

Our Green agenda



Cindy Cahill, Corporate Responsibility Partner

Introduction

Launched in 2007, our Green agenda addresses what Deloitte needs to do to develop a sustainable, profitable and environmentally-friendly business. We recognise the importance of minimising the impact of our operations and services on the environment and each of our people plays an important part in helping us achieve this. As key stakeholders in our Green agenda we actively seek input from our people on areas where we can improve and collect and act on their suggestions where appropriate.

As a result of the actions taken by all of our people we managed to reduce our per employee emissions this year by 4% while our business grew by 11.5% over the same period. Energy consumption and business travel, however remain a key focus for us as these increased in absolute terms year on year with the increase in the size of our operations.

This year we have collected more comprehensive data about our environmental performance than ever before including data from our Swiss operations and made significant improvements to the quality of our reporting, but we want to make sure we continue to improve our information and processes and we are confident that we will see reductions in our carbon emissions going forward.

4%

The amount that our per employee carbon footprint was down, while our growth during the same period was 11.5%.

The major highlights of our environmental performance this year are:

Project Unity

Two years ago we embarked on an extensive project to upgrade our offices in the UK. The aim of this project was to implement good environmental practices throughout our offices. This year saw us complete the new build and refurbishment of a substantial part of our London campus. We have been focused on reducing the energy consumption of our buildings. The reduction will be subject to any changes in Defra conversion factors for the coming year.

- Since commissioning our new buildings in London, we have seen a reduction in energy consumption. The impact of this reduction will be reflected in our next reporting year, as this year we have been running two extra premises in London to allow our people to move around as we completed the refurbishment programme.
- We were awarded a 'very good' BREEAM rating (RYBKA May 2005 report) for our new buildings based on an assessment of the environmental impact and achievements to reduce energy and water consumption.
- 87% of the surplus furniture from our refurbishment has been reused or recycled.
- We have increased the number of spaces for bicycles on our campus five fold. The demand for these additional bicycle spaces and dedicated shower facilities has been very high, with the importance of the health and environmental benefits being a significant factor in choosing to cycle to work. We have supported this choice with the financial benefits of our Bike to Work programme.

Our Carbon Footprint

This year we have grown our business by 11.5% from a revenue perspective and our carbon footprint has increased by 8% during the same period. Our carbon per employee has however decreased by 4%. The increase in absolute terms this year is caused in the main by an increase in energy consumption which is the result of a number of factors namely:

- This year we are including data from our Swiss operations. This data has previously not been collected or reported and accounts for 8% of the total increase on our Scope 2 emissions.
- During our London campus refurbishment program we have been running at least two extra buildings to allow us to refurbish existing buildings. The carbon relating to these additional buildings is included in our total carbon emissions. In May 2008 we moved out of our Strand premises and plan to move out of our Meridian House premises during FY09.
- The energy consumption relating to the refurbishment programme used by our building contractors has been included in our energy and carbon numbers reported.

While we are confident that in FY09 we will see a reduction in absolute terms, we are continuing to work with the Carbon Trust and our people to realise these reductions.

Our carbon footprint is reported below following the GHG protocol.

Our new campus building in New Street Square



Emission Category	2008	2007	2006	2005
Scope 1 Our direct emissions from gas, refrigerants, generators and firm owned vehicle fleet.	3,678	3,079	3,505	3,214
Scope 2 Our indirect emissions from electricity.	6,362	5,016	5,494*	17,508*
Scope 3 Our other emissions from waste and business travel including cars, taxis, bus, rail, air and hotels.	24,551	23,936	20,524	17,557

Our reporting period covers June to May each year. Our CO₂ figures are based on Defra guidelines issued in June 2008 and we have also zero rated renewable energy in line with these guidelines.
 All prior year data has been restated to be consistent with the current year's presentation and to take into account improved data collection.
 *The significant decrease in Scope 2 emissions in FY06 was due to switching to renewable energy during this year.

Our Green agenda

We are creating a programme of improvements to our management systems so that Corporate Responsibility and sustainability are integrated into our daily operations.

68%

The amount of our energy we purchased from renewable sources.

Renewable energy

Currently we purchase 68% of our energy from renewable sources. Without this renewable energy procurement our carbon footprint per head would have been 4.02%. We are monitoring closely the changes in this market and the challenge of continuing to secure green energy as overall demand increases.

Environmental Reporting

We have appointed a full time ISO14001 manager to formalise our strategy for continuous improvement within this internationally recognised standard and aim to be ISO14001 accredited during 2009. A Special Projects role has also been created in our Corporate Responsibility (CR) team; the first project will focus on improvements to our monthly reporting process. This will enable us to focus and take actions much quicker than we have been able to do historically.

Business travel

Business travel remains a challenge for us as it is an integral part of the way we do business and our market-leading growth rates inevitably compound the challenge of managing business travel. We are doing a number of things to help minimise the need to travel without impacting our ability to service clients. Firstly we are implementing a new travel portal in the fourth quarter FY08 which highlights the carbon impact of travel options and we are encouraging the greenest form of transport wherever possible. In addition our immersive video conferencing facilities come on-line in November 2008. These facilities are state-of-the-art and will link all of our frequently travelled UK and US routes and we anticipate that this will have a significant impact on the need to travel. We will continue to work with our people to raise awareness to reduce our need to travel.

