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Performance metrics and reporting frameworks

2024 Global Impact Report

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FY2024 ESG highlights

Environmental

Science-based net-zero targets:

The SBTi has verified Deloitte's net-zero science-based target by 2040

Progress toward near-term science-based targets

81% reduction of scope 1 and 2 emissions (goal of 70% by 2030)[1]

53% reduction of scope 3 business travel emissions per FTE (goal of 55% by 2030)[1]

30% of suppliers have science-based targets (goal of 67% by 2025)[2]

Progress toward other environmental sustainability goals

renewable electricity purchased (goal of 100% by 2030)

of fleet converted to electric and hybrid electric vehicles (goal of 100% by 2030)

7,803 tonnes of Sustainable Aviation Fuel certificates (SAFc) purchased

Social

Societal investments

$416M societal investment

24M individuals reached through World*Class*

81M individuals reached toward our 100M World*Class* goal from FY2018 to FY2024

Learning

46 average annual training hours per individual[3]

$647M+ annual direct training investment[3]

21M formal training hours delivered for our people

6 Deloitte University facilities around the world

Diversity and inclusion

460,300 Deloitte people

women[4]

men[4]

27% women partners, principals, and managing directors[5]

92,910 new hires

7.23M applications received

Governance

Economic contribution

$67.2B aggregate global revenue

3.6% aggregate revenue growth from FY2023

Innovation investments

3.3% of aggregate Deloitte firm revenue[6]

Deloitte Global Board of Directors[7]

17 members representing 11 countries

women

Deloitte Global Executive Committee[7]

20 members representing 8 countries

women

Note: Monetary values are presented in US$ and used as the basis for revenue growth and innovation investment percentages, unless otherwise specified.

Deloitte received a Positive rating in the 2024 Gartner® Sustainability Assessment: Deloitte report. This rating is based on three categories: Environmental, Social and Governance which are further broken down in to 17 criteria. Deloitte also received a Strong rating, the highest possible rating, for Greenhouse Gas Emissions, Community Engagement and Talent Management.

According to Gartner, "This assessment measures two key facets of Deloitte's sustainability commitments — intent and execution:

1. Intent to achieve specific sustainability outcomes, as documented in publicly available materials provided by Deloitte
2. Evidence that Deloitte's plans to achieve those sustainability outcomes are being executed"

Gartner, Sustainability Assessment: Deloitte, Craig Lowery, Kiyomi Yamada, 14 August 2024.

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FY2024 Performance metrics
Business

	FY2024	FY2023	FY2022
Total (US$ Billion)	67.2	64.9	59.3
Revenue by business			
Audit & Assurance	12.8	12.3	11.4
Consulting	30.2	29.6	25.8
Financial Advisory	5.0	5.1	5.3
Risk Advisory	8.1	7.8	7.0
Tax & Legal[1]	11.3	10.3	9.9
By region			
Americas	36.4	35.9	30.7
Europe/Middle East/Africa	21.5	19.1	18.8
Asia Pacific	9.5	10.0	10.0
By industry			
Consumer	13.0	12.6	11.9
Energy, Resources & Industrials	10.3	9.5	8.6
Financial Services	18.3	17.8	16.1
Government & Public Services	12.4	11.1	10.0
Life Sciences & Health Care	5.8	5.8	5.3
Technology, Media & Telecom	7.5	8.0	7.5
Revenue growth	Percentage growth in US dollars/local currency		
Revenue growth	3.6% / 3.1%	9.3% / 14.9%	18.1% / 19.6%
Innovation investment	Percentage of aggregate Deloitte firm revenue		
Innovation investment[2]	3.3%	3.8%	3.6%

Note: Figures are aggregated across the Deloitte network except where otherwise noted. Due to rounding, sum of sections may not equal total.

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FY2024 Performance metrics
Environmental

Progress toward goals — World*Climate*

Goal Description	Goal year	Goal	FY2024 progress
Percent renewable electricity[1]	2030	100%	93%
Percent electric vehicles	2030	100%	50%
Reduction of scope 1 & 2 emissions from FY2019 levels	2030	70%	81%
Reduction of scope 3 emissions from business travel per full-time equivalent employee (FTE) from FY2019 levels	2030	55%	53%
Percent of suppliers with science-based targets (by emissions)	2025	67%	30%

Note: Figures are aggregated across the Deloitte network except where otherwise noted. Due to rounding, sum of sections may not equal total.

A detailed description of this report's boundaries and the performance measurement methods used is available in the "Deloitte Global FY2024 Basis of Reporting" section.

Selected environmental data, indicated in this table with the [#] symbol, has been subject to independent limited assurance in accordance with ISAE 3410. Further details are available within the Environmental Performance Data Limited Assurance Report FY2024.

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FY2024 Performance metrics
Environmental *(continued)*

Environmental sustainability	FY2024	FY2023	FY2022	FY2019 (Base year)
GHG emissions by scope and source		**Metric tonnes CO2e**		
Scope 1 GHG emissions by source				
Fuel combustion in buildings	10,178	10,541	10,285	18,174
Vehicle fleet (internal combustion engine)	23,439	26,417	32,418	43,727
Total scope 1 emissions	**# 33,618**	**# 36,959**	**42,703**	**61,901**
Scope 2 GHG emissions by source				
Purchased electricity - buildings and fleet (market-based)[2]	8,917	11,969	15,507	201,771
District heating and cooling	7,991	6,989	6,454	n/a[3]
Total scope 2 emissions	**# 16,908**	**# 18,958**	**21,961**	**201,771**
Scope 3 GHG emissions by source				
Category 1 - purchased goods & services (PG&S)[4]	606,757	1,107,612	678,417	495,387
Category 6 - business travel	525,707	444,556	176,069	754,133
Business travel: air travel (tank-to-wake emissions)[5,6]	365,236	307,044	93,605	494,824
Business travel: other sources	160,471	137,512	82,464	259,309
Category 7 - commuting (including teleworking)[7]	262,820	n/a[3]	n/a[3]	n/a[3]
Total scope 3 emissions	**# 1,395,284**	**# 1,552,169**	**854,486**	**1,249,520**
GHG emissions totals				
Gross GHG emissions	**# 1,445,809**	**# 1,608,085**	**919,150**	**1,513,192**
Beyond value chain mitigation: carbon credit purchases[8]	744,398	859,083	762,369	494,824

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FY2024 Performance metrics
Environmental *(continued)*

Environmental sustainability *(continued)*	FY2024	FY2023	FY2022	FY2019 (Base year)
GHG intensity measures				
GHG emissions per FTE		Metric tonnes CO2e / FTE		
Business travel emissions	1.2	1.0	0.5	2.5
Operational and business travel emissions	1.3	1.2	0.6	3.3
Gross GHG emissions	3.2	3.7	2.5	4.9
GHG emissions per dollar of revenue		Kg CO2e / $000 USD		
Operational and business travel emissions	8.6	7.7	4.1	22.0
Gross GHG emissions	21.5	24.8	15.5	32.8
Scope 2 purchased electricity GHG emissions by methodology[2]		Metric tonnes CO2e		
Electricity (market-based)	8,917	11,969	15,507	201,771
Electricity (location-based)	166,676	163,723	147,297	210,997
Energy usage		Terajoules (TJ)		
Renewable electricity[1]	1,315	1,340	1,116	199
Non-renewable electricity	96	90	110	1,393
Natural gas	156	179	183	245
Gasoline	270	261	289	348
Diesel fuel	105	159	210	405
District heating and cooling	126	126	127	n/a[3]
Total energy consumed	**# 2,068**	**# 2,155**	**2,036**	**2,590**

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FY2024 Performance metrics
Environmental *(continued)*

Environmental sustainability *(continued)*	FY2024	FY2023	FY2022	FY2019 (Base year)
Value chain mitigation				
Sustainable aviation fuel (SAF)				

SAF is a renewable or waste-derived aviation fuel that meets sustainability criteria. SAF is produced from sustainable feedstocks including waste materials, such as used cooking oil, agricultural residues, and municipal solid waste, or potentially from purpose-grown crops.

Current reporting standards do not provide a methodology for reporting of environmental attribute certificate purchases such as Sustainable Aviation Fuel certificates (SAFc) within the boundaries of scopes 1, 2 and 3 GHG emissions. Deloitte reports on these purchases and their impacts separately in the table below to share with others an example of how SAFc can be included in environmental reporting. In addition to purchasing SAFc, Deloitte supports efforts to develop and standardize robust physical tracking mechanisms and associated registries to improve traceability of SAF.

Tank-to-wake air travel emissions[5,6]	365,236	307,044	93,605	n/a[3]
Well-to-tank air travel emissions[6]	76,100	63,598	19,389	n/a[3]
Full life-cycle assessment (LCA) air travel emissions	**441,336**	**370,643**	**112,994**	n/a[3]
Less: Sustainable Aviation Fuel Certificates (SAFc) purchased[9]	7,803	5,358	4,617	n/a[3]
LCA air travel emissions with SAF	**433,533**	**365,285**	**108,377**	n/a[3]
Business travel emissions with LCA air travel emissions and SAF	594,004	502,797	190,841	n/a[3]
Total scope 3 emissions with LCA air travel emissions and SAF	1,463,580	1,610,409	869,259	n/a[3]
Gross GHG emissions with LCA air travel emissions and SAF	**1,514,106**	**1,666,326**	**933,922**	n/a[3]

Water consumption[10]		**Cubic meters**		
Water consumption[10]	209,816	n/a[3]	n/a[3]	n/a[3]

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FY2024 Performance metrics
Environmental *(continued)*

Environmental sustainability *(continued)*	FY2024	FY2023	FY2022	FY2019 (Base year)
Supplementary table 1: Comparison of emissions by methodology		**Metric tonnes CO2e**		

As discussed in the Deloitte Global FY2024 Basis of Reporting, the methodology for calculating purchased goods and services (PG&S) emissions was revised in FY2024 to (1) utilize activity-based calculations for emissions resulting from the use of contingent labor and (2) more precisely identify and exclude supplier spend items that are deemed non-emission generating (e.g., taxes, intercompany transactions, etc.) from spend-based PG&S calculations.

