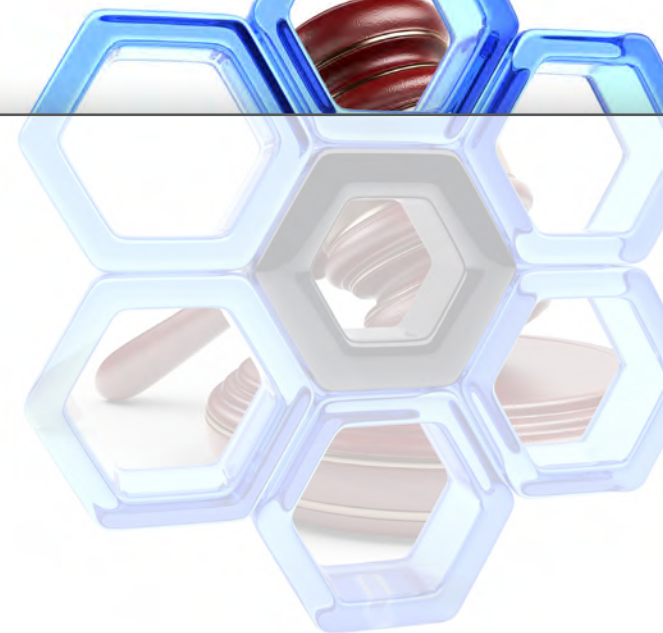
Deloitte is committed to the highest levels of ethics, integrity and quality. This is evidenced by our business practices and client service standards, our leadership behaviour and shared values, and most importantly by the quality of people we employ. In fact, ethics, integrity and quality are at the core of everything that we do.

Our Ethical Principles define the standards of ethical behaviour that unite all the people of Deloitte. They offer guidance about appropriate professional conduct covering such issues as objectivity, confidentiality, and competence. The behaviours these principles elicit will enhance and maintain the integrity and reputation of Deloitte as the premier global professional services firm.

It is important to note that while these principles provide a foundation for ethical decision-making, they do not cover all the situations we may face on a daily basis. When faced with difficult choices, personal integrity and responsibility must be our guide. It is during those times that we are encouraged to seek advice and counsel from our leaders and colleagues, and work together to make the right choices.

Our Ethical Principles apply to all the people of Deloitte, and we use the term “we” to mean all partners, directors, professionals and administrative staff no matter what country or function they reside in. Deloitte partners, directors and staff have an obligation to know, understand and adhere to not only these principles, but also the shared values on which they are founded. In addition, we have a responsibility to encourage our political leaders and business colleagues to do the same.

Our shared values inform Deloitte’s Ethical Principles and the relationship between them is simple: Our shared values define the underlying beliefs that tie our global firm together, and our Ethical Principles further define the specific standards of behaviour that we expect of our leaders and our people. Each Ethical Principle maps directly back to our shared values, helping to reinforce and sustain behaviour that reflects those values. They are, in fact, our values in action.



Our Ethical Principles



Honesty and Integrity

"We act with honesty and integrity."

- We are straightforward and honest in our professional and business relationships.
- We are truthful about the services we provide, the knowledge we possess, and the experience we have gained.
- Areas of high concern



Professional Behaviour

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

- We comply with professional standards and applicable laws and regulations.
- We avoid any action that may discredit our firms or our professions.
- We strive not only to do what is legal, but also what is right.



Competence

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

- We understand that the public and our clients expect our work to meet high professional standards.
- We use due care to ensure that client needs are matched with Deloitte personnel who have the competence required for their assignments.



Objectivity

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

- We do not allow bias, conflict of interest, or undue influence of others to override our professional judgments.
- We address differences of opinion and handle them constructively and professionally.



Confidentiality

"We respect the confidentiality of information."

- We prohibit disclosure of information to anyone inside or outside our firms without the legal or professional right to know.
- We do not misuse information of our clients, our firms, or our people for personal advantage or for the benefit of third parties.



Fair Business Practices

"We are committed to fair business practices."

- We receive fees that reflect the value of services provided and responsibilities assumed, and are considered fair and reasonable by our clients.
- We respect our competitors and do not compete unfairly.



Responsibility to Society

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

- We take our role in society seriously and do not cause intentional harm.
- We support contributions to the communities where we operate.



Respect and Fair Treatment

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

- We understand the impact that our individual behaviour has on our firms, our colleagues, and society, and always work to take responsible action.
- We encourage and value the diverse mix of people, viewpoints, talents and experiences found at Deloitte.
- We are fair in our behaviour and our policies promote equal opportunity for all.



Accountability and Decision-making

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

- We recognise that we are role models and that we set behavioural standards for our professions and each other.
- We make decisions based on our shared values of integrity, outstanding value to markets and clients, commitment to each other, and strength from cultural diversity, and expect our leaders and colleagues to do the same.

Reputation and Risk

The management of reputation and risk is fundamental to the protection of our brand which is something that cannot under any circumstances be compromised. The firm has a Reputation and Risk Leader who has overall responsibility for preserving our reputation. The responsibility for the management of risk lies with each individual partner and director. They are assisted by a network of risk leaders and teams within each of our service lines, who assist with the management of risk within those service lines on a day-to-day basis. Our global firm continues to extend the nature of risk, independence and ethics requirements for member firms. This includes further training, monitoring and reporting elements with which we have to comply. While increased requirements impose additional burdens on all our people, our people understand the importance of meeting their responsibilities on a timely basis.

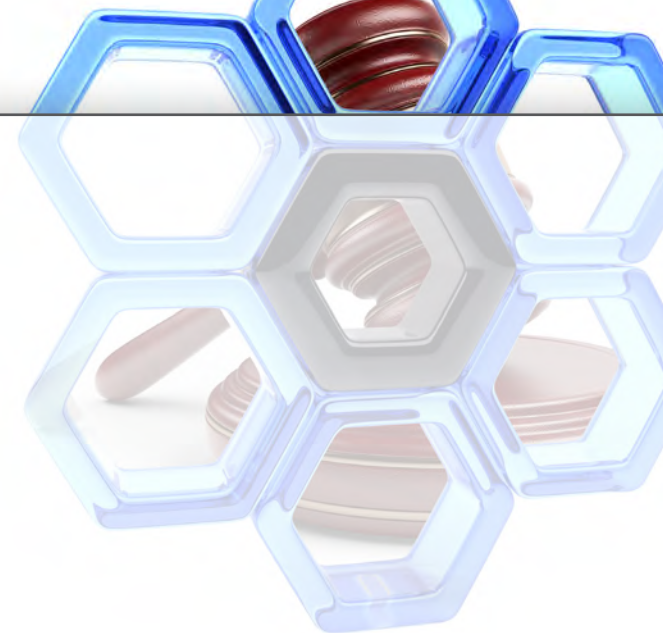
Independence

Regulators and legislators around the world consistently impose more stringent rules governing the independence of auditors. As this has a far-reaching impact on our profession and the way we do business, it has affected partners, directors and professional staff alike. The firm is fully committed to comply with these requirements and has introduced many new systems, policies and procedures designed to govern our independence and to provide reasonable assurance that our commitment to full compliance to independence standards is achieved.

These policies and procedures are based on the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), a standard-setting body of the International Federation of Accountants (IFAC) and U.S. Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board (PCAOB). These standards are enhanced, as appropriate, to reflect local standards or DTTL policies that may be yet more restrictive.

Our system of quality controls related to independence includes the following:

- Policy and procedural independence
- Consultation network
- Compliance business process tools including the Deloitte Entity Search and Compliance system, Global Independence Monitoring System and Confirmations
- Business relationship assessment and monitoring
- Client and engagement acceptance processes
- Independence learning
- Monitoring of independence systems and controls relating to personal independence, engagement and practice reviews
- Disciplinary measures and actions
- Assignment of responsibility for independence systems and controls
- 'Tone-at-the-top' culture relating to independence.



Due to the integration of several Deloitte member firms in Africa during this reporting period, one of our challenges has been to fully align independence standards among all member firms. This has been successfully achieved through Deloitte's network of 'Directors of Independence' and their teams in each region who are responsible for implementing and maintaining quality controls over independence.

The firm's growth strategy raises numerous enquiries as to potential joint ventures with other parties, merging businesses or simply acquiring businesses. This inevitably creates challenges to avoid conflicts of interest involving our restricted-entity clients, and to ensure that business relationships we enter into with our audit clients are acceptable in terms of the very stringent independence rules relating thereto.

Deloitte obtains annual confirmation from its partners, professional staff and support staff that independence policies and procedures have been adhered to. This is reinforced by rigorous monitoring and testing procedures as to the accurateness and completeness of these confirmations. In the case of breaches, we have disciplinary procedures in place designed to provide an appropriate response.

Furthermore, all our partners and senior managers in Risk Independence and Legal are available to be consulted on difficult and complex independence issues.

