

Deloitte.



**The bigger the challenge,
the bigger the opportunity**
United Nations Global Compact

United Nations Global Compact—Communication on Progress

| UN GLOBAL COMPACT PRINCIPLE | DISCLOSURE | GRI INDICATOR |
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| <p data-bbox="489 256 636 282">Human rights</p> <p data-bbox="489 298 869 402">Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> | <p data-bbox="892 298 1640 509">Part of Deloitte’s purpose is to contribute to society, building confidence and trust, upholding integrity, and supporting the community. As a network, Deloitte recognizes 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.</p> <p data-bbox="892 542 1640 753">The world is facing an unparalleled displacement crisis triggered by dire situations in Syria, Afghanistan, Iraq, Somalia, Sudan and other countries. Refugees have been fleeing their homelands in huge numbers as a result of conflict, human rights violations, or violence. In 2015 alone, more than a million refugees arrived in Europe in search of a better life. Professionals from throughout the Deloitte network are supporting refugee-integration efforts in multiple ways, including helping individuals and families find housing, employment, education, and counseling.</p> <p data-bbox="892 786 1640 889">Deloitte in Germany is driving multiple initiatives across a country faced with the largest influx of refugees in Europe. For example, the German firm has adjusted its hiring policies to provide the refugee community with employment and mentorship opportunities.</p> <p data-bbox="892 922 1640 1078">Deloitte in Denmark is working closely with the board of the Danish Agency for International Recruitment and Integration (SIRI) to help refugees suffering from post-traumatic stress disorder (PTSD). Deloitte Denmark professionals have developed both a methodology and tool that improves early detection, identification, and screening for PTSD. As a result, SIRI is better equipped to target its refugee-support efforts.</p> <p data-bbox="892 1110 1640 1214">Nearly 30,000 Syrian refugees have resettled across the Atlantic in Canada. Deloitte in Canada has teamed with WoodGreen Community Services and other organizations to create a web portal that connects Syrian refugees with goods and services, in particular, housing.</p> <p data-bbox="892 1247 1640 1377">Deloitte Middle East’s Syrian refugee program aims to help improve the lives of as many refugees as possible in Lebanon, Jordan, and Syria. The firm’s initiatives focus on educating and empowering women and young people through its Digital Youth Program, employability skills workshops, and pro bono support to nonprofits in the region.</p> | <p data-bbox="1661 298 1885 321">HR2, HR11, HR12, SO1</p> |

Deloitte Global is a member of the Tent Alliance, a platform that connects companies so they can work together and with the public sector to help end the refugee crisis. The Alliance was launched at the World Economic Forum's 2016 annual meeting in Davos, Switzerland. The Deloitte network is also committed to supporting the global call to help alleviate suffering around the world made at the World Humanitarian Summit held in Istanbul, Turkey, in May 2016.

In Deloitte's workplaces, human rights typically take the form of non-discrimination and diversity in personnel practices, privacy, professional development, and work-life balance. Deloitte values differences—in thought, style, culture, ethnicity and Deloitte has embedded concern for human rights in its core values, as a means of integrating respect for one another in the organization's culture worldwide. Recruiting and retention activities reflect a desire to hire professionals who share Deloitte's values and commitment to responsible business.

Deloitte actively participates in policy discussions on some of today's most important socioeconomic challenges, seeking outcomes that benefit society, government, and business. Through a coordinated, public policy approach, we've been able to successfully build relationships with people who matter on issues that matter, giving us high-profile platforms on which to share our voice. Deloitte representatives engage with respected, effective external organizations and influencers on the proper functioning of capital markets, ethical business practices, societal advancement, workforce development, and other areas of shared concern. In doing so, we advance policy outcomes that help serve the public interest and shape the environment in which all businesses, including ours, operate.

The perspectives gained by working with clients, community programs, and other groups—including investors, regulators, professional bodies, think tanks, and more—inform Deloitte's global efforts to create an inclusive, consistent, and forward-looking public policy agenda and foster dialogue.

Deloitte's public policy efforts focus on three primary platforms that are important to our member firms' clients:

- A **trusted financial system** that is resilient, transparent, and serves the public interest;
- **Inclusive growth and innovation** that appreciates economic, social, and environmental issues that matter most; and
- The **future of the workforce**, including the impact of technology on jobs, skills and learning, and the labor market.