The revised methodology for calculating emissions from contingent labor results in emissions that were previously accounted for in scope 3, category 1 - purchased goods and services being included in scope 3, category 6 - business travel and scope 3, category 7 - commuting (including teleworking) from FY2024 onward, thus these emissions categories have been included in the comparative figures presented herein.

As this methodology change is possible due to improvements in data granularity, it cannot be applied retrospectively and thus emissions amounts in the main GHG emissions inventory have not been restated for FY2023 and prior years. This limitation impacts the year-over-year comparability of reporting emissions, thus the comparative metrics have been included below to approximate the impact to each relevant category of scope 3 emissions resulting from the change in methodology. FY2023 and prior values as presented using the revised methodology have been approximated using intensity measures from FY2024 data. Because commuting (including teleworking) has been included in the GHG inventory for the first time in FY2024, emissions calculated under the FY2023 and earlier methodology are not applicable for this category of emissions. Approximation of the amounts below is included solely for the purpose of reflecting the impact of the methodology update and is not meant for inclusion in the GHG inventory for the reasons stated above.

Scope 3, category 1 - purchased goods and services	**FY2024**	**FY2023**	**FY2022**	**FY2019**
Emissions using FY2024 methodology	606,757	692,967	508,286	398,888
Emissions using prior methodology	939,291	1,107,612	678,417	495,387
Scope 3, category 6 - business travel				
Emissions using FY2024 methodology	525,707	446,911	177,001	758,127
Emissions using prior methodology	522,923	444,556	176,069	754,133
Scope 3, category 7 - commuting (including teleworking)				
Emissions using FY2024 methodology	262,820	249,603	217,297	177,924

FY2024 Performance metrics
Environmental *(continued)*

Environmental sustainability *(continued)*	FY2024	FY2023	FY2022	FY2019 (Base year)
Supplementary table 2: Business travel and commuting by source		**Metric tonnes CO2e**		

As discussed in the Deloitte Global FY2024 Basis of Reporting, emissions from commuting (including teleworking) have been added to the GHG inventory in FY2024. Moreover, due to the revised methodology for calculating emissions from contingent labor, the emissions presented in the GHG inventory for scope 3, category 6 - business travel and scope 3, category 7 - commuting (including teleworking) include emissions from both Deloitte people and those related to contingent labor from FY2024 onward. The detail included herein presents the breakout of reported business travel and commuting emissions between Deloitte people and contingent labor, and provides comparative information relative to prior-reported amounts that considered Deloitte people only.

Scope 3 category 6 - business travel	**FY2024**	**FY2023**	**FY2022**	**FY2019 (Base year)**
Emissions from Deloitte people	522,923	444,556	176,069	754,133
Emissions from Deloitte contingent labor	2,784	n/a[3]	n/a[3]	n/a[3]
Scope 3 category 7 - commuting (including teleworking)				
Emissions from Deloitte people	251,371	n/a[3]	n/a[3]	n/a[3]
Emissions from Deloitte contingent labor	11,448	n/a[3]	n/a[3]	n/a[3]

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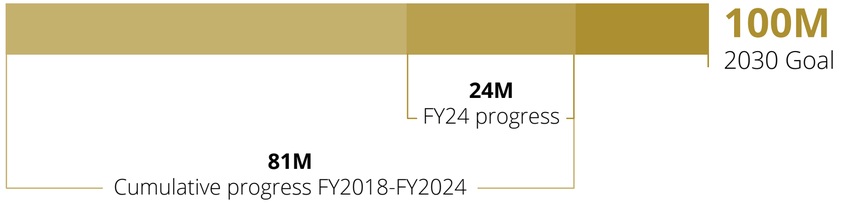
Societal impact

Progress toward goals — Societal impact including World*Class*

Individuals impacted through World*Class*



Note: Figures are aggregated across the Deloitte network except where otherwise noted. Due to rounding, sum of sections may not equal total. A detailed description of this report's boundaries and the performance measurement methods used is available in the "Deloitte Global FY2024 Basis of Reporting" section.

By source - donations			
Firm and foundation donations (monetary and in-kind)	142	123	101
Donations by Deloitte people (to Deloitte-supported organizations and fundraisers)	21	25	25
Total donations	**164**	**148**	**126**
By source - volunteer and pro bono work			
Pro bono work[1]	82	83	67
Skills-based volunteering	59	56	41
Traditional volunteering	70	58	22
Total value of volunteer and pro bono work by Deloitte people	**211**	**197**	**131**
By source - program costs			
Costs for managing societal impact	**41**	**31**	**27**
Monetary value of societal investments			
Total societal investments	**416**	**377**	**284**

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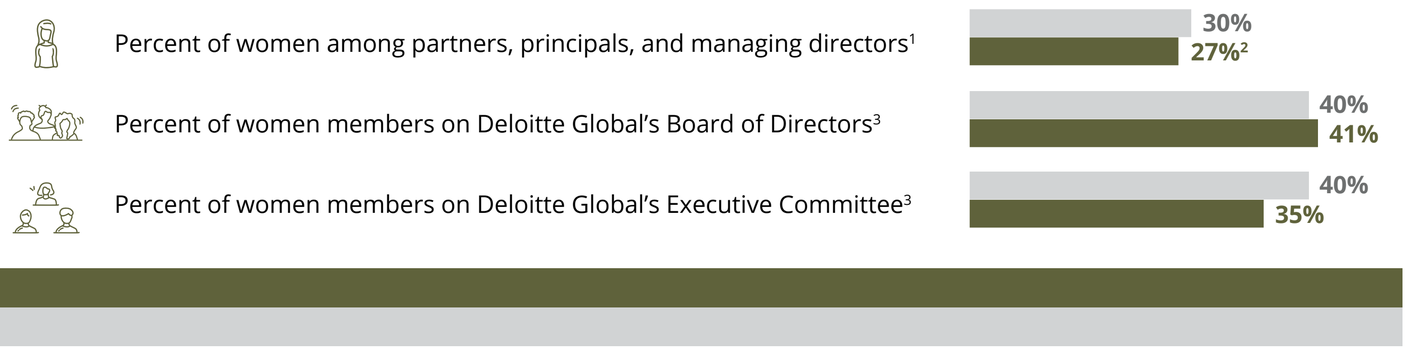
FY2024 Performance metrics
Societal impact *(continued)*

Societal impact *(continued)*	FY2024	FY2023	FY2022
Contributions aligned towards World*Class* (education and skills-building)	45%	47%	39%
Value of pro bono and skills-based volunteering as percentage of value of all volunteering and pro bono work	67%	71%	83%
Pro bono work	391	483	471
Skills-based volunteering	1,018	928	696
Traditional volunteering	631	482	204
Total hours of volunteering and pro bono work by Deloitte people	**2,041**	**1,893**	**1,371**

FY2024 Performance metrics
Our people

Progress toward aspirational goals — Talent



Note: Figures are aggregated across the Deloitte network except where otherwise noted. Due to rounding, sum of sections may not equal total.

By level

Partners, principals, and managing directors[1]	20,368	19,592	17,927
Professional staff[4]	374,792	372,448	336,754
Administrative staff[5]	65,143	64,786	57,270

By region

Americas	216,413	215,373	196,503
Europe/Middle East/Africa	139,774	142,805	127,764
Asia Pacific	104,116	98,648	87,684

Total workforce

Total workforce	**460,300**	**456,830**	**411,950**

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FY2024 Performance metrics
Our people *(continued)*

Talent *(continued)*	FY2024	FY2023	FY2022
Talent by gender[6]		Percentage of total	
Percent of women in leadership and governance bodies			
Percent of women members on Deloitte Global's Board of Directors[3]	41%	35%	38%
Percent of women members on Deloitte Global's Executive Committee[3]	35%	38%	23%
Percent of women by level			
Partners, principals, and managing directors[1]	27%[2]	26%	25%
New partner, principal, and managing director admissions[1]	24%	30%	27%
Professional staff[4]	44%	44%	43%
Administrative staff[5]	62%	63%	63%
Overall	**46%**	**46%**	**45%**
Percent of women by region			
Americas	45%	45%	44%
Europe/Middle East/Africa	46%	46%	46%
Asia Pacific	47%	48%	47%
Overall	**46%**	**46%**	**45%**

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FY2024 Performance metrics
Our people *(continued)*

Talent *(continued)*	FY2024	FY2023	FY2022
Talent by age range[7]		Percentage of total	
By age range - overall			
Age <30	46%	47%	47%
Age 30-50	48%	47%	46%
Age >50	6%	6%	7%
By region and age range - Americas			
Age <30	45%	47%	47%
Age 30-50	48%	46%	46%
Age >50	7%	7%	7%
By region and age range - Europe/Middle East/Africa			
Age <30	45%	47%	48%
Age 30-50	48%	46%	45%
Age >50	7%	7%	7%
By region and age range - Asia Pacific			
Age <30	47%	47%	48%
Age 30-50	48%	49%	46%
Age >50	5%	4%	6%

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FY2024 Performance metrics
Our people *(continued)*

Talent *(continued)*	FY2024	FY2023	FY2022
New hires	Number of individuals and percentage of total		
By level			
Partners, principals, and managing directors new hires[1]	618	830	835
Partners, principals, and managing directors new hire rate[8]	3%	4%	5%
Professional staff new hires[4]	81,849	115,110	139,565
Professional staff new hire rate[8]	22%	31%	41%
Administrative staff new hires[5]	10,439	16,755	16,025
Administrative staff new hire rate[8]	16%	26%	28%
By region			
Americas new hires	36,825	53,769	74,486
Americas new hire rate[8]	17%	25%	38%
Europe/Middle East/Africa new hires	29,216	47,349	46,321
Europe/Middle East/Africa new hire rate[8]	21%	33%	36%
Asia Pacific new hires	26,865	31,577	35,618
Asia Pacific new hire rate[8]	26%	32%	41%
By gender[6]			
Men new hires	49,550	70,011	86,268
Percent of men new hires[8]	53%	53%	55%
Women new hires	43,090	62,649	70,061
Percent of women new hires[8]	46%	47%	45%
Total new hires			
Total new hires	**92,910**	**132,700**	**156,430**
Total new hire rate[8]	20%	29%	38%