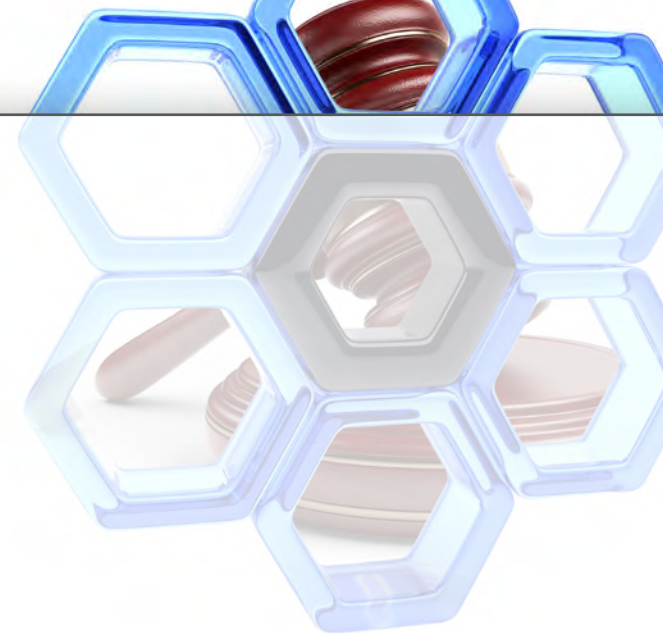
Legal Counsel

Management of the firm's legal affairs is a critical function given the increasingly complex regulatory environment, the number of agreements we conclude on a daily basis and the continued threats of litigation that arise.

The firm accordingly has an in-house Legal Counsel who is also a director of the firm. Legal Counsel is responsible for the management of the firm's legal affairs, and reports to the Reputation and Risk Leader. Legal Counsel is assisted by a small team of attorneys who handle key legal matters centrally and provide legal guidance to the firm. Legal Counsel is further assisted, by a network of risk leaders and teams within each service line, on legal matters or issues that arise on a regular basis.

The Legal Counsel fulfils the following functions:

- Contract management
- Legal compliance
- Company Secretarial
- Intellectual Property
- Litigation, disputes and subpoenas
- Employment disputes
- Communication with the Deloitte Global Office of the General Counsel
- Transactions
- General legal advice.



From a structural perspective, Deloitte's full-time Compliance Officer reports to the Legal Counsel and is responsible for introducing and managing a legal compliance programme for the firm. Legal Counsel is also the firm's designated Privacy Officer and Anti-Money Laundering Officer.

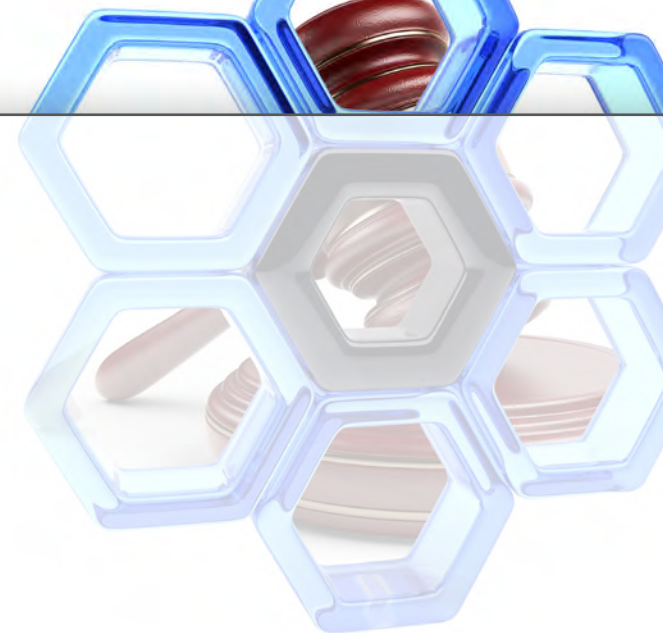
Tip-offs Anonymous

During 2013, the Tip-offs Anonymous reporting service received eight tip-offs across Deloitte Southern Africa, up from five logged during 2012. Due process was followed on these tip-offs, with each being escalated and managed through the appropriate channels and ultimately forwarded to Chief Operating Officer, Allen Swiegers, who dealt with each matter.

Introduced in 1999, the Tip-offs Anonymous hotline has been extended to clients and is now being used by more than 300 Deloitte clients both in Southern Africa and around the world.

Deloitte's Tip-off Anonymous contact centres are fully computerised with a significant focus on network security, which includes all standard best practices such as firewalls, access control and network routing and switching secure settings. All calls are automatically recorded and agents do not have access to override this facility. All contact centre agents are carefully selected and in terms of our standard procedure, undergo truth verification testing as well as random lifestyle audits.

Importantly, Tip-offs Anonymous has received the SABS International Organisation for Standardisation (ISO) 9001:2008 Quality Management System certification for the contact centre. It was also awarded the Ethics SA accreditation, being the first external hotline service provider to be awarded such accreditation in South Africa.



Magnet for Top Talent





“Our African integration offers something incredible for everyone. As a Deloitte professional, you stand to benefit personally from increased opportunities for cross-border work and broader client exposure. As a collective, by living up to our vision of being the standard of excellence, we stand to benefit by being the first choice of clients and the first choice of talent – and we can make a meaningful contribution to Africa’s success.”

Lwazi Bam, Deloitte Africa Chief Executive Officer


“Our firm has, for a number of decades, sought to place itself ahead of the Transformation curve. As we celebrate 20 years of democracy it is highly appropriate that we set our sights on the future. We believe our target of 51% black ownership, and 40% female ownership, will take us there. Supported by the ‘Each One, Grow One’ initiative, we are continuing in the proven tradition of growing our talent from within.”

Justine Mazzocco, Managing Partner: Talent & Transformation

At Deloitte we understand that our people are everything. Over the past two years Deloitte Africa has cemented closer connections with our global office in order to develop common shared metrics. Our objective is to better understand how our Talent & Transformation can measure progress and continue building on our commitment to attract, recruit, develop and ultimately retain the best talent to service clients across Africa.

During this year, key areas of focus for our Talent strategies have been:

- Building and consolidating our Talent strategy
- Continual focus on recruitment and selection
- Greater focus on diversity
- Enabling mobility for our people
- Improving the quality of our performance management
- Compensation and rewards
- Provision of learning and professional development
- Strengthening our engagement and culture.



“It comes down to how the organisation delivers on four key attributes of our talent experience: lead, develop, flex, and connect. At its heart, this experience is about having unlimited opportunities to do meaningful work and to grow, learn, and lead at every point in your career. Deloitte people have the flexibility to create the career and life experience they want and the power of being part of a global network of talented people.”

Margot Thom, Deloitte Global Talent Leader

“The only product we have available to sell at Deloitte is the quality of our 4000 people. At 6pm every day, all our assets go home. We are left with empty offices, an empty car park - and all the lease liabilities. We therefore have to ask ourselves every day, what have I done today to make sure our assets come back tomorrow?”

Allen Swiegers, Deloitte Africa Chief Operating Officer

Building and consolidating our Talent strategy

Our overarching goal in Talent & Transformation has been to develop and implement a robust talent strategy that supports the firm’s business strategy, achieving the following outcomes:

- We are recognised in the market, and by our people, for our distinctive talent experience
- Our talent ‘brand’ is pre-eminent, and attracts and retains top talent
- We consistently deliver world-class learning
- We are viewed internally and externally as a leading organisation for developing and growing leaders
- Our leadership development strategy is on par with leading global practice
- Our talent team is viewed as a strategic business asset, enabling Deloitte to achieve our vision and objectives
- We are viewed in the market as leaders in transformation and diversity.



Talent & Transformation supports the execution of our business strategy.

In our talent foundational analysis for Strategy 2020, Deloitte identified 10 significant talent trends to consider in making business choices. These trends will inform and guide our strategy for Talent & Transformation in the years to come.

10 significant talent trends

Talent Trend	Description
1. Slower global workforce growth	Overall labour market growth declining and growing more slowly than Deloitte's anticipated growth, with significant variations in labour market growth, and talent supply and demand mismatches by country
2. Hyper-specialisation	Prevalence of automation is leading to hyper-specialisation and creating demand for high skills and rapidly changing skills
3. High demand for STEM skills	Specialised skills shortages in science, technology, engineering and math will make competition for this talent more intense in both existing and new areas of our business
4. Access to global talent pool	Technology and increased ability/desire to work virtually create a global pool of talent
5. Rising labour costs	Labour costs increasing across many markets including existing/potential offshore locations
6. Leader capability gaps	Leader shortages and skills gaps to manage increasingly complex and global businesses, and lack of diversity among our senior leaders
7. Broader competition for talent	Declining attractiveness of the audit and accounting profession, and broader competition for talent across all businesses
8. Generational mix	Dramatically changing mix of generations in the workforce with unique expectations, and dominance of the millennial generation who possess a strong desire to be entrepreneurs
9. Search for purpose	An increasing search for purpose across all generations
10. Open talent networks	Increased focus on open talent networks driven by both talent and business need, with unique requirements for managing a 'contingent' workforce



Continual focus on recruitment and selection

Audit Graduate Recruitment

The mandate for Audit Graduate Recruitment (AGR) is to staff all of our offices in South Africa and Namibia with fully qualified trainees. This requires that all trainees should have a SAICA-accredited postgraduate qualification when they commence their three-year training contract.