Paper consumption

We have continued our Elite programme this year to reduce the amount of paper we consume. We have implemented Meridio, an electronic document management system and rolled out firm-wide introduction of duplex printing and scanning solutions.

Elite has delivered and integrated client information management solutions. It provides our people with the ability to save and manage all client information in a central, secure location and increases the support for collaboration across client teams. Elite has been driven by senior stakeholders across the firm from initiation through to the project's implementation in early 2008. Elite has played a significant part in reducing our paper consumption and has also reduced the physical file space in our London campus by 36%. Not only has this had a positive impact on the paper consumption, but it has also reduced the transport aspect of file management, including deliveries and recalls from our off-site archives.

The rollout of duplex printing and changes to the weight of paper we use across our offices has also contributed to our 26% reduction in paper consumption. Given the growth of our business, this is a significant achievement and everyone in the firm has taken part to help us reach this objective.

We have a working group who meet regularly to review our stationery supplies for opportunities to reduce the environment impact in this area.

Catering

The packaging used in our staff restaurant is manufactured with minimal environmental impact. We no longer use any polystyrene food containers or cups, choosing instead to use a range of fully biodegradable containers. Our new cups are made from fully renewable resources and our takeaway cutlery is also made from recycled materials.

Engaging our people with the Green Agenda

Our Green agenda goes online

We have created a dedicated Green agenda intranet site, which provides a gateway for our people to see what the firm is doing in terms of practical action, and offers the opportunity to comment on how well we are doing and to submit ideas for new initiatives. All responses received are integrated when we re-evaluate and review improvements to our environmental systems – so that the feedback from our people guides and shapes our Green agenda.

A clear head in a crisis

Julie Robinson, one of our green and community investment champions, is passionate about our firm's environmental impact and humanitarian causes. As part of our office moves during the year, we have had to recycle surplus stationery supplies. Julie and our Corporate Finance Green Champions worked with the homeless charity Crisis, who were able to put our surplus supplies to good use: "Saving money on office furniture and stationery means we have more money to spend directly helping homeless and vulnerably housed people. This has come at the perfect time for us."

Waste management

Prior to our refurbishment, our London Campus alone had over 6,000 desk-side bins, resulting in over one million bins emptied and 1 million plastic bags going to landfill every year. We have removed personal bins from all of our London buildings and introduced recycling stations. We are rolling this initiative out across our regional offices and have completed this in our Leeds, Manchester, Milton Keynes and Swiss offices. As a result, nearly 74% of our London waste is now recycled. Waste emissions for the firm overall have decreased by 50% when compared to last year's carbon footprint; this is due to our various new initiatives and campaigns.

Green Day in Milton Keynes

Since October 2007, our Milton Keynes office has made dramatic steps to support the firm's overall Green agenda. One year down the line, it's a very different story.

At the start of 2007, Deloitte's Milton Keynes office recycled less than ten bags of waste a month and the only green initiatives were being carried out on an ad hoc basis. Now, recycling has increased ten-fold thanks to a concerted Green Day campaign to encourage recycling within the office. One of the measures taken was to remove all individual waste bins and replace them with central recycling stations for glass, plastic cups, cans, plastic bottles, newspapers and journals, and office paper. Milton Keynes Green Business Network (GBN), Cawleys, and Milton Keynes Council supported the Green Day initiative by spending time talking to staff about how they could change their behaviour both at work and at home to work towards environmental sustainability.

The Green Day also encouraged people to sign up for car sharing as a means of getting to work and put people in touch with others living in similar areas. "The Green Day was very successful," says Della Judd, service centre manager. "It went a long way towards explaining what we were doing and why".

74%

The amount of London waste that is now recycled.



Our Green agenda

Sunday Times Best Green Companies

In May this year, Deloitte featured in the Sunday Times inaugural Best Green Companies List, a ranking of the UK's 50 best green companies. Only nine big companies (with 5,000+ people) made the top 50. Notably, Deloitte scored 2nd place overall for encouraging participation in our firm's community programme.

Richard Caseby, managing editor of The Sunday Times, highlighted the calibre of companies when he said; "The 50 companies in this survey are all pioneers – enterprising, enlightened and fizzing with new ideas. All have a common sense of purpose about their corporate social responsibility".

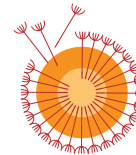
United Bank of Carbon

Deloitte is assisting with the development of the United Bank of Carbon (UBoC). UBoC is a community interest company which allows businesses to fund rainforest sustainability on a global basis. Deloitte is providing invaluable skills and expertise to UBoC in its start-up phase. This is expected to be a globally prominent project and will provide support to a broad base of environmental and under-funded global causes.

UBoC will broker partnerships between individual businesses and specific rainforest protection projects run by established non-governmental organisations. UBoC's subsidiary UBoC Trading will invest in the validation of UBoC rainforest projects for trading in the emerging global voluntary (and potentially compulsory) carbon markets.

Business in the

Community



THE PRINCE'S
MAY DAY
NETWORK

The Prince's May Day Network

This year, Deloitte submitted a May Day case study on climate change to Business in the Community, reporting on our climate change actions and activities run by Business in the Community.

As a member of the network, Deloitte has pledged to take action on:

- integrating a low carbon strategy into our business model;
- committing adequate budget and resources to tackling climate change; and
- encouraging our suppliers to measure and minimise their carbon footprint (see 'Our Marketplace agenda').

United Bank
of Carbon