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FY2024 Performance metrics
Our people *(continued)*

Talent *(continued)*	FY2024	FY2023	FY2022
Turnover	Number of individuals and percentage of total		
By region			
Americas turnover	34,544	32,259	34,508
Americas turnover rate	16%	15%	20%
Europe/Middle East/Africa turnover	27,408	29,207	29,942
Europe/Middle East/Africa turnover rate	19%	21%	25%
Asia Pacific turnover	20,883	20,589	21,953
Asia Pacific turnover rate	21%	22%	27%
By gender[6]			
Men turnover	45,006	45,375	48,242
Men turnover rate	18%	19%	24%
Women turnover	37,635	36,501	38,150
Women turnover rate	18%	18%	23%
Total turnover			
Total turnover	**82,835**	**82,055**	**86,400**
Total turnover rate	18%	19%	23%

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FY2024 Performance metrics
Our people *(continued)*

Talent *(continued)*	FY2024	FY2023	FY2022
Recruiting			
Total applications			
Total applications	**7,234,000**	**7,927,000**	**5,720,000**
Percentage of internships by gender[6]			
Men	49%	44%[9]	44%
Women	51%	47%[9]	55%
Total internships	**31,300**	**31,600[9]**	**32,000**
Learning[10]			
Hours of training per individual by level			
Partners, principals, and managing directors[1]	33	38	34
Professional staff[4]	53	55	49
Average hours of training per individual by gender[6]			
Men	46	48	40
Women	47	45	43
Average hours of training per individual	**46**	**47**	**42**
Other learning metrics			
Annual direct training investment (US$)	$647M	$670M	$463M
Average annual direct training investment per individual (US$)	$1,400	$1,500	$1,150
Indirect learning and development investment[11] (US$)	$8.4B	$8.0B	$7.1B
Number of Deloitte university facilities[12]	6	6	6

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FY2024 Performance metrics
Governance

GOVERNANCE	FY2024	FY2023	FY2022
Confirmed incidents of corruption[1]	0	0	0

	FY2023 - FY2024	FY2021 - FY2022
Percentage of overall workforce who have completed required anti-corruption training[2]	>95%[3]	>95%[3]
Required anti-corruption training completion by region		
Americas	>95%[3]	>95%[3]
Europe/Middle East/Africa	>95%[3]	>95%[3]
Asia Pacific	>95%[3]	>95%[3]

Note: Figures are aggregated across the Deloitte network except where otherwise noted.

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Stakeholder engagement and materiality

Reporting is fundamental to Deloitte's business. From the assurance services that Deloitte practitioners provide to clients to the research and insights our network publishes across industries and regions, the importance of reporting is deeply ingrained in our network.

Our purpose is to make an impact that matters. We recognize the need to be transparent about our impact—not just the ways in which we affect Deloitte clients through the services provided, but also the ways in which we impact the economy, the environment, our people, and human rights more broadly across our activities and business relationships.

The Global Impact Report is the primary way we communicate our impacts and actions. By reviewing and understanding topics material to Deloitte, our stakeholders are provided with the data and insights that are material to them. These topics also serve as critical guideposts in setting our strategy around environmental, social, and governance (ESG) matters. We prepare the reporting of our network's most significant impacts in accordance with the Global Reporting Initiative (GRI) Standards.

Identifying material topics

Deloitte's approach to identify material topics is embedded in the way we do business. Continuous engagement with our key internal and external stakeholders helps inform our understanding of who Deloitte impacts through our day-to-day operations, along with analysis of our industry and activities. Processes to engage with stakeholders exist at multiple levels within Deloitte. They enable us to discuss Deloitte's impacts on the economy, the environment, people, and human rights with those who have insights on such impacts. These ongoing interactions influence our reporting and shaping of material topics. Internal stakeholders include Deloitte leadership and Deloitte people. Examples of external stakeholders include suppliers, clients, regulators, industry associations, academia, and non-governmental organizations.

Periodically, Deloitte formally reviews and revises our list of material topics and impacts by obtaining stakeholder insights about actual and potential, positive and negative impacts on the economy, the environment, people, and human rights through direct interviews, desktop research, and the use of proprietary social listening tools. Deloitte further assesses the actual and potential impacts identified to better understand and rank these impacts according to their magnitude, severity, and likelihood. The preliminary list of material topics is refined, scored, and systematically evaluated to arrive at the "significant," "more significant," and "fundamental" topics for Deloitte to prioritize in our strategy and reporting.

The formal materiality assessment process was last undertaken during FY2022. In FY2024, we assessed the impacts through regular engagement, consultation, research, and analysis. Our ongoing identification and analysis has led us to conclude that the material topics and impacts listed remain unchanged for FY2024. However, the relative significance of the impacts has shifted in some cases. For example, sustainable and responsible supply chain has been reclassified as a more significant topic for Deloitte in FY2024.

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Management of material topics and impacts

During FY2024, reporting of ESG matters was overseen by the Purpose Executive Leadership Team (PELT), chaired by the Deloitte Global Chief People and Purpose Officer. PELT membership was drawn from Deloitte member firm Purpose leaders. Several junior Deloitte professionals, drawn from participants in the One Young World program, were also members of PELT.

The results of the FY2022 formal materiality assessment, including the prioritized list of material topics, were presented to, and approved by, the World Impact Council (WIC), the predecessor of PELT, and were embedded in Deloitte's management of ESG matters. The prioritized list of topics does not specifically list human rights as a material impact because human rights considerations are included in many other topics. For example, sustainable and responsible supply chain includes Deloitte's impacts on human rights in supply chain, while the diversity, equity, and inclusion topic addresses equality and non-discriminatory treatment as human rights. Please see our Human Rights Statement for the list of human rights Deloitte is committed to advancing.

When considering the actual and potential risks and opportunities of material topics identified throughout the assessment process, Deloitte recognizes its positive and negative impacts on the economy, the environment, people, and human rights. Deloitte leadership recognizes the importance of the three ESG pillars and has supported an increase in ESG-related services provided to clients, ESG programs such as World*Climate* and World*Class*, and tools and trainings for our people, with an emphasis on diversity, equity, and inclusion (DEI).

Deloitte's impact extends beyond our direct operations and includes impacts arising from the work we do with clients and from our supply chain that may not fully align with our Purpose and Shared Values. Deloitte's negative impacts from its activities include greenhouse gas emissions contributing to climate change and the creation of electronic waste. Deloitte acknowledges these negative impacts and is actively working to mitigate them through internal and external programs, as discussed throughout the 2024 Global Impact Report.

As part of Deloitte's World*Impact* programs, including World*Climate*, World*Class*, and our global DEI program, Deloitte has established aspirational goals that align with leading practices, frameworks, and benchmarks to help drive positive impacts and reduce negative impacts on stakeholders. Performance against these goals is reported annually in the Global Impact Report.

List of material topics by significance and area of impact

Definitions of material topics

Fundamental

- **Board and corporate governance:** Responsibility of the board of directors and management to strategize and respond to ESG matters. Includes board structure and diversity, board nomination process, frequency of board membership changes, and skills, experiences, and backgrounds of board members.
- **Economic performance:** Generation of revenue and the maintenance of profitability, business continuity, and market presence.
- **Ethics and integrity:** Commitment to the highest standards of ethics and business conduct, placing an emphasis on professional integrity and compliance, defined codes of conduct and policies, risk assessment, transparency, and compliance. This topic includes reporting mechanisms, anti-corruption measures, and anti-retaliation policies.

More significant

- **Climate change:** The impacts of greenhouse gas emissions generated through operations and supply chain activities. From a governance perspective, this topic includes management of climate risk, along with strategies employed to identify and act on physical and transition risks presented by climate change. This encompasses collaborating with clients, alliance relationships, and suppliers with the goal of reducing carbon and ecosystem footprints.
- **Data privacy and cybersecurity:** Maintaining the confidentiality, integrity, and availability of the data and information of Deloitte clients and individuals through safe and secure data collection practices, strong data protection policies and procedures, and measures designed to protect Deloitte's computers, technology, and systems against unauthorized access and maintain information integrity and availability.
- **Diversity, equity, and inclusion:** Creating a respectful and inclusive culture for people and communities by focusing on diversity in the workforce, increasing gender representation, furthering pay equity, advancing LGBT+ inclusion, and supporting mental health.
- **Health and well-being:** Supporting Deloitte people's well-being by providing programs, resources, and incentives that enable informed decisions and health; includes creating a culture that promotes satisfaction and a safe, secure work environment.
- **Impact of client services:** Services provided by Deloitte to clients have broader impacts on the economy, environment, and people. This topic focuses on the alignment of stakeholders' expectations and Deloitte's environmental and social strategies with services delivered to clients.
- **Nature and biodiversity:** The impacts on natural capital, such as deforestation and biodiversity loss and ecosystem destruction.
- **Societal impact:** Deloitte's impact on matters impacting society, including education and skills opportunities, response to humanitarian crises and natural disasters, health equity and pandemic response, and gender equality; societal impact also includes how Deloitte collaborates with local and international nonprofit organizations, provides volunteering and pro bono services, and makes donations of cash and in-kind goods.
- **Sustainable and responsible supply chain:** Supply chain impacts related to environmental and social aspects of suppliers' performance. Human rights impacts include but are not limited to child labor, workplace rights, modern slavery, rights of indigenous people, conflict minerals, and equal access to health and opportunity.
- **Talent experience:** Considers the many aspects of the talent experience including work-life balance, compensation, benefits and recognition, role satisfaction, career opportunity, working conditions, advancement, and learning and development; considers how purpose-driven individuals can expect to make an impact while working at Deloitte.

Significant

- **Public policy engagement:** Regulatory and public policy engagement, development of public policy positions, political contributions, and lobbying.
- **Sustainable operations:** The environmental impacts associated with operations including energy consumption, resource consumption (paper, plastics, recycled materials), water use, and waste management.

Basis of reporting

Deloitte.