Our intake of 314 full-time Audit trainee accountants meant that, once again, Deloitte was able to achieve 103% of our 2014 target intake. This was achieved against a background in which competition was exceptionally demanding, particularly in terms of recruitment of Black CTA graduates and the country's severe talent shortage. We also implemented new technology to streamline the application process, which decreased the administrative load and improved our turnaround times.

Deloitte capitalised on opportunities in 2013, increasing market share as we took on new clients, which in turn required that we increase our target intake. This increased our campus presence and further facilitated the acquisition of top talented Chartered Accountant students.

Our target for future years is to deliver consecutive 100% intakes for our South African and Namibian offices, consisting of top talented individuals across the demographic spectrum. Embracing transformation, we will constantly re-evaluate our value-proposition to ensure that we remain the employer of choice to all potential trainees.

Increasingly, being able to offer career exposure outside South Africa and Africa is also a key differentiator for Deloitte. To support this we offer the following programmes:

- JIT (Just In Time) is a programme that gives third-year trainee accountants the opportunity to apply for secondment to northern hemisphere member firms.
- MyJourneyCentre is a unique Deloitte service, which provides trainee accountants with career counselling from experienced coaches, tools to help them identify and understand their strengths, and the opportunity to gain valuable business experience through secondments to business units across the various service lines at Deloitte.

Top students are becoming more aware of the value of international exposure as a core component of their personal development.



Graduate Recruitment

Deloitte's high standing at South African university campuses has enabled the firm to hire not only accounting undergraduates but from across the spectrum of disciplines and degrees, including Engineering, Advanced Maths and Finance, and IT-based qualifications. This has resulted in a high number of applications for the Graduate Programmes.

The past two years have also seen the conceptualisation of five new internship programmes for graduates, which include the following:

- CEO Bootcamp
- Monitor Deloitte Internship
- Financial Crime Graduate Trainee Programme
- Strategy and Innovation Process Factory
- Consulting Human Capital Industrial Psychology internship.

These programmes aim to:

- Improve the assimilation of graduates into the Deloitte environment
- Provide graduates with the necessary training to ensure a talent pool with a strong technical foundation in their area of expertise.

Talent Referral

Deloitte encourages staff to identify and recommend potential employees within their circle of acquaintances and professional interactions. This initiative has produced a steadily growing source of quality recruitment, with more than 202 people having been successfully referred over the past two years. To date, our Risk Advisory service line has enjoyed the most success with this programme.

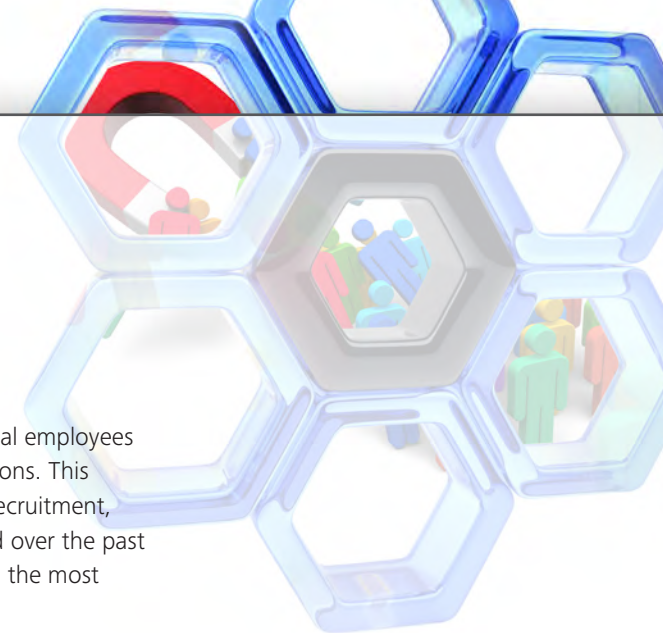
Experienced Hires

Our goal is for our candidates to have a world-class talent enrichment experience throughout the recruitment process. Our strategy is simple, yet effective. The people we aim to hire are experienced individuals ideally with the following characteristics:

- High energy
- Intellect and an innovative mindset
- Insight and the ability to see beyond the obvious
- Thinking broadly and deeply.

Over the past two years we hired 1 151 people, with our Assurance, Consulting and Risk Advisory service lines recruiting the majority of these experienced hires.

This calibre of professional joins Deloitte to further develop his/her professional skills through the opportunity to work with a more diverse range of businesses, both large and small. They remain with us for the challenges, as well as associated personal and professional growth they discover en route.





This bold strategy takes us into uncharted territory and allows us to set the pace for the profession. Deloitte is committed to achieving a 51% black ownership target by 2020.

Greater focus on diversity

Transformation

Building on the success of our Transformation Strategy over many years, our executive has committed to a bold new set of transformation goals and strategies that will take us into the future and differentiate us in the highly competitive professional services field. It will enable us to compete on the basis of normal business practices where our unique skills, deep client relationships and excellent client service will be our defining competitive edge.

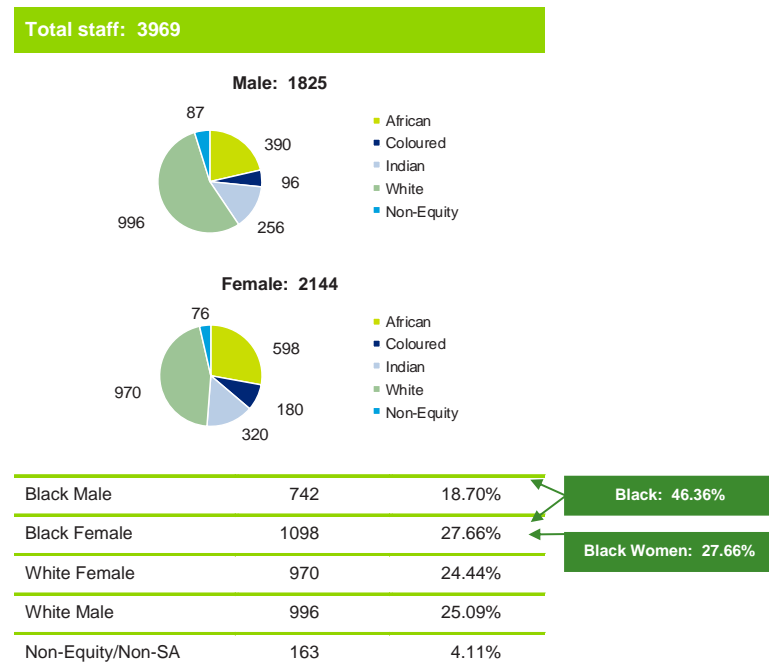
Deloitte's 51% black ownership target is underpinned by two bold plays, leveraging off our internal partnership pipeline, while simultaneously targeting black senior hires whom our partners and directors will mentor into the partnership. Targets have also been set for Black and African Black professional staff below the partner/director level, female senior managers and partners/directors, and Black staff with disabilities. This is to ensure that the transformation at the partner/director level is continuous, sustainable and representative of the demographics of the firm.

One of the key pillars of our transformation strategy is the 'Each One, Grow One' initiative, in which each partner or director is required to identify a talented senior black professional with partnership potential and to support that individual to partner level. This inculcates a culture of collective accountability at leadership level and is directly aligned to Deloitte's long term strategy of organic growth.

Strategic levers supporting the attainment of these targets include experienced hire recruitment, assurance graduate recruitment, third-year trainee accountant retention and focused development. Drivers behind the successful achievement of such targets include a robust Employment Equity Forum at which qualitative information on the barriers that could impact the attraction and retention of talent and partner/director commitment is provided.

These strategic levers will be driven by service line leaders and business unit leaders, with support from their Talent & Transformation champions and Talent & Transformation business partners. Attention will continue to be paid to maintaining our inclusive corporate culture, which is one of the key pillars of our retention strategy.

At Deloitte, we strive to be a magnet for top talent through the creation of a climate and culture that recognises and encourages community activism and social consciousness. The employment graph below is a reflection of our total workforce as at March 2014, which includes learnerships, contractors, fixed term, secondments and permanent employees.



Deloitte Women in Leadership

The Deloitte Women in Leadership (DWIL) initiative is firmly entrenched in our culture and way of doing business in South Africa.

DWIL is a governance body overseeing the firm's strategies and policies for the advancement of women to senior levels. DWIL has regional representation at all Deloitte offices country-wide and senior female leaders from each service line and region serve on the national DWIL committee. DWIL currently has four key focus areas, namely career development, work-life balance, role models and networking.

