

**Deloitte.**



**United Nations Global Compact  
Communication on progress Report for  
2018/2019**

**Deloitte Bulgaria EOOD**

## Statement of continued support

30.06.2020

To our stakeholders

2020 is an important anniversary for Deloitte as it marks 175 years of Deloitte people all across the globe making an impact that matters. We have always been a values-driven organisation. Our Shared Values are the common ground on which the 312,000+ Deloitte people are united across geographies. These values are embedded in everything we do and are evidenced throughout our 175-year history.

As part of our vision to be the Standard of Excellence, Deloitte member firms have a long-term commitment to corporate responsibility and to being trusted industry advisors to businesses, communities, and governments around the world. Therefore, as a part of the Global Deloitte Firm, Deloitte Bulgaria EOOD reaffirms its support to the 10 principles of the UN Compact with respect to human rights, labour and anti-corruption.

The Communication on Progress describes in details our company's efforts to follow the ten principles in the period 2018-2019.

Sincerely yours,

**Sylvia Peneva**

Country Managing Partner

Deloitte Bulgaria EOOD

This report serves as a communication on progress to the United Nations Global Compact for Deloitte Bulgaria covering the period 2018-2019

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**UN Global Compact Principle**

**Disclosure**

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**Human Rights**

**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.

Part of Deloitte's purpose is to contribute to society, building confidence and trust, upholding integrity, and supporting the community. Deloitte recognizes that it has a responsibility to uphold human rights both in the workplace and more broadly within its sphere of influence.

Deloitte has formally outlined the responsible business principles we believe in and the commitments Deloitte has made via its **Responsible Business Practices statement**. This statement addresses a number of areas including human rights.

We believe that all people have fundamental human rights, including the right to equal treatment under the law, freedom of mobility and other right outline in the UN Declaration of Human Rights.

**What actions have been taken?**

- We educate all Deloitte professionals on ethics and integrity and adhere to robust regulatory compliance, anti-corruption, and ethics policies.
- We have committed to the principles described in the [Deloitte Central Europe's Code of Conduct](#) (Code of Conduct). This document provides the ethical framework on which we as employees of the firm base our decisions. It is based upon the Global Principles of Business Conduct and Shared Values of the DTTL network of Member Firms. The Code of Conduct has been popularised among the employees of Deloitte Bulgaria and is available to the public

- We have also a strict system of ethics governance throughout the organization. Our responsible business commitments are overseen by the Deloitte Global Risk, Regulatory, and Public Policy leader, with support from the Deloitte Global Chief Ethics officer and Deloitte Global People and Purpose officer. Deloitte offers specific channels for reporting incidents that appear to demonstrate irresponsible business conduct. We firmly prohibit retaliation against those who report in good faith or who otherwise participate in related investigations. Our ethics reporting channels are available to Deloitte professionals and we also provide a reporting channel for third parties.
- Health and well-being of the employees is of great importance to Deloitte, and we have put programs in place to help our employees stay healthy. All Deloitte Bulgaria employees receive additional health-care package, which includes systematic checkups, consultations with specialists and medication.

## Labour

### **Principle 3:**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:** the elimination of all forms of forced and compulsory labour

In the above mentioned **Responsible Business Practices statement** questions concerning fair labour practices are also addressed.

We at Deloitte think that people flourish best in workplaces where they feel safe and valued. Therefore we are committed to: continuous talent development and work-life balance; equal opportunity, fair pay practices and fostering an inclusive culture and diversity; safe and healthy work environment.

### **Respect, diversity and fair treatment**

- We foster a culture and working environment where our people treat each other with respect, courtesy, and fairness, promoting equal opportunity for all.

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**Principle 5:**  
the effective abolition  
of child labour; and

**Principle 6:** the  
elimination of  
discrimination in  
respect of  
employment and  
occupation.

- We encourage and value a diverse mix of people, view-points, talents, and experiences.
- We create inclusive working environments that not only address individual needs, but allow our people to utilize their unique strengths.
- We do not tolerate harassment or unfair discrimination in our working environments.

#### **Professional development and support**

- We invest in our people to develop the professional knowledge and skills necessary for them to effectively perform their roles.
- We help our people reach their potential through investments in personal and professional development.
- We provide a safe work environment for our people and expect our clients to do the same.

#### **Diversity and inclusion power the workforce of the future**

To succeed in solving clients' toughest challenges, Deloitte believes that its workforce must reflect the world around it.

#### **What actions have been taken?**

- **Talent Engagement and growth**

Despite all our investments in technology, our people are still the key to our business. The best audit plan on Earth would be largely useless if not executed at the right time by the right professionals. To retain our talent, we need to give our people flexibility, state-of-the-art continuous education, competitive compensation and the right balance between their working and personal lives.

Therefore we are investing heavily in professional development, determined to be best-in-class in learning across Central Europe. We want to ensure that all our people are well prepared to work with our clients, so we have rolled out our 'Snowball' onboarding program for all new colleagues in the Audit and Assurance Department.