This document provides additional details about the scope and calculation methods used in the 2024 Global Impact Report (the "Global Report"), available at www.deloitte.com/GlobalReport. It should be read in conjunction with the Global Report; all definitions used therein also apply to this document, unless otherwise stated.

Defining Global Report content

Deloitte adheres to widely accepted standards in developing the Global Report. These standards define a systematic approach to understanding the areas that the Global Report should cover and measuring and documenting performance with regard to those areas.

The Global Report uses the Global Reporting Initiative (GRI) Standards in defining report content. The FY2024 Global Report, covering the period 1 June 2023 through 31 May 2024, has been prepared in accordance with the GRI Standards. Specific GRI Standards, including the version used, are referenced within the GRI Index.

The Global Report includes information about Deloitte's most significant impacts on the economy, environment, and people, including impacts on human rights. In the GRI Standards these are referred to as material topics.

To identify material topics, Deloitte periodically conducts materiality assessments, and seeks input from Deloitte people who engage regularly with key stakeholders, both internal and external. Deloitte stakeholders are defined as those groups that:

- are highly impacted by Deloitte operations;
- influence Deloitte's success;
- impact capital markets;
- affect the supply of resources needed for Deloitte's operations; and
- regulate environments and industries in which Deloitte operates.

For details of the materiality assessment, please refer to the Stakeholder engagement and materiality section herein.

Scope and methods for performance measurements

Performance measures for societal impact and environmental impact are based on widely recognized standards, as described in detail herein.

Data relied upon in reporting on performance is obtained from financial reporting systems, time-tracking systems, accounts payable records, other internal records, and outside sources such as travel agencies, utilities, and property managers.

In FY2024, Deloitte Global implemented the GreenLight Solution by Deloitte as the primary system for managing environmental and societal impact performance data. GreenLight Solution replaces the previous systems and methods used to compile environmental and societal impact information in prior years.

Restatement Policy

A material misstatement is deemed to be a variance of greater than or equal to 5% of the global amount of the relevant impacted subject matter. As it relates to greenhouse gas (GHG) emissions, subject matter refers to the sum of scope 1 and 2 emissions and, separately, scope 3 GHG emissions. The restatement will be accompanied with an explanation as to why the data was updated. This applies to the baseline year and all subsequent reported years.

In instances where emissions become materially misstated due to a change in calculation methodology, a structural change, or improvements in data accuracy, Deloitte will update these figures in the subsequent annual reporting, where data allows. In some instances, more accurate data inputs may not reasonably be applied to, or available for, all prior years. When this occurs, Deloitte estimates the impacted data points retrospectively without restating the figures, or acknowledges the change in data source without recalculation or restatement.

Societal impact reporting

For reporting on societal impact, Deloitte considers the reporting standards from the Chief Executives for Corporate Purpose (CECP) and the Business for Societal Impact (B4SI) framework. The monetary value of community activities is estimated according to the type of service performed.

Societal impact reporting encompasses Deloitte's community actions globally, including investments toward Deloitte's World*Class* ambition to empower 100 million people with access to education and skills globally by 2030. The boundary for societal impact reporting includes only Deloitte-led or facilitated initiatives. Societal impact data is directly collected from across the Deloitte network using the GreenLight Solution; no extrapolations are made in determining reported amounts.

Donations

Donations include all monetary donations by Deloitte firms and Deloitte foundations to qualifying organizations. Monetary donations made by Deloitte people (to Deloitte-supported organizations and as part of Deloitte-sponsored fundraisers) are also included, such as donations made through workplace giving campaigns. In-kind donations, including use of facilities, provision of supplies, and equipment are also included as donations.

Volunteer and pro bono work

The value of volunteer and pro bono work by Deloitte people is captured and quantified using applicable rates in the local market, and is quantified based on the type of volunteer or pro bono work performed.

Traditional and skills-based volunteering

Traditional volunteering encompasses volunteering activities that use Deloitte peoples' time but do not require professional skills. Skills-based volunteering includes volunteering activities that use professional skills, but are not services for which Deloitte firms normally charge a fee and/or volunteering that uses professional skills but lacks the complexity, duration, or practitioner commitment of a pro bono project.

Pro bono

Pro bono time includes professional service engagements performed at no cost (pro bono) or significantly reduced cost (low bono) to qualifying organizations (e.g., nonprofits) that Deloitte would normally bill a client for performing.

Program management

Management of societal impact programs includes both staff costs and program expenses incurred in delivering societal impact programs, including volunteer and pro bono work. These costs are included because they are integral to successful execution of the programs.

World*Class* programs

Deloitte reports the total number of individuals reached through its World*Class* programs and initiatives. These programs focus on developing job skills, improving educational outcomes, and providing opportunities for individuals from underrepresented and marginalized groups around the world.

To be included in the Global Report metrics, World*Class* program reporting must:

- Have a measurable and evidence-based impact that can be reasonably attributable to Deloitte's support and investments;
- Impact the beneficiaries of the organization delivering the program and be external to Deloitte; and
- Not involve paid client work.

Environmental impact reporting

Environmental performance data in the Global Report is directly collected from across the Deloitte network using the GreenLight Solution. Extrapolations are used to account for known reporting gaps where emissions data is not available. Deloitte Global aggregates activity data for the emission sources across all relevant scopes and categories of emissions, and these activities are converted to metric tonnes of carbon dioxide equivalent (CO_2e).

GHG emissions figures are prepared according to the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard created by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), with emissions accounted for on the basis of operational control.

Deloitte uses the operational control boundary for the limited purpose of GHG emissions reporting because Deloitte believes it is the most appropriate standard to use under the GHG Protocol given the network's unique structure and stakeholder demands for aggregate, network-wide reporting. Each Deloitte entity is a legally separate and independent entity. The Deloitte network is a global network of independent firms and not a partnership or single firm. Use of the operational control boundary is strictly for GHG emissions reporting purposes to facilitate network-wide reporting. Deloitte Global is not a parent company, does not have any subsidiaries and does not have actual operational control over the other members of the Deloitte network.

Base year

Deloitte has established FY2019 as its baseline year for use in tracking progress toward GHG emission reduction goals as it was determined to be sufficiently representative of our business operations with reporting practices sufficiently evolved. Deloitte's near-term (2030) GHG reduction goals, validated by the Science Based Targets initiative (SBTi) as 1.5°C-aligned, science-based targets, also use a FY2019 base year.

Changes in methodology in FY2024

Commuting and teleworking

Deloitte reviewed its scope 3 emissions category screening in FY2023 and identified scope 3, category 7 – commuting (including optional emissions from teleworking) as a material source of emissions. Accordingly, in FY2024, Deloitte developed a methodology to calculate emissions from commuting and teleworking, and includes emissions from this source in GHG emission totals as of FY2024. Further details on the methodology are provided in the "Commuting and teleworking" section. Due to data limitations, data is included in the emissions inventory from FY2024 onward and has not been retroactively included in prior years' data.

Emissions from contingent labor[1] (i.e., non-employee staff)

In FY2023, more than 25% of Deloitte's purchased goods and services (PG&S) emissions were derived from the use of contingent labor, as calculated using the existing PG&S methodology which applied a spend-based emission factor to the contingent labor spend. Based on further analysis of this category, Deloitte determined the spend-based approach likely overestimated the attributable emissions and in FY2024 Deloitte transitioned toward obtaining direct data for the most significant sources of emissions for contingent labor. Based on FY2024 analysis, these sources were determined to be:

- Business travel;
- Commuting and teleworking;
- Use of office space (historically included in scope 1 and 2 emissions reporting); and
- Use of technology (historically included in scope 3, category 1 – PG&S emissions reporting).

Based on the revised methodology, the FY2024 activity-based emissions from contingent labor have been included in their respective emission categories: scope 3, category 6 – business travel and scope 3, category 7 – commuting and teleworking, respectively. No additional adjustments have been made with respect to the use of office space or technology as these emissions are captured in emissions totals for scope 1 and 2 and scope 3, category 1 – PG&S, respectively, consistent with historical reporting. This methodology change is possible due to improvements in data granularity, and therefore cannot be applied retrospectively. Further information on the year-over-year emissions decreases resulting from this change are included in the performance metrics table.

Identification of exclusions for PG&S methodology

As described in the "Purchased goods and services (PG&S) emissions sources" section, Deloitte Global's methodology uses supplier spend to calculate emissions from PG&S. Prior to performing the calculation, certain spend items that are deemed non-emission generating (e.g., taxes, intercompany transactions, etc.) are excluded from the source data. In FY2024, Deloitte improved the methodology to apply these exclusions, resulting in an increase in non-emission generating spend identified and excluded from calculations. Further information on the year-over-year emissions decreases resulting from this change are included in the performance metrics table.

See endnotes

Scope 1 and 2 emissions

Fleet-related emission sources

Fleet-related GHG emissions include emissions associated with Deloitte-owned or leased vehicles under Deloitte operational control. This includes those owned and leased vehicles provided to Deloitte people for business-related transportation and personal use (where applicable), on-site vehicles for organization use, security vehicles and other vehicles used for Deloitte operations and business activities.

Building-related emission sources

Building-related emission sources are those associated with the consumption of purchased electricity, district heating and cooling, heating oil, natural gas, and fuels in the office buildings and data centers that Deloitte either owns or has under its operational control. Deloitte does not participate in the sale or re-sale of any purchased energy sources.

Some of the activity data associated with building-related emission sources is available directly to Deloitte. For example, some facilities have direct utility meters or sub-meters from which Deloitte obtains consumption readings. For leased or owned facilities that have no available meter data, activity data for the entire building is typically allocated on the basis of the percentage of total building floor space (based on rentable square meters) in Deloitte's operational control. Where building-specific data is unavailable, Deloitte estimates energy consumption using actual data from a similar building, by using the most recent data available for such building or an average from a recognized source.

A simplifying assumption is used for calculating the volume of diesel fuel used for backup power generation. It is assumed that diesel fuel purchased during the fiscal year is used during that fiscal year. This method likely overestimates actual emissions in some years and underestimates them in others but, over time, captures the related emissions.