The primary objective of DWIL is to increase the number of women in leadership roles within Deloitte. Specifically, our target is for the firm to be 40% female-owned by 2020 with a greater amount of females fulfilling leadership roles. Currently women account for 54.02% of the total staff of which 52.10% are South African women.



DWIL has implemented various initiatives in support of its goal including:

- Performing a comprehensive 'Establishing a fact base' campaign where DWIL interviewed more than 200 females in the firm, from manager to partner/director level. Feedback collated continues to inform the action plans of DWIL.
- Hosting various client networking events between female leaders of the firm and business women in South Africa.
- Annually hosting Women's Day events nationally for all our female staff.
- Hosting a networking event for all female partners and directors in South Africa and other African countries present at the 2013 Deloitte Leadership Summit.
- In collaboration with Talent & Transformation, pioneering and introducing Maternity Transition Coaching in South Africa for our female management body.
- Running a national internal role model campaign whereby female leaders hosted our female talent at coffee sessions and shared their lessons learnt, using Sheryl Sandberg's book 'Lean In' as a basis for discussions.
- Developing a DWIL placemat which sets out how to establish a Gender Diversity body in your organisation to assist clients to set up their own gender diversity bodies.
- DWIL representatives have informal discussions with key female talent who leave the firm in order to identify future trends.

Not many companies in South Africa have an initiative such as DWIL and even fewer have a specific Board position dedicated to oversee the equality of women's advancement. Deloitte's partners and directors recognise that DWIL is a powerful weapon in their arsenal when going to market to recruit.

Future DWIL initiatives will include:

- Hosting career path planning sessions for all female partners/directors nationally to provide practical guidance on how to progress to other leadership roles in the firm
- Developing an executive education programme aimed at women leaders
- Developing a specialist mentoring programme to be known as 'For Women, by Women'
- Developing a DWIL 'sponsorship programme' whereby male and female leaders will be requested to 'sponsor' key female talent
- Various initiatives around the concept of work-life balance.

Through initiatives and the hosting of selected events, DWIL aims to attract, develop and retain talented women in Deloitte while providing a platform for businesswomen in South Africa to connect with each other. DWIL also actively participates in the empowerment of women in the South African economy. Most notably, Deloitte has partnered with the Department of Trade and Industry and Business and Professional Women (BPW) South Africa to provide a 'Women on Boards' training programme to equip senior female directors and executives with board member skills.

Disability

During 2014 a comprehensive Disability strategy will be implemented with the purpose of:

- Increasing awareness and educating employees about disability
- Supporting and empowering people with disability
- Establishing what we can reasonably achieve within the business
- Recruiting more people with disabilities in the future.

We will set measurable goals across the firm to ensure persons with disabilities are better supported, foster an inclusive culture that supports and encourages employees with disabilities in the workplace, maximise the contribution that people with disabilities can make to the firm, improve employment prospects by providing them with opportunities for advancement, and ensure equal opportunities.

Broad-Based Black Economic Empowerment

The aim of Broad-Based Black Economic Empowerment (B-BBEE) initiatives in the CA sector is to significantly increase the number of black people that manage, own and control enterprises in the sector, as well as to contribute to decreases in income inequalities in the country in general. This needs to be achieved by means of an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa.



Deloitte has developed transformation strategies and targets in accordance with the current industry specific requirements of the CA Profession Sector Code of Good Practice gazetted on 10 May 2011 and will continue to implement the strategies mentioned above until the new CA Profession Sector Code of Good Practice has been gazetted in line with the amendments that have been made by the DTI on the Codes of Good Practice.

Deloitte is committed to contributing to the growth and development of B-BBEE in South Africa and in so doing, maintaining our profile as a leader in B-BBEE.

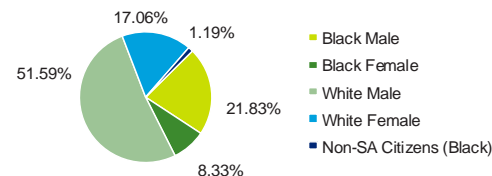
We are pleased that Deloitte South Africa has retained its Level 2 BEE rating and achieved significant improvements in the areas of ownership and management control. As at December 2013 the firm reached 30% black and 26% female voting rights under the element of ownership. Black people represent 46.68% of our South African workforce. Black men represent 19.66%, while black women represent 27.02% (including top management).

We are committed to achieving our 2016 target of 35% equity ownership. Our partnership consists of 252 partners and directors who are jointly and severally liable for the partnership. Partners and directors are effectively the shareholders in the business in which black economic interest under the element of ownership currently constitutes 26.25%.

Our targets are underpinned by the resolution to grow our talent from within. To date, over 70% of our Black partners and directors were developed from within the ranks of the firm. Our transformation goals are further underpinned by the structure of the firm, which is such that ownership sits in the hands of top management.

The table below provides a breakdown of the firm's ownership (voting rights) in South Africa as at 1 March 2014.

252 Partners and Directors



Black Male	55	21.83%	Black: 30.16%
Black Female	21	8.33%	
White Female	43	17.06%	Black Women: 8.33%
White Male	130	51.59%	
Non-Equity/Non-SA	3	1.19%	

* Black is a generic term used, which includes Africans, Coloureds and Indians.

* Chinese form part of the Coloured headcount, as per Employment Equity and B-BBEE Legislation.

Mobility fosters the creation of global networks, which in turn increases knowledge transfer and supports the delivery of globally-consistent, high quality, seamless cross-border service to our clients.

Enabling mobility for our people

In the global business environment, clients expect auditors and consultants to have international exposure to add value to client operations. As a result, our leaders and people must understand the global complexity of the industries in which their clients operate.

Deloitte currently has 32 active secondments, which are a combination of both inbound and outbound transfers.

From a talent perspective we believe that:

- The experiences derived through workforce mobility accelerate the development of leaders
- Our people and potential new hires want international opportunities in both their careers and life experiences
- Opportunities for emerging markets talent to work in developed markets strengthens both workplace performance and potential, while the same is true for talent from mature markets gaining experiences from emerging markets
- Understanding cultural differences strengthens our ability to see situations from all sides and to optimise the impact of diverse teams.

Mobility has become an essential prerequisite to our continued growth. Professional services firms compete to recruit and engage the best people from a shrinking global talent pool.

In order to deploy our most experienced talent where most critically needed in the world, help build local capability before competitors can establish a presence, and steer the African firm in long-term growth in a global economy, we have dramatically advanced our mobility strategy over the past two years in the following ways:

- A Global Mobility project team has been established
- A Global Mobility desk has been set up to support inbound and outbound deployments
- A centralised Global Mobility email address system has been implemented to field all queries via a dedicated resource
- Key subject matter experts (SMEs) have been identified to provide their services, as required
- An advisory council comprising our SMEs has been established.



“These systems provide Talent & Transformation with real-time reporting, and therefore better business analysis to leadership at the click of a button”.

Improving the quality of our performance management

The firm has tailored its performance management metrics to be more standardised and measurable, so as to ultimately more accurately reward the performance of our people.

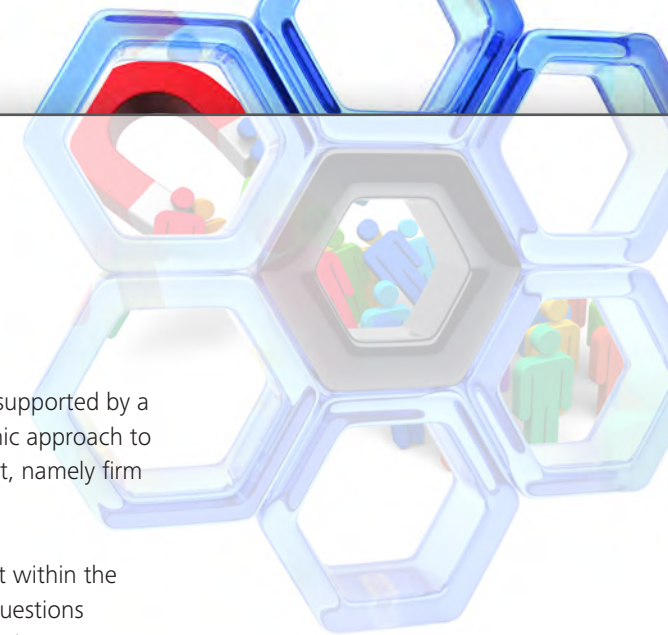
For instance, our Assurance team introduced a new performance management system, known as e-Tracs, to assist both our people and leadership with the Performance Appraisal (PA) process. PA consists of an additional set of criteria developed by Deloitte to facilitate the development and growth of trainee accountants through qualitative feedback. It appraises client focus, personal impact and interpersonal skills, problem solving, flexibility and ease of performance, and leadership effectiveness.

In addition, all of our Advisory business units and most of our Internal Client Services teams now make use of our electronic Key Performance Criteria (eKPC) system, whereby our people are enabled to:

- Detail their individual development plans with learning requirements
- Set up their individual KPCs with weightings
- Obtain direct feedback from seniors
- Obtain direct feedback from team members
- Score themselves against specific competencies relative to their level and function
- Complete a biannual performance review.