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**Principle 5:**  
the effective abolition  
of child labour; and

Snowball at Deloitte is transforming how we prepare our young professionals for their careers with us.

**Principle 6:** the  
elimination of  
discrimination in  
respect of  
employment and  
occupation.

In 2019 we have successfully rolled out this new onboarding program for graduates joining our firm. We deliberately call it “onboarding “ not training. We have embedded in it simulations, gamification, learning by experience, feedback loops, coaching, audit technology, analytics, problem solving, team work, etc.

As a result “Snowball” is helping new professionals accelerate their experience and career progression while raising the quality of work.

- **Creating more awareness of why diversity matters**

During the past year, we have been running a number of initiatives that help us create a more inclusive working environment.

At the beginning of March 2019, we organised a series of livestream webinars to promote and raise awareness of our Diversity & Inclusion agenda among professionals across Deloitte Central Europe. These also had the aim of inviting everybody to discuss women’s progression, parenthood, LGBT+ and dealing with unconscious bias.

We are committed to going ‘ALL IN’ to increase the representation and retention of under-represented groups across all levels of our organisation, with a particular focus on women. This is why we are starting to create more awareness about how we hire and retain women, how we create opportunities for their promotion and how we mentor female successors.

Having this in mind, it is important that as of 31<sup>st</sup> December 2019 in Deloitte Bulgaria we had 267 employees out of which 151 women and 116 men (out of which 34 women managers and 30 men).



- **The 2019 Impact Awards – promoting positive change for thousands of lives**

The 2019 Deloitte CE Impact Awards initiative was enormously successful, with nominations received for close to 100 separate initiatives from right across Central Europe, including initiatives from Bulgaria.

The purpose of the Awards is to recognize and share examples of activities that have in one way or another made a significant positive impact that matters on our clients, our people and on society as a whole.

Bulgaria took part in the competition with the project **“Fuelling the fundraising power of football”**

It was in early 2019 that Deloitte Bulgaria formed a women’s football team. Its official debut in a charity tournament was such a positive bonding experience that the members immediately decided to continue their good work. This time, they aimed to support the Children with Oncohematological Diseases Association, which was raising funds to help Bulgarian child cancer survivors participate in the World Children’s Winners Games in Moscow.

One of the biggest problems for children with cancer is the lack of available state financial aid during recovery. This fact inspired the team to do everything in their power to uphold every child’s right to the best possible treatment and social integration, insisting that no child or family should ever have to face cancer alone.

The team hosted a home-made breakfast campaign, baking pastries and cakes to promote the need among their colleagues for active participation in the cause. The engagement of Deloitte professionals, families and friends led to BGN 1,200 being raised – around 150% of target. Using the motto “Nothing is more rewarding than putting a smile on a child’s face”, the team continues its support to a number of causes by raising money and playing football.

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- Besides this the employees of Deloitte Bulgaria take part in various charity initiatives since the supportive culture has become part of the DNA of the company already. Another good example is the **Charity Tennis Tournament “Racket Heroes”**, which took part in December 2019.

The event was organized by four students of the American College in Sofia, and its aim was to raise funds in a friendly and athletic atmosphere for two charitable causes:

- that of SOS Children's Villages, which supports institutions providing family, loving and safe environment for children deprived of parental care
- and that of the ReArt Foundation, which organizes monthly workshops for young people who live in orphanage houses.

To support the boys on the tennis team, Deloitte's staff also organized a charity breakfast at the office. The employees prepared homemade delicacies, which they shared with each other, and the funds raised from their sale (over BGN 1,000) were also donated to the two causes.

- **Christmas Bazaar**

Traditionally in 2019 we organized also a Christmas Charity Bazaar to give a strong start for the youngest children.

“For our children” Foundation is building the “Complex for early child development” which is to replace an old and non-functional home for medical and social care, which by no means belonged to the future of caring for families and children at risk. The employees' contributions were donated to the Foundation and used for the purchase of toys that were most needed for the opening of the new building.

- Besides the professional development of our staff in the In recent years, we have focused on the **education and financial literacy of Bulgarian children**. That is why we have participated in/ developed several such projects.
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## **“My Future colleagues” program**

The world of work is changing – and some jobs are changing faster than others. According to some research, soon we'll only be as good as the skills we possess. But which skills are they, and how can we make sure we keep the pace?

Deloitte’s project “My future colleagues” aims at presenting to students some essential trends in the job market. In an environment where new skills emerge as fast as others become extinct, employability is less about what you already know and more about your capacity to learn. Thus, with this project we are aiming at educating young people in a comprehensive way focusing on:

- What does it mean to work in a big international company? What are the pros and cons of being part of a professional services firm?
- How tax, accounting, audit, law and finance work and why they exist at all? What are the most important skills we need to possess in order to fulfil properly our duties?
- How can we be competitive in the constantly changing working environment?