Scope 3 emissions

Purchased goods and services (PG&S) emission sources

Deloitte includes multiple categories of upstream scope 3 emissions in the total amount reported as PG&S emissions. Scope 3 PG&S emissions are calculated using data collected from select suppliers, combined with broad estimations of emissions per amount spent by purchasing category. As such, the uncertainty around these reported emissions is high.

Deloitte's methodology for quantifying value chain emissions does not currently allow for the segregation of certain emission sources into the distinct categories of scope 3. As such, multiple scope 3 emission categories are combined into a single reported number that is collectively referred to as PG&S. The categories comprising the reported PG&S number include:

- Category 1: Purchased goods and services – upstream (cradle-to-gate) emissions from the production of products purchased by Deloitte in the reporting year. Products include both goods (tangible products) and services (intangible products).
- Category 2: Capital goods – upstream (cradle-to-gate) emissions from the production of capital goods purchased or acquired by Deloitte in the reporting year. Deloitte purchases a limited amount of capital goods.
- Category 4: Upstream transportation and distribution – upstream emissions from transportation and distribution include the scope 1 and scope 2 emissions of third-party transportation companies.
- Category 8: Upstream leased assets – emissions associated with in-use embodied carbon, including maintenance, repair, and retrofit measures during the fiscal year. Note this excludes build-phase embodied carbon (emissions from construction) of leased buildings and operational emissions from leased assets (included in Deloitte's scope 1 and scope 2 emissions).

These emissions have been calculated using a tiered approach:

- Tier 1: Where primary emission intensity data is available directly from Deloitte suppliers (obtained through CDP Supply Chain program or directly from a supplier), this primary data is used to calculate Deloitte's PG&S emissions.
- Tier 2: Where no supplier data is available, average industry emissions factors (obtained through CDP Supply Chain program) are used to estimate Deloitte's emissions (representing secondary data according to the GHG Protocol, scope 3 Technical Guidance) using a spend-based approach.
- Tier 3: In limited portions of the Deloitte network where spend data is not currently available, emissions are estimated based on an average per FTE figure, as calculated using Tier 1 or Tier 2 approaches. These estimations represent approximately 23% of total PG&S emission reported in FY2024.

PG&S calculations are based on the environmentally extended input output (EEIO) model which estimates GHG emissions resulting from the production and upstream supply chain activities of different sectors and products/services in an economy. The EEIO emissions factors are used to estimate cradle-to-gate GHG emissions for categories of spend.

Currently, all PG&S calculations utilize a spend-based approach. Deloitte acknowledges that spend-based calculations have a higher degree of uncertainty than product-level calculations. A number of assumptions are applied to the spend data, including how spend is allocated into procurement categories, how suppliers' reported emission intensity figures are treated, the CDP sector emission factors applied to each spend category, and the extrapolation factors used. Deloitte continually reviews the approach to reduce the risks inherent in these assumptions and the impacts of year-on-year fluctuations.

Deloitte continuously seeks opportunities to incorporate additional product-level data (e.g., cradle-to-gate GHG emissions for the product of interest) in its PG&S calculations. As availability of such data increases and its quality matures, Deloitte anticipates moving toward product-level calculations for key categories of goods and services.

Category 6: Business travel

Deloitte emissions from business travel are calculated based on the type of travel activity undertaken.

Air travel

Reported GHG emissions from air travel are those resulting from Deloitte people flying for business reasons in accordance with Deloitte policies. GHG emissions from flights taken by non-Deloitte people are also reported in instances where flight activity data are captured in Deloitte travel systems and reimbursed or paid for by Deloitte (e.g., travel by family members in accordance with policies, travel by prospective Deloitte people, etc.).

Business air travel data is obtained from Deloitte travel systems and travel expense records. The UK Department for Energy, Security and Net Zero (DESNZ) emission factors used incorporate an uplift factor to account for non-direct routes, delays, and circling. Business air travel and total emissions are exclusive of radiative forcing; however, air travel emissions inclusive of radiative forcing are included in the footnotes to the performance metrics table. Business air travel and total emissions are calculated using tank-to-wake emissions; however, full life cycle air travel emissions (inclusive of well-to-tank emissions) are calculated and presented as a separate section in the performance metrics table.

Air travel is reported using a hierarchy of three available methods:

1. Reporting by haul (distance) and class: Used when data is available. Accounts for both distance traveled and the class of travel.
2. Reporting by class only (haul/distance unknown): Used when the class of travel is available, but distance of flight segment is not known.
3. Reporting by average class: Used when both haul/distance and class of travel are unknown. This applies the most conservative (highest) emission factor of the three methods.

To avoid double counting of activity data, these methods are mutually exclusive.

Ground transportation

Reported GHG emissions from Deloitte business travel by automobiles includes reimbursed driving (Deloitte people driving in personal cars for which they are reimbursed), rental cars (Deloitte people driving in rented/hired cars for which Deloitte pays), and buses and taxis (reimbursed personnel trips in buses, taxis, car service, car sharing and limousines).

For road travel, activity data is gathered from expense reports, rental agency reports, travel agency reports, Deloitte accounting systems, fuel receipts, odometer logs and receipts or other records indicating distance and location of trip segments. When fuel consumption is available, GHG emissions are calculated on the basis of mobile combustion factors for the given fuel type. When only distance information is available, GHG emissions are calculated on the basis of average emissions factors (emissions per distance traveled) for vehicles according to vehicle type (bus or car), fuel type (diesel, petrol, conventional hybrid or unknown) and location. When only cost is available, distance is estimated based on an average cost per distance traveled.

Rail

Rail travel accounts for GHG emissions from trips by Deloitte people on subways, railways, and trams, with different GHG emission factors used for each type of rail system.

Activity data sources include travel agency reports, travel expense reports, Deloitte accounting systems, receipts and other records indicating the distance and location of trip segments. In cases where actual distance is unavailable, estimates are made using travel expense data and average travel costs per unit of distance traveled.

Accommodations

The GHG emissions inventory in the report includes emissions from accommodations at hotels, guesthouses, and apartments for business reasons and in accordance with Deloitte policies. Data is collected from travel agency reports, travel expense reports, and other internal records. Where the country of accommodation is known, a country-specific emission factor is applied. In instances where the country of accommodation is not known, a weighted-average global emission factor is applied.

Category 7: Commuting and teleworking

Commuting represents the GHG emissions from Deloitte people and Deloitte contingent labor traveling to Deloitte offices or local client sites. It does not include any reimbursed business travel, as this is accounted for in scope 3, category 6 – business travel. Teleworking represents the energy used by Deloitte people and Deloitte contingent labor who are not in local offices or client sites and who are not traveling. This includes the energy required for technology devices such as monitors, laptops, and smartphones, and the incremental household energy used for lighting, heating, and cooling.

Primary activity data, where available, is used to inform commuting and teleworking calculations. This includes the use of office badging data and travel expense reports to determine the number of days Deloitte people and Deloitte contingent labor have commuted to an office or local client site, worked from home, or traveled to remote worksites. Surveys are also used to determine commuting and home-working trends applicable to Deloitte (e.g., the frequency of travel to offices vs. client sites, the methods of transit used, the number of devices used when teleworking, etc.). Where primary data is not available, estimates are made using local working patterns and publicly available datasets such as census data, device energy data, energy agency data, and other sources as deemed appropriate.

As FY2024 is the first year including emissions from commuting and teleworking, the uncertainty of these emissions amounts is considered high.

Value chain mitigation

Sustainable aviation fuel

The International Civil Aviation Organization (ICAO) defines SAF as renewable or waste-derived aviation fuels that meet sustainability criteria[2]. SAF is produced from sustainable feedstocks including waste materials, such as used cooking oil, agricultural residues, and municipal solid waste, or potentially from purpose grown crops. SAF use is recognized by the Science Based Targets initiative[3] as a valid climate change mitigation action. SAF environmental benefits refer to emissions avoided from the voluntary use of alternative aviation fuels (compliant with Carbon Offsetting and Reduction Scheme for International Aviation [CORSIA] and Roundtable on Sustainable Biomaterials [RSB] sustainability requirements) as an alternative to conventional jet fuel.

SAF environmental benefits are captured and transferred through the use of Sustainable Aviation Fuel certificates (SAFc). Similar to a renewable electricity certificate or guarantee of origin in the production of renewable electricity, a SAFc represents the environmental attributes of a metric ton of neat (i.e. unblended) SAF. SAFc can be either bundled with the physical fuel or unbundled from it. When unbundled from the physical fuel volume, SAFc can be sold and claimed separately. Each SAFc has at least two intimately connected claims—one that can be made by an air transport provider in relation to the provider's scope 1 emissions, and another that can be claimed by a user of aviation services (such as Deloitte) in relation to the user's scope 3 emissions.

Deloitte started investing in and reporting on SAF in FY2021 and includes SAF amounts in a separate section of the performance metrics table, as the GHG Protocol does not currently provide guidance for reporting on SAF within scopes 1, 2 or 3. Deloitte recognizes that the GHG Protocol guidance for similar instruments requires traceability that is not currently possible as SAF is managed through a "book and claim" system which enables decoupling of environmental attributes from the physical fuel and provides separate tracking mechanisms for both. Deloitte supports efforts to develop and standardize robust physical tracking mechanisms and associated registries to retire certificates to improve traceability of SAF. Including SAFc purchases in the Performance Metrics Table allows us to share with others an example of how SAFc can be included in corporate environmental reporting.

Deloitte's approach to reporting SAFc is informed by the Sustainability Framework for Sustainable Aviation Fuel (SAF) published by the Sustainable Aviation Buyer's Alliance in November 2022 and Sustainable Aviation Fuel Certificate (SAFc) Emissions Accounting and Reporting Guidelines published by the World Economic Forum in October 2022. Deloitte uses a distance-based methodology to calculate jet fuel emissions for both well-to-tank and tank-to-wake emissions. SAF emissions values are sourced from supplier reports indicating carbon intensity values relative to conventional jet fuel. Deloitte's purchase of airline tickets in jurisdictions where SAF blending mandates are present are not considered to have a material impact on reported emissions. In the future, Deloitte expects the methodology to mature to allow the reporting of emission reductions from SAF blending mandates in jurisdictions where Deloitte travels.