The eKPC system provides managers with greater visibility of team members' progress. This is enabled through an electronic sign off process on KPCs and weightings, which is done in the middle of the year and at year end.





Deloitte’s investment into upgrading its performance management platforms reinforces the message that performance management is all about the need for open and honest discussions on performance, which is the key to developing our people.

Offering compensation and rewards

Deloitte’s reward philosophy is to attract, motivate, recognise and retain talent by providing competitive total reward packages while aiding our people to grow and develop within a high-performance culture.

Performance-related pay is critical to that philosophy and is supported by a robust performance management system. We have a dynamic approach to short-term incentives which takes two elements into account, namely firm profitability and personal contribution.

Over the past two years we have introduced a reward toolkit within the firm. This assists our managers to answer frequently asked questions on the subject of our Reward policies and processes. Ultimately too, our approach to rewarding and recognising excellence is based on the following guiding principles.

Competitiveness	We strive at all times to remain competitive with the market, by subscribing to various accredited and respected survey houses for current market data
Flexibility and Choice	We allow all employees flexibility and choice with regards to the manner in which they structure their total cost of employment in line with South African tax law
Transparency and Equitability	We emphasise transparency and fairness in the development and implementation of salary bands
Communication and Trust	We attempt to establish and maintain relationships of trust and communication with all stakeholders
Fit for purpose	We strive to allow flexibility for business units rather than a one-size-fits-all approach
Accountability and Ownership of the process with Line Management	Line management takes ownership of reward for their people


Provision of learning and professional development

At Deloitte, while technical learning remains the prerogative of a business unit, the development of professional and leadership skills is the responsibility of The Leadership Centre, a centralised academy managed by Talent & Transformation, which:

- Offers a blend of learning opportunities including e-learning, virtual learning, classroom based learning and simulations
- Is leader-led with Deloitte partners, directors and associate directors facilitating the majority of programmes
- Communicates its offerings in the form of a learning roadmap for each level in the organisation
- Is guided by learning roadmaps that contain a mix of recommended learning and self-paced learning, which are used to customise our people's learning journey.

During 2013, of our 3900 Deloitte staff, 3365 (86.28%) attended learning programmes for a total of 165 532 hours. It is our intention to maintain this more practical focus as each of these members of staff have added value within the business through the transfer of skills within the workplace.

In addition to local programmes, Deloitte Southern Africa nominates participants to attend programmes at our Brussels-based Deloitte University for the Europe, Middle East and Africa (EMEA) region. While the programme content and learning objectives mirror those of local programmes, the advantage therein lies in attending a dedicated and resourced Deloitte learning facility, together with the invaluable opportunity to network with European colleagues.



These programmes ensure that skills learned are transferred back into the workplace. The focus is on identifying the skills that the Deloitte employee of the future will need in order to both work and manage teams in 2015 and beyond.

To further enhance the learning culture at Deloitte, two new initiatives were introduced during 2013.

Learning Fridays are concise half or full day programmes held weekly on a Friday. Ranging from Excel and PowerPoint sessions to Business Writing and Presenting Effectively courses, these ever-popular programmes provide accelerated skills boosts. They have proven to be effective even for the busiest of staff members.

Warrior Games is a games-based initiative piloted by our Consulting service line to encourage learning about Deloitte and learning across diverse teams. This initiative has seen a steady increase in attendance.

A further resource through which Deloitte provides staff with learning and professional development is through its assessment centres. Our approach to running these centres is that feedback we provide becomes embedded in an affirmative and meaningful developmental process. We currently have a Leadership Assessment and Development Centre, Associate Director Assessment and Development Centre and a robust Management Assessment and Development Centre.

One of the most powerful interventions of the assessment centre is the feedback session, which enables our candidates to gain:

- Heightened self-awareness regarding their strengths
- Opportunities for development
- Development of natural strengths of personality, cognitive style and leadership attributes
- An ability to manage their blind spots.

Strengthening our engagement and culture

Our integrated Talent & Transformation team

The Deloitte Talent & Transformation business partners serve as the interface with business, ensuring provision of a seamless talent service by leveraging off specialised services driven by our Talent Centre. This Centre provides the following support:

- **Risk and Governance** - Fulfilling a critical role in advising the business on complex labour matters, thereby managing our risk
- **SAP and People Service Hub** - Ownership of our SAP HR master data, which ensures functionality for users and provides information for all statutory, Deloitte Global and internal reporting
- **Projects Team** - Focusing on the roll-out of talent projects
- **Reward Team** - Managing job grading, annual salary increase process, data analytics, salary surveys, and providing the business with intelligent reporting to make informed decisions with regard to talent and reward.



Deloitte Africa - People Survey 2014

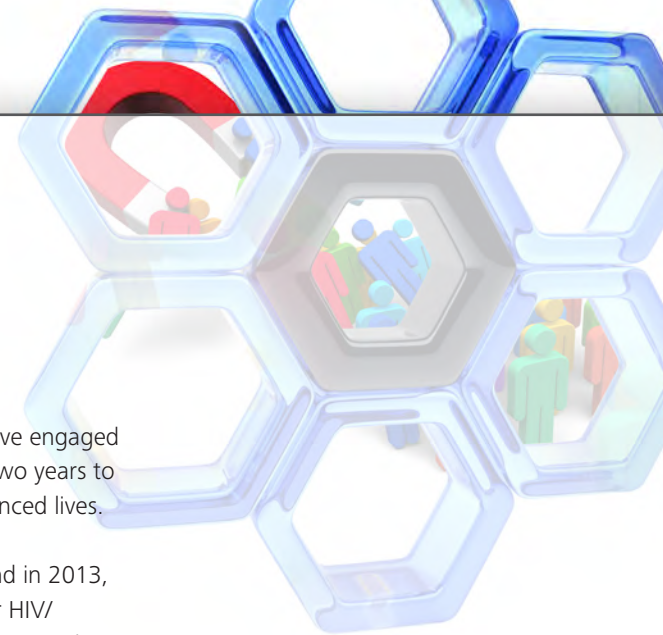


This year marked a landmark year for the Deloitte Employee Engagement Survey in that it involved newly-integrated Africa offices across 13 countries. The integration of our African firms provided us with an opportunity to gauge levels of staff engagement and satisfaction as a collective. This inclusive approach will provide further opportunities for collaboration and leverage across a wider spectrum of talent challenges and solutions. The firm achieved an excellent overall participation rate of 79%. Once results have been presented to the executive committee, our Talent & Transformation team will work with our service lines to address areas that require attention.

Employee wellness

The wellness of our people remains a top priority, and we have engaged with two organisations - Interface and ICAS - over the past two years to ensure our people have the right support to live healthy balanced lives.

Other initiatives are an e-Care email system, wellness days and in 2013, we hosted our first ever voluntary testing and counselling for HIV/ AIDS in conjunction with World Aids Day in the first week of December. e-Care enables our people to track their health via. an online portal and where necessary, obtain health advice based on their specific needs. This has proven to be successful as we have seen readership numbers increase monthly.



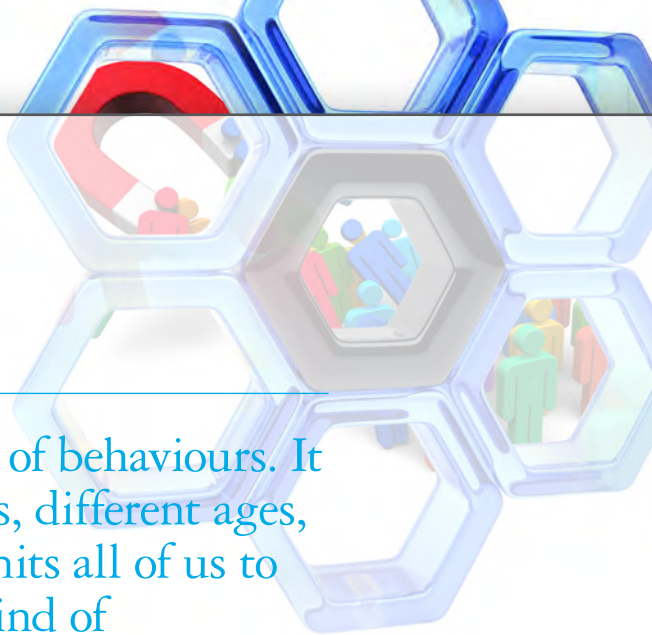
Deloitte Way

The Deloitte Way, which has run for seven years, continues to be a successful recognition and culture programme at Deloitte.

It is not a performance or sales programme, nor a brand campaign. It is our culture programme. It is how we are expected to behave towards each other and towards the firm when we are at work and in our personal capacity. It is a set of behaviours which are not negotiable and should never be compromised. It is what makes us proud to work at Deloitte.