Within these themes, several specific areas of focus drive our activities. Some of these issues are: audit quality, corporate governance, anti-corruption, cyber/data security, trade, social progress, sustainability, diversity and inclusion, education and skills, the gig economy, and purpose-led leadership. Our professionals help advance these issues by working with key external organizations that include:

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| | <ul style="list-style-type: none"> • Group of 20 (G20) and its outreach group, the Business 20 (B20); • Organization for Economic Cooperation and Development (OECD); • United Nations (UN); • World Trade Organization (WTO); • Asia-Pacific Economic Cooperation Forum (APEC); • German Marshall Fund (GMF); and • Social Progress Imperative (SPI). <p>The Deloitte Global Public Policy group is supported by member firm public policy programs that are active across the network, as well as the Public Policy Executive Council (PPEC), an informal advisory group composed of member firm public policy leaders and key business unit leaders.</p> <p>This approach allows us to coordinate Deloitte’s policy positions across our various businesses and geographies, and helps ensure our public policy voice is relevant, consistent, and aligned around the world.</p> <p>Please see “New homes, new hopes” for additional information related to humanitarian protection. Please see “Public policy” for more details about human rights. The “Talent” section also provides metrics on our workforce diversity.</p> | |
| Labor standards | | |
| <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> | <p>Deloitte member firms draw upon the breadth of their capabilities and deep sector knowledge to help both government and businesses tackle human and labor rights-related challenges, which include the crime of human trafficking.</p> | <p>G4-10, G4-11, LA1, LA3, LA9, LA11, LA12, LA13, HR3</p> |
| <p>Principle 4: the elimination of all forms of forced and compulsory labour;</p> | <p>Deloitte Australia’s “The Six Signature Traits of an Inclusive Leader,” published by Deloitte University Press in April 2016, examines leaders who display the ability to not only embrace individual differences, but also to potentially leverage them for competitive advantage.</p> | |
| <p>Principle 5: the effective abolition of child labour; and</p> | <p>While diverse thinking is a priority, representation remains important—especially in terms of gender—because it allows new voices to be heard. Across the Deloitte network during the past year, 45 percent of all new hires were women, “but we lose too many women as they represent only 35 percent at manager level and 21 percent of partners, principals, and directors,” explains Deloitte Global Chairman David Cruickshank. “We know we have more to do, and Deloitte leaders have taken this challenge to heart. Some of our most influential male leaders volunteered to vacate their Deloitte Global Board seats to make room for talented women from their own leadership teams to serve. “That’s symbolic of how Deloitte</p> | |
| <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p> | <p>leaders recognize that diversity and inclusion are critical to our business performance and must be reflected in our decision making and governance processes,” Cruickshank continues. “We want Deloitte to be a place people can be themselves and recognize that their unique attributes make our entire organization stronger.”</p> | |

The Deloitte talent experience fosters and celebrates an inclusive workplace without barriers. Member firm inclusion efforts continue to focus on factors—including gender, ethnicity, age, and disabilities—that are relevant in their markets and important to clients that increasingly demand multidimensional perspectives and solutions.

Deloitte's varied work and talent models allow both leaders and practitioners to create tailored career experiences that connect their personal and professional aspirations.

Deloitte's Shared Values and Ethical Principles prescribe that all interaction between Deloitte and its people, as well as interaction among Deloitte people, must be characterized by integrity, trust, and mutual respect. Listening to its people allows Deloitte to prioritize their interests and concerns, and address them with appropriate communications, policies, programs, and member firm services.

The Deloitte Shared Values

Our Shared Values bind the people of the Deloitte member firms together, providing the basis for trusting one another and enabling the network to achieve its vision.

Integrity

We believe nothing is more important than our reputation. That's why we are committed to sustainable, responsible business practices. Behaving with the highest levels of integrity is fundamental to who we are.

Outstanding value to markets and clients

We play a critical role in helping both the financial markets and 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

We believe our culture of borderless collegiality gives us a competitive advantage, so we work hard to nurture and preserve it. We go to extraordinary lengths to support our people.

Strength from cultural diversity

Both member firm clients and our people benefit from multidimensional thinking. Bringing together individuals of different backgrounds, cultures, and thinking styles helps clients rise above complex business challenges, and enables our people to develop into better professionals and leaders. Deloitte member firms strive to uphold the trust placed in them by clients and the capital markets and to build a similar sense of trust among their professionals. One of the most important responsibilities of DTTL and member firm senior leaders is to emphasize our commitment to ethical behavior and reinforce the responsibility of everyone in the organization to act with integrity.