See endnotes

Omitted emission sources

Deloitte's most recent materiality assessment was conducted in FY2021 in accordance with GRI 3: Material Topics 2021. Due to the nature of Deloitte operations and based on the most recent materiality assessment, certain categories of emissions are not included in Deloitte's environmental reporting. These include:

Scope 1

- Fugitive emissions: Refrigerants – source was quantified and determined to be immaterial to total emissions.
- Biogenic emissions: source is not relevant to Deloitte given our line of business and the major sources of fuel used in Deloitte operations.

Scope 3

- Category 3: Fuel and energy related activities – upstream emissions associated with extraction, production or transportation of fuels and electricity was quantified and determined to be immaterial to total emissions.
- Category 5: Waste generated in operations – source was quantified and determined to be immaterial to total emissions.
- Category 9: Downstream transportation & distribution – Deloitte's business does not include transportation or distribution of physical products.
- Category 10: Processing of sold products – Deloitte's business does not include processing of physical products.
- Category 11: Use of sold products – Deloitte's business does not include sale of physical products.
- Category 12: End-of-life treatment of sold products – Deloitte's business does not include end-of-life treatment of physical products.
- Category 13: Downstream leased assets – Deloitte does not have significant downstream leased assets under operational control.
- Category 14: Franchises – Deloitte does not have franchises.
- Category 15: Investments – not relevant given the nature of Deloitte's business.

Uncertainty

Uncertainties associated with GHG inventories include scientific uncertainties, model uncertainty and parameter uncertainty. Scientific and model uncertainties are beyond the scope typically undertaken by individual companies and are not considered in Deloitte's analysis which has focused on parameter uncertainty. Deloitte uses professional judgment to assign activity and emission uncertainty.

Low:

- Owned and leased fleet
- Building fuel, electricity, and district heating and cooling
- Air travel
- Accommodations
- Mileage reimbursement

Medium:

- Taxis
- Subway, railways, and trams
- Buses
- Car rentals
- Car services

High:

- Purchased goods and services
- Commuting and teleworking

Non-GHG environmental metrics

Deloitte publicly discloses progress toward World*Climate* goals, including Deloitte's near-term (2030) science-based targets and the Climate Group's EV100 and RE100 campaigns. Unless otherwise stated, all GHG emissions figures are prepared as described in the 'Environmental Impact Reporting' section within this document.

Non-GHG environmental metrics published in the Global Impact Report are calculated according to each indicator's respective methodology:

Indicator	Methodology
Percentage of renewable electricity in buildings (supporting RE100 commitment)	As described in the 'Emission factors' section of this document, renewable energy includes contractual instruments for the sale and purchase of bundled or unbundled renewable energy, including procurement through energy attribute certificates (RECs, GOs, etc.) or direct contracts (for both low-carbon, renewable, or fossil fuel generation). Where possible, Deloitte entities procure and claim renewable electricity in accordance with the Climate Group's RE100 Technical Criteria and Global Reporting Initiative (GRI) topic standard GRI 302: Energy 2016. In certain markets where procuring renewable electricity is challenging or not possible, Deloitte entities may procure renewable electricity from a neighboring country. This enables Deloitte to demonstrate commitment to our renewable electricity target, and signal market demand. As this approach meets only one out of three market boundary conditions included in the RE100 Technical Criteria, there may be variances between renewable electricity amounts reported in the Global Impact Report and within RE100 reports. Deloitte anticipates increasing the alignment with RE100 Technical Criteria over time as market availability of renewable energy increases.
Percentage of hybrid and electric vehicles in the network's fleet (supporting EV100 commitment)	Categorization of fleet vehicles is prepared in accordance with definitions established by the Climate Group's EV100 global initiative definitions.
Percentage of suppliers with set near-term science-based targets	Supplier adoption of science-based targets is tracked using data publicly available from the Science Based Targets initiative. Suppliers are considered to have adopted a science-based target if their near-term target status is listed as 'targets set,' indicating their target has been independently validated by the SBTi. In limited instances, Deloitte extrapolates PG&S emissions on a per FTE basis, thereby limiting visibility into the emissions attributable to specific suppliers. In such instances, the portion of suppliers that have adopted science-based targets is assumed to be zero, as this provides the most conservative figure. Deloitte acknowledges that the inherent uncertainty of spend-based PG&S emissions calculations also impacts the percentage of suppliers (by emissions) that are calculated to have set near-term science-based targets in each reporting year.

Estimations

In calculating emissions, various estimations and extrapolations are made to account for known data gaps.

For many travel activities, activity information and cost data are available both from travel providers (reservation systems, travel agencies or travel vendors) and from Deloitte expense systems. Travel expenses recorded in Deloitte expense systems often exceed the corresponding expenses recorded by travel providers because of travel arrangements made outside of reservation systems or without travel agencies. In cases where such differences are identified, the travel activity data associated with the incremental cost is estimated based on the same proportion of cost-to-activity that is reflected by the travel system reservations.

Emission factors

The software system used for reporting emissions incorporates standard emission factors. The majority of emission factors in use are obtained from the following sources:

- The International Energy Agency (IEA);
- The UK Department for Energy Security and Net Zero, formerly the Department for Business, Energy & Industrial Strategy (BEIS);
- The US Environmental Protection Agency (US EPA);
- The US Green-e Residual Mix Emission Rate Tables;
- Association of Issuing Bodies (AIB) European Residual Mixes;
- The Australia National Greenhouse Accounts (NGA) factors; and
- The Canada National Inventory Report (NIR)

Greenhouse gases quantified for the various emission sources include CO2, CH4 and N2O, each expressed in tonnes of carbon dioxide equivalent (CO2e).

Location- and market-based electricity emission factors

Emissions related to electricity usage are calculated using both location-based and market-based methods, in accordance with the emission factor hierarchy established by the GHG Protocol scope 2 Guidance.

- The location-based method involves using an average national, regional or subnational emission factor that relates to the local grid from which electricity is drawn. These factors are sourced primarily from the IEA and the US EPA.
- The market-based method involves deriving emissions factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes related to the energy generation, or for unbundled attribute claims. This can include energy attribute certificates (RECs, GOs, etc.), direct contracts (for both low-carbon, renewable, or fossil fuel generation), supplier-specific emission rates, and other default emissions factors representing the untracked or unclaimed energy and emissions (residual mix). For consumption that is matched to renewable energy sources, an emissions factor of zero is applied to this portion of electricity. The remaining non-renewable electricity is assigned the residual mix factor where available, specific to the country. Where residual factor is not available, national and regional average emission factors are used.

Use of localized emission factors

In certain cases, Deloitte firms have identified emission factors that more accurately reflect localized source-specific emissions, such as specific emission factors for a local electric utility. Where material, these factors are incorporated into the software system and used as appropriate for the emissions source. Additional localized emission factors are sometimes used by Deloitte firms for local GHG inventories. A compilation of emission factors used to calculate the data in the Global Report is included herein:

Emission source	Emission factor (kg CO2e)	Activity unit	Emission factor reference	Region
Air Passenger (distance and seat class)	0.079 - 0.472	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
District Heating	0.180	kWh	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
District Cooling	0 - 1.354	kWh	Based on location-based grid electricity generated factors in the applicable market	International (various regions)
Grid Electricity Generated: Location-based	0.120 - 0.790	kWh	National Greenhouse Accounts Factors (NGA) 2023 | https://www.dcceew.gov.au/climate-change/publications/national-greenhouse-accounts-factors-2023	Australia (various regions)
Grid Electricity Generated: Location-based	0.001 - 0.660	kWh	Canada National Inventory Report (NIR) 1990-2022 | https://data-donnees.az.ec.gc.ca/data/substances/monitor/canada-s-official-greenhouse-gas-inventory/C-Tables-Electricity-Canada-Provinces-Territories/?lang=en | Published 2 May 2024	Canada (various regions)
Grid Electricity Generated: Location-based	0 - 1.354	kWh	Based on IEA 2023 (2021 data), modified to apply global warming potentials (GWP) from the 5th Assessment of the IPCC (AR5) | https://www.iea.org/data-and-statistics/data-product/emissions-factors-2023	International (various regions)
Grid Electricity Generated: Location-based	0.125 - 0.726	kWh	US Environmental Protection Agency eGRID (Sub Region & US Average) - 2022 (AR4 applied) | https://www.epa.gov/system/files/documents/2024-01/egrid2022_summary_tables.pdf | Published 30 January 2024	United States (various regions)
Grid Electricity Generated: Market-based	0.120 - 0.790	kWh	National Greenhouse Accounts Factors (NGA) 2023 | https://www.dcceew.gov.au/climate-change/publications/national-greenhouse-accounts-factors-2023	Australia (various regions)
Grid Electricity Generated: Market-based	0.001 - 0.660	kWh	Canada National Inventory Report (NIR) 1990-2022 | https://data-donnees.az.ec.gc.ca/data/substances/monitor/canada-s-official-greenhouse-gas-inventory/C-Tables-Electricity-Canada-Provinces-Territories/?lang=en | Published 2 May 2024	Canada (various regions)
Grid Electricity Generated: Market-based	0 - 0.954	kWh	Reliable Disclosure (RE-DISS) and AIB European Residual Mixes 2022 v1.1 (GWP Applied)	Europe (various regions)
Grid Electricity Generated: Location-based	0 - 1.354	kWh	Based on IEA 2023 (2021 data), modified to apply global warming potentials (GWP) from the 5th Assessment of the IPCC (AR5) | https://www.iea.org/data-and-statistics/data-product/emissions-factors-2023	International (various regions)
Grid Electricity Generated: Market-based	0.106 - 0.741	kWh	2023 Green-e® Residual Mix Emissions Rates (2021 Data) | https://www.green-e.org/2023-residual-mix | Published 12 December 2023	United States (various regions)
Rail Passenger Distance - Light Rail & Tram	0.029	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Rail Passenger Distance - Metro / Subway	0.028	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Rail Passenger Distance - National Rail	0.035	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Rail Passenger Distance - National Rail	0.006	Passenger km	ADEME | French Agency for Ecological transition	France
Rail Passenger Distance - National Rail	0	Passenger km	Deutsche Bahn	Germany