Our Deloitte Way behaviours were written by the people of Deloitte after extensive research and surveys. Since its launch in June 2007 we have seen more than 125 000 nominations of people recognised for living the Deloitte Way. Our current aim is to receive 12 000 nominations in a period of six months. Two successful banquets were hosted during 2013 at which our Top Achievers were recognised for their contributions between December 2012 to May 2013 and June to November 2013.

During 2014 we will be launching the Deloitte Way Mobile Application, where our people will be able to nominate colleagues for living the Deloitte Way from their mobile devices.



The Deloitte Way is a simple set of behaviours. It brings together different cultures, different ages, different backgrounds and commits all of us to one set of values. It defines the kind of organisation we would like to be and the kind of organisation our people said they would like to be a part of.

DeloitteWay
Our promise. Our people

Environmental Sustainability



We recognise the importance of being transparent and in minimising the impact on the environment of our operations and services.

Environmental commitment

Background

Deloitte subscribes to the environmental principles of the United Nations Global Compact. These are based on the Rio Declaration on Environment and Development, also known as Agenda 21, which was adopted in 1982.

***Principle 7** - Businesses should support a precautionary approach to environmental challenges.*

***Principle 8** - Businesses should undertake initiatives to promote greater environmental responsibility.*

***Principle 9** - Businesses should encourage the development and diffusion of environmentally friendly technologies.*

A healthy natural environment is essential to societal well-being, and to this end Deloitte has committed itself to promoting environmental sustainability across its spheres of influence. As a professional services business, our most significant environmental impacts arise from business travel and work premises. In this context, we promote travel alternatives, energy efficiency, improved building design, resource conservation, office product consumption and waste reduction.



Policy framework

Deloitte has an environmental policy with key statements on how we will manage our impact on the environment. The Deloitte Environmental Policy states that as a firm, we will:

- Comply with the letter and spirit of applicable laws and regulations.
- Comply with the spirit of the United Nations Global Compact principles on environmental sustainability.
- Incorporate energy efficiency in all areas of business activity.
- Implement waste management strategies that promote waste reduction, re-use and recycling wherever appropriate.
- Minimise the need for travel whenever possible and where travel cannot be avoided, make choices that we minimise environmental impact.
- Promote awareness among staff of the environmental impact of their work activities.
- Adopt a purchasing programme that takes into account the environmental impacts and transportation of products and services.
- Raise environmental awareness among our clients, and where possible improve that performance, through our service line offerings.

Implementation and targets

Our target for 2020 is to reduce our overall carbon footprint by 10% through reducing electricity consumption and international air travel, as well as by using more video conferencing.

Our environmental policy governs the way in which our impact on the environment is managed, and we annually measure our carbon footprint to consistently manage energy consumption and air travel. In addition, we strive to reduce our energy consumption through various initiatives, for example, we have installed motion light sensors in our offices and some geysers and air conditioners have been fitted with timers.

Deloitte also has initiatives to reduce our water footprint and recycle waste. Further practical measures in place are:

- We reduce paper consumption through double-sided printing.
- Use of video conferencing facilities to keep local and international travel to a minimum.
- Use of IMPACT Day and social investments to get involved in greening activities within the communities and schools we support.



The data collected for the FY2014 carbon inventory

Office	Scope 1		Scope 2	Scope 3						
	Fuel		Electricity	Business travel¹						Paper Procured
	Diesel	Petrol		Domestic Flights	International Short Haul Flights (<1600km)	International Long Haul Flights (>1600km)	Car Hire	Travel Claims	Hotel Nights	
	Litres	Litres	KWh	Km	Km	Km	Km	Km	Nights	Tons
Johannesburg	3 512	12 258	6 537 016	11 688 890	2 779 486	45 249 351	361 060	7 870 949	8 341	69
Pretoria		211.13	1 484 618	1 059 355	86 524	1 596 971	129 361	1 429 575	1 546	43
Durban	-	-	1 459 431	1 580 552	171 065	505 538	172 616	1 099 945²	2 763	11
Cape Town	-	1 497	1 395 034	3 227 481	166 366	1 102 095	40 762	541 968	1 699	13
Stellenbosch	-	-	44 823	Included in Cape Town	Included in Cape Town	Included in Cape Town	Included in Cape Town	466	-	-
PE	-	-	116 438	345 527	39 845	167 319	-	171 909	57	3
PMB	-	-	187 989	-	Included in Durban	-	Included in Durban	Included in Durban	-	-
East London	-	-	35 316	119 979	684	-	-	12 834	408	-
Richards Bay	-	-	33 072	Included in Durban	Included in Durban	Included in Durban	Included in Durban	Included in Durban	-	0.25
Total	3 512	13 966	11 293 737	18 021 784	3 243 970	48 621 274	703 699	11 127 646	14 814	138

¹ Air travel for Pietermaritzburg and Richards Bay are included in Durban and Stellenbosch is included with Cape Town

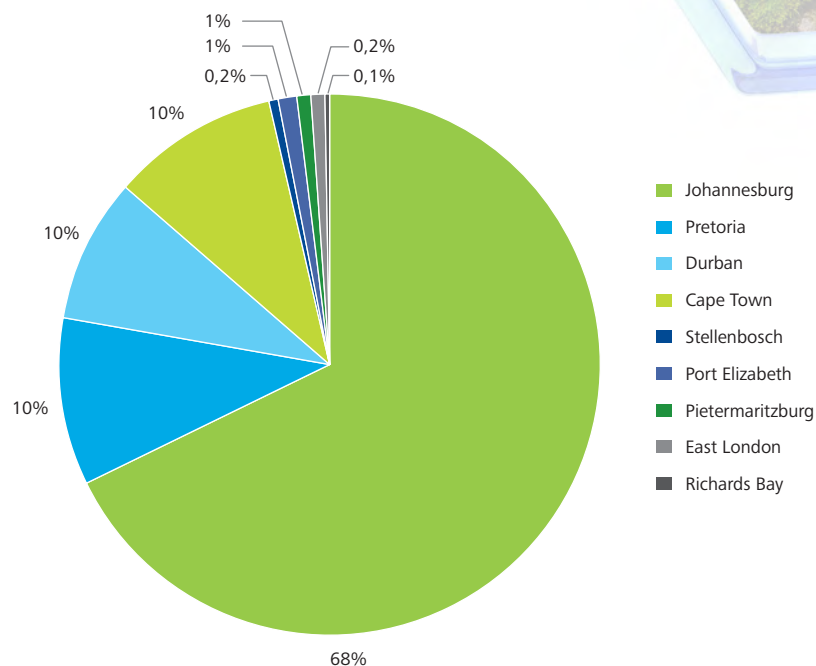
² This value includes travel claims for the Richards Bay and Pietermaritzburg offices

Carbon footprint 2013

Deloitte's total carbon inventory for the year under review was 23 202 tons carbon dioxide equivalent (t CO₂e), an 8.6% increase in carbon emissions year on year. The increase in emissions (noted above) is predominantly due to a significant increase in business travel (flights, car hire, hotel nights and travel claims by employees) to other African countries as a result of our expanding footprint. In contrast, there has been a noticeable decrease in electricity consumption, which we believe is as a result of energy efficient installations at these offices during the year.

A carbon inventory for an organisation involves accounting for all greenhouse gas (GHG) emissions released as a result of operations. In line with international best practice, the calculation of a carbon inventory is done in accordance with the GHG Protocol Corporate Standard.

The following operations/offices have been incorporated within the Deloitte carbon inventory: Cape Town, Durban, East London, Johannesburg (head office), Pietermaritzburg, Port Elizabeth, Pretoria, Richards Bay and Stellenbosch.