## **Bazaar of Professions**

In 2019, Deloitte Bulgaria took part in the "Bazaar of Professions" (part of the program "I am proud of my parents' work" of the Bulgarian network of the UN Global Compact). The purpose of the bazaar is to help children and young people to understand what a certain professional does in their field and to realize that work is not just a means of earning money, but a need and value that can bring satisfaction and joy.

This year, more than 2,000 students aged 8 to 17 took part. Deloitte Bulgaria introduced the children in an interesting way to the profession of auditor, tax consultant, lawyer, financial and tax consultant.

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UN Global Compact Principle	Disclosure
Environment	
<p><b>Principle 7:</b> Businesses should support a precautionary approach to environmental challenges;</p> <p><b>Principle 8:</b> undertake initiatives to promote greater environmental responsibility; and</p> <p><b>Principle 9:</b> encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Climate change, water scarcity, supply chain risks, waste and recycling are challenging the limits of traditional processes and technologies and demanding greater attention from business. As a result, environmental sustainability has moved from being a niche area overseen by specialists to becoming a C-suite priority. Environmental sustainability is now often a consideration in Deloitte client engagements and is increasingly a critical component of Deloitte’s own operations, strategic initiatives and senior-level agendas.</p> <p>Deloitte has formally outlined the responsible business principles we believe in and the commitments Deloitte has made via a Responsible Business Practices statement. This statement serves to align decision-making and activities across Deloitte and addresses a number of areas, including the environment.</p>
<p><b>What has been done?</b></p>	
<ul style="list-style-type: none"> <li data-bbox="619 1249 1410 1711"> <p>• <b>Client-focused capabilities</b></p> <p>Deloitte’s sustainability service lines continue to grow. They currently include environmental sustainability services related to strategy, resource productivity, risk mitigation, attest services and supply chain. Renewable energy services are also expanding as clients explore innovative supply arrangements. And Deloitte has engaged with clients on a broad range of environmental sustainability topics including energy, water, greenhouse gas emissions, plastics, circular economy and supply chain.</p> </li> <li data-bbox="619 1787 1410 1980"> <p>• <b>Environmental goals</b></p> <p>As part of a global organisation with more than 312,000 employees, Deloitte Central Europe and Deloitte Bulgaria respectively is highly aware of its impact on and responsibility for the environment.</p> </li> </ul>	

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In 2019, Deloitte (DTTL) announced its first global reduction goals for greenhouse gas (GHG) emissions by FY2025 compared with FY2017. These are:

- a 36% reduction per unit of area in our building emissions;
- an 11% reduction in our vehicle fleet emissions; and
- 10% per full-time equivalent in our travel emissions.

In Deloitte Bulgaria as part of Deloitte Central Europe, we are currently considering how best to contribute to these goals. Because our core activities are based around providing professional services, they have little direct environmental impact. Our work as consultants is connected with attending meetings, which often requires travel. This is our biggest GHG emission factor. To minimise this negative impact, we are trying both to restrict travel and to find more sustainable alternatives. Obviously, it is impossible to stop all travel, so for the first time Deloitte has decided that all emissions arising from our global use of air travel during FY2019 should be offset through the purchase of carbon credits, verified by a third party.

### **Responsible supply chain**

As a leading professional services organization, Deloitte's responsible supply chain actions are an opportunity to make a global impact that matters.

During FY19 Deloitte developed a Supplier Code of Conduct which is being rolled out in FY20. Further, environmental assessment questions were included in vendor proposals submitted to Deloitte Global's procurement group. Suppliers completing that proposal template are requested to answer questions about environmental sustainability policies and processes.

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**UN Global Compact Principle****Disclosure**

## Anti-corruption

**Principle 10:**

Businesses should work against corruption in all its forms, including extortion and bribery.

We actively support multiple efforts to eradicate corruption throughout the world. The Deloitte Global Anti-Corruption team and member firm Anti-Corruption leaders work closely with senior Deloitte leaders to build and enhance a globally consistent anti-corruption program across the Deloitte network, which includes the following elements:

- A Deloitte **Global anti-corruption policy** that includes requirements for member firms' own anti-corruption programs and addresses matters such as bribery, facilitation payments, political and charitable contributions, and gifts and entertainment;
  - **Anti-corruption training** that includes applicable policies, corruption red flags and case scenarios;
  - Support activities: including communications, workshops and webinars—to facilitate the sharing of leading practices;
  - Annual member firm anti-corruption self-assessments and other guidance and tools (such as guidance on anti-corruption testing and monitoring) to measure the effectiveness of anti-corruption programs across the Deloitte network;
  - A globally consistent process to perform anticorruption due diligence on subcontractors, marketplace alliances, vendors and suppliers;
  - A globally consistent methodology and process for Deloitte member firms to perform corruption risk assessments;
  - An annual confirmation from each member firm to Deloitte Global that all member firm people have read, understood and agree to comply with the local anti-corruption policy and are not in violation of this policy; and
  - A review program to assess compliance with Deloitte Global anti-corruption policies and drive continuous improvement in member firm anti-corruption programs.
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