Emission source	Emission factor (kg CO2e)	Activity unit	Emission factor reference	Region
Road Passenger Distance - Bus	0.102	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Black Cab	0.306	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	United Kingdom
Road Passenger Distance - Taxi	0.208	Passenger km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Car (Battery Electric Vehicle)	0.055	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Car (Plug-in Hybrid Electric Vehicle)	0.094	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Car (Diesel)	0.170	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Car (Gasoline)	0.164	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Car (Gasoline / Petrol Hybrid)	0.119	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Van (Diesel)	0.231	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Van (Gasoline / Petrol)	0.201	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Distance - Motorbike (Gasoline / Petrol)	0.114	Vehicle km	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Fuel - Diesel	2.512	Liter	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Road Vehicle Fuel - Gasoline / Petrol	2.097	Liter	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Stationary Fuel - Fuel Oil	0.268	kWh	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Stationary Fuel - Liquefied Natural Gas (LNG)	0.184	kWh	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Stationary Fuel - Liquefied Petroleum Gas (LPG)	0.214	kWh	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Stationary Fuel - Natural Gas (Energy - GCV/HHV)	0.183	kWh	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Hotel stay	34.6	Night	Custom weighted average median factor by country derived from Cornell Hotel Sustainability Benchmarking Index 2023, Measure 1 (HCMI Rooms Footprint Per Occupied Room) | https://ecommons.cornell.edu/items/f50b30f1-40ea-4c87-95d0-83c8009f6497 | Published 6 June 2023	International (various regions)
Hotel stay	4.7 - 152.2	Night	UK Department for Energy, Security and Net Zero | Greenhouse gas reporting: conversion factors 2023 (AR5 Applied)	International (various regions)
Hotel stay	11.6	Night	New Zealand Ministry of the Environment | Measuring emissions: A guide for organisations 2024 | https://environment.govt.nz/publications/measuring-emissions-a-guide-for-organisations-2024-detailed-guide/ | Published 31 May 2024	New Zealand

Task Force on Climate-Related Financial Disclosures report

Introduction

This disclosure presents key impacts of climate change across Deloitte Touche Tohmatsu Limited ("DTTL" or "Deloitte Global"), its global network of member firms, and its and their respective related entities (collectively, the "Deloitte network") aligned to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Deloitte recognizes climate change as a systemic challenge that threatens lives, livelihoods, and habitats, and requires global, collective action to avert disaster. We are committed to doing our part, both through the work Deloitte firms do with clients and through our World*Climate* strategy which centers on reducing our greenhouse gas emissions consistent with a 1.5°C pathway, empowering our people, and engaging the broader ecosystem to create solutions that help facilitate the transition to a low-carbon economy. Doing our part also includes reporting transparently and following recognized frameworks.

Deloitte Global has a long history of reporting on sustainability performance through the annual release of our Global Impact Report in accordance with the Global Reporting Initiative (GRI) standards, reporting annually to CDP, and reporting against the World Economic Forum's (WEF) Stakeholder Capitalism Metrics. This TCFD disclosure assesses the climate-related risks and opportunities relevant to our business and provides insights to Deloitte leadership and other stakeholders. Deloitte refreshed the scenario analysis and provided a deeper level of reporting and transparency on the potential impacts climate change may have on the Deloitte network in 2023. Deloitte anticipates refreshing the scenario analysis and the assessment of the climate-related impacts periodically, upon significant changes in the operating environment, climate science development, or other significant events taking place.

This disclosure describes how Deloitte assessed climate-related risks and opportunities and embedded climate considerations into governance, strategy, and risk management practices during FY2024. It also references metrics used to manage those risks and associated targets. This disclosure covers all four pillars and 11 disclosures as outlined in Figure 6 in the October 2021 publication by the TCFD entitled Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (2021 Annex). It does so from the perspective of Deloitte Global and its global network of Deloitte firms following the all-sector guidance from the 2021 Annex. Risk, opportunities, and metrics as laid out in Tables A1.1, A1.2, and A2.1 of the 2021 Annex, respectively, were given consideration in formulating the report. See the final page of this publication for a more detailed description of the Deloitte network. This disclosure is being issued voluntarily and is not intended to meet a statutory requirement in any jurisdiction.

Climate governance

Deloitte Global's governance mechanisms as it relates to ESG matters in general and climate change, specifically, are described here.

Strategy

Deloitte Global's climate change strategic plan is founded on two complementary elements: World*Climate* which is Deloitte's strategy to address climate change within our operations and across our value chain, and the services provided to Deloitte clients — the Deloitte marketplace strategy.

World*Climate* — Deloitte's internal-facing strategy

Deloitte recognizes that how we manage our own operations and processes is an important foundational element in what we do to address climate change. The World*Climate* strategy was developed to do just that and is built on the following four pillars.

Net-zero with 2030 goals

Deloitte commits to reach net-zero greenhouse gas (GHG) emissions across the value chain by FY2040. Deloitte's near-term (FY2030) and long-term (FY2040) GHG emissions reduction goals have been validated by the SBTi as 1.5°C-aligned, science-based targets. Deloitte has also committed to set long-term emissions reduction targets using the SBTi's Net- Zero Standard. Deloitte's target for engaging with our suppliers meets the SBTi's criteria for ambitious value-chain goals, which we believe is in line with the current best practice.

Near-term (FY2030) goals include:

- Reducing scope 1 and 2 emissions 70% from FY2019 levels by FY2030 through:
  - Sourcing 100% renewable energy for our buildings by FY2030
  - Converting 100% of our fleet to electric and hybrid electric vehicles by FY2030
- Reducing business travel emissions by 55% per FTE from FY2019 levels by FY2030
- Engaging with Deloitte's suppliers and having two-thirds of them (by emissions) adopt science-based targets by 2025
- Investing in meaningful market solutions for emissions we cannot eliminate

Long-term (FY2040) goals include:

- Reducing scope 1 and 2 emissions 90% from FY2019 levels by FY2040
- Reducing scope 3 emissions 90% from FY2019 levels by FY2040

Action items in place to advance toward those goals including increasing exploration of virtual power purchase agreements for renewable energy, incentives and policies supporting electric vehicle adoption, evolving travel policies and increasing communication to suppliers on expectations for science-based targets. While Deloitte is actively working to achieve these goals, we also recognize that Deloitte does not have direct control over the scope 3 goals, particularly the goal around suppliers, and their achievement has significant dependencies on actions of third parties.

Embed sustainability

Deloitte recognizes we must align climate policies, practices, and actions across the network. Our actions include:

- Having a senior leader in each Deloitte firm be responsible for delivering the World*Climate* strategy
- Prioritizing discussion of climate change on executive agendas
- Embedding climate-smart considerations (including low-carbon considerations) into decisions made in office operations, real estate, technology, and other enabling areas

Empower individuals

By engaging and educating Deloitte people on climate change and the impact of their decisions — decisions about what they consume, use, and buy — we can help enable them to make positive climate choices at home and at work and to amplify these choices through their personal networks. Starting in 2021, all Deloitte people were provided with a climate change learning module to help them better understand climate change, Deloitte's climate and sustainability goals, and how they can make responsible climate choices. This learning is one of many ways Deloitte people can engage on this topic.

Other opportunities include livestream events, commitments to action on social media, a dedicated climate website with activation videos, and a learning channel that connects them to resources on specific topics. Many Deloitte firms also support green teams who typically play a role in advancing actions to address environmental sustainability and climate change in their local offices or communities.

Ecosystem plays

We are collaborating with Deloitte clients, alliances, non-governmental organizations, industry groups, suppliers, and others to help address climate change and work on initiatives where, collectively, we can accomplish significant change.

Deloitte's marketplace strategy

Deloitte's Purpose is to make an impact that matters. One way Deloitte firms do this is through serving clients with distinction. We recognize sustainability challenges will require large-scale transformation for many clients and Deloitte is committed to helping them along their journeys.

In 2022, Deloitte announced a significant expansion and investment in their Deloitte Sustainability & Climate Practices designed to help clients define their climate roadmaps, embed sustainability into their operations, meet regulatory requirements, and accelerate transformation. Deloitte empowers our clients to navigate sustainability complexity to help deliver increased value for investors, customers, businesses, regulators, governments, and communities.

Deloitte can help deliver tangible outcomes across seven key sustainability challenges facing organizations today:

- Transitioning to net-zero;
- Accelerating governance, accountability and transparent reporting;
- Enabling responsible supply chains and operations;
- Managing climate adaptation and resilience;
- Financing the climate transition
- Advancing nature and biodiversity; and
- Achieving climate equity and a just transition.

Deloitte has assembled one of the largest global networks of sustainability experience, with over 6,100+ dedicated Sustainability & Climate practitioners in nearly 100 countries. To help enable Deloitte firms to make a greater impact in helping clients to transition and adapt, Deloitte is investing US$1 billion in client-related services, data-driven research, and other assets and capabilities.

Key investments continuing to be made include:

- Launching the Deloitte Center for Sustainable Progress, Deloitte's global collaboration with leading academic, policy, business, and governmental organizations to focus on holistic, results-oriented thought leadership, data-driven analysis, and accountability reporting;
- Integrating ESG/Sustainability services and solutions with Deloitte's other key solution areas, including artificial intelligence, machine learning, operations outsourcing, cloud services, and broader digital transformation, allowing for new solutions to tackle some of clients' largest challenges;
- Offering a robust curriculum of sustainability training courses to Deloitte people, clients, and suppliers, both virtually and at multiple Deloitte University locations; and
- Developing a comprehensive and evolving range of cutting-edge digital tools that leverage data, artificial intelligence (AI), and emerging technologies to accelerate climate innovation and the path to net-zero, including:
  - GreenSpace Tech: A digitally-enabled service that helps clients identify, advance, and apply the right emerging technologies and choices for their path to net-zero.
  - GreenLight Solution by Deloitte: An end-to-end decarbonization solution aiding organizations in setting carbon reduction targets and calculating their carbon footprint.

And while the aforementioned services are specific to sustainability and climate change, most engagements have potential climate change considerations given inherent physical and transition risks.