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| | <p>The DTTL Ethics team and the member firm ethics officers work closely with senior Deloitte leaders to carry out the organization's ethics programs. These programs are designed to help member firm people understand expectations for ethical behavior, develop skills for ethical decision-making, and gain the confidence to speak up about challenging ethical situations.</p> <p>DTTL's formal ethics program is composed of the following elements:</p> <ul style="list-style-type: none"> • The nine Ethical Principles and four Shared Values of the Deloitte member firms; • A global ethics policy that sets out the requirements for member firms' own ethics programs; • A global anti-corruption policy that addresses matters such as bribery, facilitation payments, political and charitable contributions, and gifts and entertainment; • Ethics training programs, including an introductory online course, classroom programs, facilitator-led interactive case discussions and online training course; • Support activities, including communications, workshops, and webinars to facilitate best practice sharing among member firms; • Provision of a survey and self-assessment questionnaire to allow member firms to measure their program's effectiveness; and • A practice review program to measure compliance with global ethics policies and encourage collaborative discussions and continuous improvement over time. <p>Please see the "Public policy" and the "Personalities propel performance" sections of this report for more details about support for labor standards. See also the "Headcount" and "New hire" sections for measures of Deloitte's workforce diversity. Further details on the DTTL Global Ethics Program are in the "Ethics" section of this report.</p> | |
| <p>Environment</p> | | |
| <p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> | <p>Deloitte's approach to sustainability is twofold: initiatives we champion across our global network to reduce the ecological impact of approximately 244,000 people; and work member firms do with clients to advance sustainability practices that will help deliver long-term financial growth.</p> | <p>EC2, EN1, EN2, EN3, EN6, EN8, EN15, EN16, EN17, EN18, EN19</p> |
| <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> | | |
| <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p> | <p>As part of internal network-wide initiatives DTTL and its member firms engage with Deloitte professionals in continual learning on sustainability priorities and practices through monthly newsletters, webinars and other communications tools. Member firms also work vigorously to advance sustainability among their clients. Deloitte member firms have sustainability specialists helping clients transition to sustainable business models and practices that will deliver top- and bottom-line financial growth for the long term.</p> | |

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| | <p>Several of the same tools and strategies Deloitte advocates to enable smart cities are employed throughout our organization as part of an on-going approach to environmental sustainability. Our journey, like those of our clients, is constantly enhanced using data. Deloitte tracks and reports on key metrics using a networkwide, cloud-based sustainability management system.</p> <ul style="list-style-type: none">• Between FY2014 and FY2016, we reduced total electricity consumption by 5 percent, while increasing global headcount by 16 percent.• During the same time frame, we reduced greenhouse gas emissions from buildings by 12 percent and increased purchases of renewable energy.• While overall, absolute greenhouse gas emissions increased by 2 percent, emissions intensity measured by emissions per full-time equivalent (metric tons CO₂e/FTE) dropped by 6 percent since last year and 11 percent since FY2014.• Total paper consumption was down 11 percent from last year and 21 percent less than FY2014. <p>Deloitte's portfolio of LEED- and BREEAM-certified office space include facilities in New York, Amsterdam, Hong Kong, Sao Paulo, and Istanbul. Many Deloitte offices, including the Gateway in Belgium, are strategically located in transportation hubs.</p> <p>During the past year, a number of member firms reduced the impact of fleet vehicles by giving incentives for low-emission lease choices and surcharges for higher-emission vehicle options. Other firms are providing discounts for public transportation fees or car-sharing memberships.</p> <p>In-depth disclosure of our greenhouse gas emissions, as well as our risks and opportunities related to climate change, can be found in Deloitte's 2016 CDP (formerly Carbon Disclosure Project) Climate Change and Supply Chain submissions.</p> <p>Please see the "Environmental sustainability" section of this report for information on Deloitte's initiatives to manage environmental performance as well as the environmental metrics in the "Metrics" section. DTTL's submission to the CDP can be found at www.cdproject.net.</p> | |
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| Anti-corruption | | |
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| <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p> | <p>Corruption is a significant challenge in many industries and the construction business is no exception. Globally— from the contract-bidding process through all phases of building—bribery, collusion, and cost inflation are estimated to pad final costs anywhere from 10 percent to 30 percent.</p> <p>This is a concern in several countries, including India, where certain processes can be complex and hundreds of billions of dollars are funding massive infrastructure projects. That’s why Deloitte worked with the World Economic Forum and Indian authorities to help address corruption risks in India through a pilot project on the state level.</p> <p>“Building Foundations for Transparency” is a collaborative project between the Forum’s Partnering Against Corruption Initiative (PACI) and the Infrastructure and Urban Development (IU) industries aimed at helping governments tackle corruption in public processes, including procurement, permitting, and licensing. Its goal is to promote fairness by reducing irregularities in the infrastructure, engineering, construction, and real estate industries.</p> <p>The project seeks to establish ongoing dialogue between business and local public officials in India on potential ways to enhance transparency in permits and licenses, land acquisition, and procurement. A Forum report, created in collaboration with Deloitte, serves as the blueprint for the effort. It focuses on practical outcomes and provides guidance on how to implement solutions locally and replicate them in other regions. The report contains an online diagnostic tool, built by Deloitte, that’s designed to help drive greater transparency within the IU industries. The smartphone-accessible microsite can be used as a template for other Forum projects needing digital tools, platforms, and microsites.</p> <p>Launched in 2004, PACI has created a highly visible anti-corruption platform, working across industries and with the support of organizations and governments around the world. Deloitte Global Chairman David Cruickshank is co-chair of the PACI Vanguard steering board, and James Cottrell, a Deloitte US partner, has been intensely involved with PACI the past four years.</p> <p>Please see also the “Ethics” and “Public policy” sections of this report for additional information on Deloitte’s commitment to combating corruption.</p> | <p>G4-56, SO3, SO4, SO5, SO6</p> |

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