Carbon inventory by office



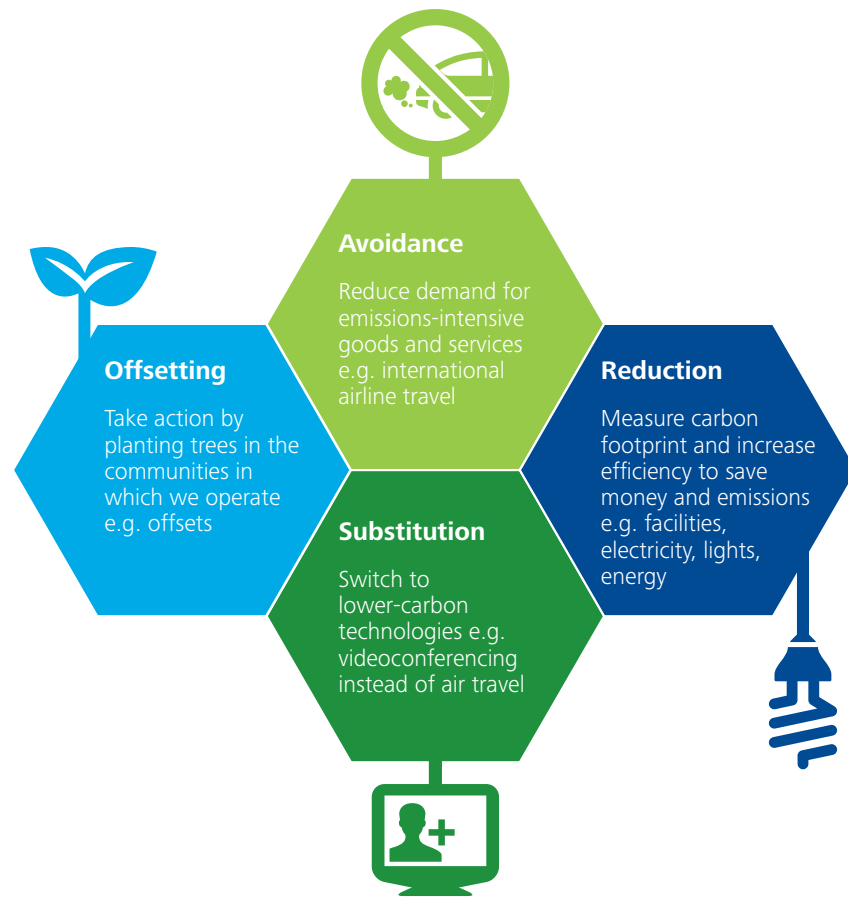
The office in Johannesburg has the largest carbon inventory of all Deloitte offices, contributing 69% of total emissions. This office has the highest number of employees and floor space and therefore the highest electricity consumption and the highest emissions from business travel.

Following the 2012/2013 Budget Review, the South African National Treasury released a Carbon Tax Policy Paper May 2013 for public comment. The paper elaborates on specific carbon tax design features, and proposes that government applies a carbon tax of R120 per t CO₂e (with a basic tax-free threshold). At this level Deloitte Southern Africa could expect to pay R1 113 716 in carbon tax, and this amount, whilst significant, compares well to other firms/companies in similar business sectors.

Year on year comparison

	2012	2013	
Fuel			
Diesel (Litre)	5 210	3 512	▼
Petrol (Litre)	25 470	13 966	▼
Electricity	12 137 101	11 293 737	▼
Air Travel			
Domestic Flights	15 432 509	18 021 784	▲
International Short Haul Flights (<1600km)	3 131 603	3 243 970	▲
International Long Haul Flights (>1600km)	33 790 082	48 621 274	▲
Car Hire (Km)	257 496	703 699	▲
Travel Claims (Km)	9 044 670	11 127 646	▲
Paper Procured (Ton)	118	138	▲
Hotel Nights (Nights)	8 193	14 814	▲
FTE Employees	2 570	2 460	▼
FTE Employees and Audit Trainees	3 526	3 353	▼
Floor Space (m²)	59 198	58 402	▼

Some of our ways to reduce our greenhouse gas (GHC) emissions



Commitment to Society



Supporting Societal Growth

Deloitte financial and non-financial contributions for Socio-Economic Development and Enterprise Development was

R17 963 203

917 Deloitte volunteers participated in various CSI activities

12 169 hours were spent on a range of CSI projects

99 166 beneficiaries benefitted from the support from Deloitte staff

Enterprise Development

Enterprise Development initiatives at Deloitte include the provision of opportunities to previously disadvantaged individuals, assisting them to play a meaningful and sustainable role in society. Our support ranges from the provision of pro bono services to ongoing mentoring and coaching of entrepreneurs.



Enterprise Development Beneficiary History Makers
- Corporate private education training



Enterprise Development Beneficiary
- Beautiful Beginnings
- Corporate gifts

Enterprise Development

Enterprise Development expenditure recognised by mPowerRatings equated to

4.32%

of net profit after tax

R4 949 329

(CA Sector compliance target of 3% NPAT exceeded)



Supported projects:

- CallForce
- Stitchwise
- Engeli Enterprise Development (Pty) Ltd
- Sonke Skills Solution
- The Hope Factory
- Ukuvula Investment Holdings



Additional African black bursary contributions to:

- Thuthuka – R2 160 000
- Varsity College – R318 000

Socio-Economic Development

Socio-Economic Development (SED) is the financial or non-financial contribution that a company makes to get involved in socio-economic upliftment within the communities it chooses to support. The focus is on areas of development with the greatest need and, which are aligned with the business strategy as well as the socio-economic circumstances of the firm's operating environment.



Youth Talk IMPACT Day session at Eden Park Secondary School



IMPACT Day Project - working with the children at the JM Mpanza Primary School

Socio-Economic Development

Supported projects:

- ACFS Community Education and Feeding Scheme
- Afrika Tikkun
- Arebaokeng Hospice
- Enke
- Helping Hands - Charities Aid Foundation Southern Africa
- IMPACT Day
- Imperial and Ukhamba Community Development Trust
- Izinsika Zesizwe
- Junior Achievement Southern Africa (JASA)
- LEAP Maths and Science School
- Mitchell's Plain Role Model and Bursary Trust
- Nkanyezi Stimulation Centre
- Project Siyakhula



Socio-Economic Development spend recognised by mPowerRatings equated to

5.14%

of net profit after tax

R15 638 068

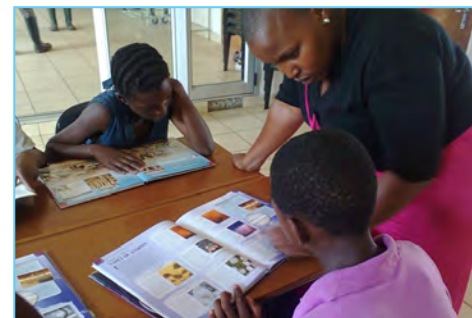
(CA Sector compliance target of 1% NPAT exceeded)



A visit to the Library at Zakariyya Park Combined School Imperial and Ukhamba Trust



ACFS Skills Development Programme - parents of learners on feeding scheme learn to make and sell beaded jewellery



After-school reading sessions at the Kliptown Youth Programme



Bokamoso Education Trust - early childhood development lesson



Brick layering at Havanna Primary School on IMPACT Day in Windhoek



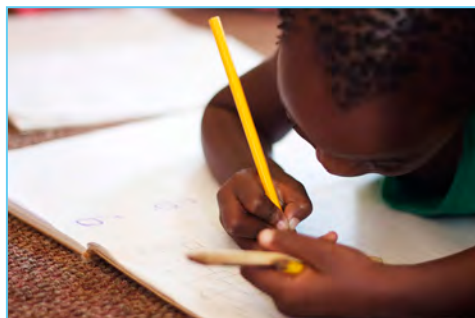
Graduation at the Afrika Tikkun Early Childhood Development Centre



IMPACT Day Library Refurbishment Project



IMPACT Day Project - hearing about different careers at the Careers Day in Alexandra



Learning to write at the Afrika Tikkun Early Childhood Development Centre



Listening intently at the ACFS Early Childhood Development Centre



Project Siyakhula Learners visiting the Durban Office for a Careers Day



Tutoring at Havana Primary School on IMPACT Day in Windhoek



Tutoring maths at Mvele Primary School - IMPACT Day Project



Problem solving exercise during a Project Siyakhula Cape Town session



Young learners at the Afrika Tikkun Early Childhood Development Centre

United Nations Global Compact



Statement of continued support towards the United Nations Global Compact

Deloitte has committed itself to the ten principles with respect to human rights, labour, environment and anti-corruption. Since joining the United Nations Global Compact in 2007, Deloitte has supported those ten principles and worked tirelessly to make the Global Compact and its principles part of the strategy and operations of our firm. We have aligned these principles with our commitment to responsible business practises and our shared values of integrity, outstanding value to markets and clients, commitment to each other and strength from cultural diversity.

Human Rights

The human rights principles of the Global Compact arise out of the Universal Declaration of Human Rights adopted by the UN General Assembly in 1948, as follows:

Principle 1 - Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2 - Businesses should make sure that their own operations are not complicit in human rights abuses.



Disclosure

Deloitte recognises that it has a responsibility to uphold human rights both in the workplace and more broadly within its sphere of influence. Deloitte not only works to address human rights issues within its communities, but also seeks to respond to some of the urgent human rights challenges of our world in a manner commensurate with its ability to effect change within and across regions and borders.

We address human rights in the workplace through a policy which embeds non-discrimination and diversity in personnel practices, privacy, professional development, and work-life balance. Deloitte values differences - in thought, style, culture, ethnicity - and has embedded concern for human rights in its core values. Recruiting and retention activities reflect a desire to hire professionals who share Deloitte's values and commitment to human rights.

Deloitte also protects human rights in the community, doing this through contributions to poverty alleviation and education improvement projects. Access to education is a fundamental human right that Deloitte addresses through our various socio-economic development activities. In addition, our members of staff contribute to the public debate on issues related to human rights. We recognise that in moments of crisis, Deloitte and other businesses have an important role to play in responding and helping to protect, maintain, and rebuild the communities where we operate. Deloitte endeavours to make a positive, lasting humanitarian impact by using our core business skills and people to enhance the humanitarian sector's preparedness to respond to crises.

Deloitte Touche Tohmatsu Limited (DTTL) and its member firms take their duty to keep their people safe seriously, especially during times of crisis or when client needs may take them to higher-risk locations. DTTL maintains a Global Security Office to assist Deloitte member firms to improve crisis management and security programmes. A first-ever global crisis-simulation exercise was held to identify gaps in member firm crisis plans. Furthermore, thirty member firm countries have implemented DTTL's Travel Tracking system, which is used to rapidly account for Deloitte travellers during emergencies.

See pages 20 - 45



Labour

The Global Compact Principles relating to labour rights reflect those of the 1998 ILO Declaration of Fundamental Principles and Rights at Work.

Principle 3 - *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.*

Principle 4 - *Businesses should uphold elimination of all forms of forced and compulsory labour.*

Principle 5 - *Businesses should uphold the effective abolition of child labour.*

Principle 6 - *Businesses should eliminate discrimination in respect of employment and occupation.*

Disclosure

Deloitte labour policies contribute significantly to shaping the preferred culture with respect to human rights. It is against this backdrop that Deloitte is able to have programmes that help professionals maintain a healthy work-life balance, manage their careers and performance, develop new skills and knowledge, and work in secure and healthy working conditions.

Our policies that relate to human rights include:

- Employment Equity and Non-Discrimination policies
- Working Hours Policy
- Remuneration Policy
- Overtime Policy
- Termination of Employment, Industrial Relations and Grievance Policy
- Performance Evaluation/Learning and Financial Study Assistance
- Leave Policy
- Benefits Policy
- Occupational Health and Safety Policy
- Corporate Social Investment Policy.

See pages 28 - 45



Environment

The environmental principles of the Global Compact are based on the Rio Declaration on Environment and Development (also known as Agenda 21) as adopted in 1982.

Principle 7 - *Businesses should support a precautionary approach to environmental challenges.*

Principle 8 - *Businesses should undertake initiatives to promote greater environmental responsibility.*

Principle 9 - *Businesses should encourage the development and diffusion of environmentally friendly technologies.*

Disclosure

Deloitte aims to make a positive contribution to protection of the environment. Ours is a commitment to environmental sustainability which is firmly embedded in our shared values. We recognise the importance of transparency and our responsibility to minimise the impact of Deloitte's operations and services on the environment. We continue to make real progress as we work to develop a fully integrated approach to environmental management. The firm has developed an environmental policy with key statements on how we will manage our impact on the environment. The Deloitte Environmental Policy states that it will, among other things, comply with the spirit of the United Nations Global Compact principles on environmental sustainability.

See pages 47 - 52



Anti-Corruption

The 10th principle of the United Nations Global Compact is based on the United Nations Convention against corruption which was adopted in 2003.

Principle 10 - *Businesses should work against corruption in all its forms, including extortion and bribery.*

Disclosure

At Deloitte, we fully understand it is imperative to maintain consistently high standards of honesty and integrity within our organisation. The conduct of Deloitte and our people springs from our shared values and ethical principles which, among other core business principles, set the expectation that Deloitte professionals demonstrate integrity, objectivity and fair business practices in all their relations with clients, government and all other stakeholders.

See pages 20 - 26



Glossary of Terms



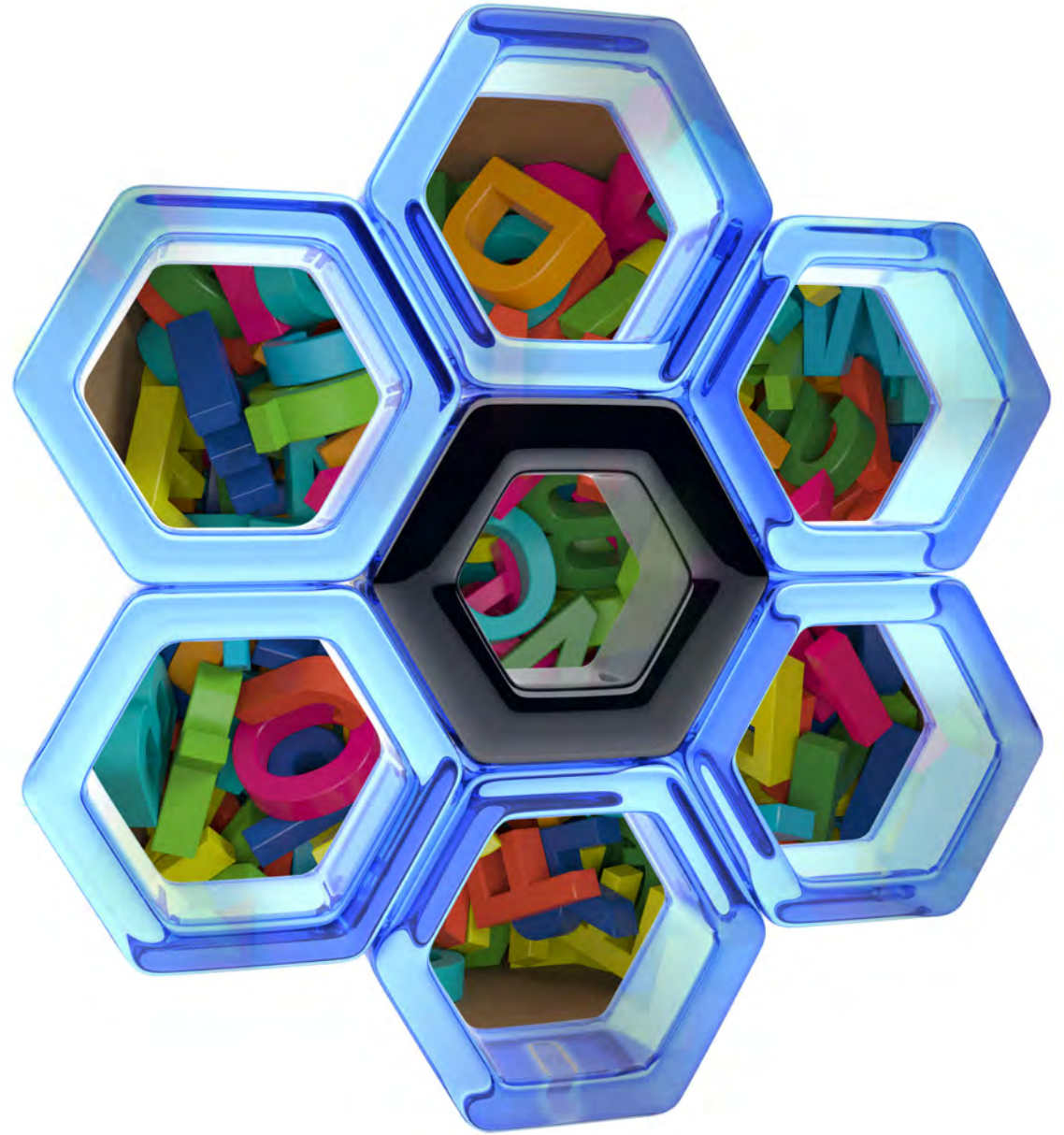


ACFS	African Children's Feeding Scheme
AGR	Audit Graduate Recruitment
BCom	Bachelor of Commerce
BPW South Africa	Business and Professional Women (BPW) South Africa
BRICS	Countries of Brazil, Russia, India, China and South Africa
CA	Chartered Accountant
CEO	Chief Executive Officer
CSI	Corporate Social Investment
CTA	Certificate in Theory of Accounting
CTO	Chief Technology Officer
DTTL	Deloitte Touche Tohmatsu Limited
DWIL	Deloitte Women in Leadership
ECD	Early Childhood Development
EMEA	Europe, Middle East and Africa

eKPC	Electronic Key Performance Criteria system
FY	Financial Year
GAS	Group Administrative Services
GIS	Group Information Services
IESBA	International Ethics Standards Board for Accountants
IFAC	International Federation of Accountants
ISO	International Organisation for Standardisation
IUCDT	Imperial and Ukhamba Community Development Trust
JIT	Just In Time Programme
JASA	Junior Achievement South Africa
KYP	Kliptown Youth Programme
NGO	Non-governmental organisation

PA	Performance Appraisal process
PCAOB	Public Company Accounting Oversight Board
SAICA	South African Institute of Chartered Accountants
SARS	South African Revenue Service
S&I	Strategy & Innovation
SEC	U.S. Securities and Exchange Commission
SED	Socio-Economic Development
SMEs	Subject matter experts
STEM	Science, Technology, Engineering and Math
UN	United Nations
USA	United States of America
WIMSA	Women in Mining South Africa

Contacts



Contacts

The 2014 Deloitte Stakeholder Report has been produced and published by the Corporate Citizenship team on behalf of the Deloitte Southern Africa Board of Partners and Directors.

The report forms part of the commitment by Deloitte to open dialogue with its broad range of stakeholders.

We welcome and encourage feedback and comments on this report.

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