In addition to client service, Deloitte's marketplace strategy also includes offering perspectives to relevant external bodies on matters pertaining to climate change and climate change reporting. Deloitte people participate in committees and working groups of major organizations addressing climate change in the marketplace including the First Mover's Coalition, the World Business Council for Sustainable Development, and the Global Reporting Initiative.

With adoption of mitigation measures, actions, and continued incorporation of climate change considerations in strategy, Deloitte Global believes Deloitte will continue to be resilient in a 2°C or lower scenario.

Assessing the impacts of and resilience to climate-related scenarios

Central to TCFD recommendations is describing a company's strategy in relation to climate-related risks and opportunities across future time horizons and climate scenarios. In what follows, we describe the climate scenarios leveraged, the risks and opportunities identified and assessed, and Deloitte's response and resiliency.

What is climate-related scenario analysis

Scenarios are hypothetical constructs of what the future may be like, created through a structured process to stretch thinking, challenge conventional wisdom, and drive better decisions today. In the context of the TCFD recommendations, climate scenarios can describe projections and pathways for future socioeconomic development, emissions concentrations, energy mix, climate mitigation, and adaptation pathways. They are not predictions about what will happen and are not intended to be forecasts of the most likely future outcomes. Instead, they aim to explore how varying conditions could impact the organizations from a socio-economic development standpoint and from the physical impacts of climate change. They are also intended to help assess the resilience of business models and strategy over the short-, medium-, and long-term.

Climate scenarios

Deloitte Global selected three climate scenarios — Current Policies, Orderly Net-Zero, and Divergent Net-Zero — to assess the impacts of climate-related risks and opportunities to Deloitte across short-, medium-, and long-term time horizons. These scenarios, described further in what follows, leverage underlying reference scenarios developed by external institutions, such as the Network for Greening the Financial System (NGFS) climate scenarios, and Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs) set out by the Intergovernmental Panel on Climate Change (IPCC). Two of the three scenarios assume global warming is limited to 1.5°C. We are including these scenarios not under the lens of probability given that the most recent report by the IPCC finds it likely that warming will exceed 1.5°C in the 21st century[1], but as a way to better assess transition risks to Deloitte.

Current Policies scenario

The Current Policies scenario assumes current government policies regarding climate and energy are maintained, with no additional new climate-related regulation. The world relies on fossil fuels as the engine of economic growth, resulting in significant global warming that fuels changes in the frequency and/or severity of extreme weather events, which result in extensive business disruption. Governments quietly drop their climate commitments and instead intervene to build resilience to the worst impacts of climate change. Emissions grow until 2080 leading to about 3°C of warming by the end of the 21st century with severe physical risks. Consumption-led growth during a new Roaring ‘20s leads to a boom for the manufacturing and construction sectors.

Orderly Net-Zero scenario

This scenario assumes a high level of decarbonization is achieved through robust climate policies and innovation in a steady, orderly fashion. This scenario also assumes an immediate introduction of ambitious climate policies. Carbon removal technologies are used to accelerate global decarbonization efforts but are kept to a minimum. Global emissions reach net-zero by 2050, which limits warming to 1.5°C by the end of the 21st century. Physical risks are relatively low, but transition risks are moderate to high. This scenario allows slightly greater use of fossil fuels than the Divergent Net-Zero scenario due to the increased deployment of carbon removal technology, thereby mitigating some of the transition risk attributed to the sharp move away from fossil fuels.

Divergent Net-Zero scenario

In the Divergent Net-Zero scenario, global emissions also reach net-zero by 2050, which similarly limits warming to 1.5°C by the end of the 21st century. However, this scenario is associated with higher transition costs due to varying policies introduced across sectors and governments, as well as a quicker phasing out of fossil fuels. Compared to the Orderly Net-Zero scenario, the Divergent Net-Zero scenario assumes climate policies are more stringent in the transportation and building sectors. This scenario also assumes the failure to coordinate policy across sectors, which results in a higher burden on consumers. In addition, the availability of carbon dioxide removal technologies is assumed to be lower than in the Orderly Net-Zero scenario. Carbon prices increase abruptly after 2030. Of the considered scenarios, the Divergent Net-Zero scenario is the most financially disruptive, with high transition risks and volatility.

See endnotes

Table 1 summarizes and compares the three scenarios across key elements.

Table 1: Scenario elements

	Current policies	Orderly Net-Zero	Divergent Net-Zero
Political	• Global climate diplomacy fails • Nations give up climate targets to focus on economic growth	• Global climate diplomacy is a success • Nations cooperate to create ambitious climate policy	• Global climate diplomacy fails • Nations issue their own climate policies at varying levels of ambition and lack coordination
Economic	• Consumption-led economic growth is achieved through the 2020s • By the 2040s, physical climate impacts start dragging on economic growth	• A global carbon price is established early, gradually reaching US$200 per metric ton of carbon dioxide equivalents by 2030 • The financial system includes climate risk as a core consideration	• A global carbon price is put in place late, reaching US$300 per metric ton of carbon dioxide equivalents by 2030 • Carbon prices for the transportation and building sectors are three times the carbon price in services and industry sectors
Social	• Quality of life improves during the 2020s • Later, climate-related migration and inequality harm social cohesion	• Environmental awareness grows • Society looks for a just transition and expanded corporate responsibility	• Environmental awareness grows • Societal expectations for a just transition and expanded corporate responsibility vary geographically due to varied policy responses and ambition
Technology	• Trust is placed in technology to help society adapt to climate change • As physical impacts worsen, governments invest in adaptation measures	• Low-carbon technology focuses on ultra-efficiency in processes • High research and development spend leads to technological breakthroughs in the 2030s	• Low-carbon technology focuses on ultra- efficiency in processes but lower use of carbon dioxide removal technology than the Orderly Net-Zero scenario • High research and development spend lead to technological breakthroughs in the 2030s
Environment	• Strong increases in the frequency and/or severity of extreme weather events, causing major disruptions or damages • Health impacts and humanitarian crises occur in all countries	• The worst physical impacts are avoided, but the climate continues to warm, resulting in disruptions and damage • Nature-based solutions are pursued or adopted	• The worst physical impacts are avoided, but the climate continues to warm, resulting in disruptions and damage • Nature-based solutions are pursued, but to varying degrees across jurisdictions
Legal	• Climate-related laws and litigation have little impact in the 2020s • Cases against corporations shift the regulatory environment in the 2030s	• Swathes of stiff climate-related environmental regulation are introduced in the 2020s	• Climate-related laws and litigation have little impact in the early 2020s. More extensive litigation occurs in the 2030s but it varies across jurisdictions • Swathes of stiff climate-related environmental regulation are introduced in the late 2020s and early 2030s

Climate-related risks and opportunities

Table 2 summarizes what Deloitte Global currently has assessed to be the most significant climate-related transition and physical risks and the opportunities relevant to Deloitte's businesses under the three scenarios. The impacts are not listed in order of significance and are not intended to be exhaustive. We assessed the impact over three time horizons: short-term (two to five years), medium-term (five to ten years), and long-term (ten to thirty years). We have used appropriate assumptions to estimate the potential financial impact under different scenarios and, where possible, based these on available data. In some cases, we used pre-COVID-19 pandemic base assumptions, which may prove to be erroneous post-pandemic. While the financial implications are not precise predictions, they are intended to provide insights on the order-of-magnitude of impacts.

Table 2 summarizes and compares the three scenarios across key elements.

Table 2: Climate risks and opportunities

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Physical	**Acute** Increased severity of extreme weather events such as cyclones and floods	**Increases in real estate and operational costs due to severe weather events** Increases in the severity and/or frequency of extreme weather events may damage Deloitte offices and data centers and cause disruption to the network's workforce, suppliers, communities, and clients. This, in turn, increases direct and indirect costs, including increased costs for improving office resilience, damaged assets/real estate, and higher insurance premiums.	**Changes in real estate costs including insurance availability or premiums** The direct financial impact of severe weather events on Deloitte offices and data centers is limited because Deloitte leases most offices and insurance is in place to reduce the financial losses from physical impacts. However, insurance costs will not remain static in this environment and there may be indirect costs related to property fortification and/or building code modifications as well. Insurance availability and pricing is in fact already changing due to the increasing frequency and/or severity of extreme weather events, particularly in high-risk geographies or even in low-risk areas following a significant physical risk event. Premiums may significantly increase due to private insurance companies' need to fund increasingly frequent and severe loss events. In some cases, availability of insurance may be limited as insurers pull out of high-risk markets with public entities stepping in to become "the insurer of last resort." **Increase in operational costs** Wages or recruiting costs may increase as a result of fewer individuals being willing to live or move to certain areas where Deloitte wants to maintain a market presence. Deloitte people may choose to avoid living in locations they perceive are likely to be impacted by severe weather, experience severe water shortages or flooding, or where homeowner's insurance is unavailable or unaffordable. Given the complexity of the insurance market and the number of countries in which Deloitte has a presence, we have not modeled financial estimates for this risk.	The Current Policies scenario will see higher frequency and severity of physical risk events such as severe storms, hurricanes, or tropical cyclones compared to the Net-Zero scenarios. Impacts may go beyond local areas and impact entire regions, as was the case in Pakistan in 2022 when one third of the country experienced flooding and millions were displaced. Insurance premiums and deductibles may escalate more rapidly compared to the Net-Zero scenarios. Differences between the two Net-Zero scenarios is minimal by 2050 as both will still see increases in physical risk events. Greater awareness of climate change risk leads to higher spend on adaptation.	When natural disasters or other devastating physical events occur, business continuity is essential to avoid potential financial and productivity losses. Business continuity planning, a key component of the Deloitte Global Security Policy and Standards, is critical to help address disruptions caused by hurricanes, typhoons, floods, fires, and other physical hazards. The Deloitte Global Security Office (GSO) works with Deloitte firms worldwide to formulate and implement effective business-continuity programs to keep Deloitte people safe, particularly during emergencies. All Deloitte firms are working toward achieving certification with the international business continuity standard, ISO 22301. The GSO's regional security managers help enhance Deloitte's security and crisis-response capabilities through on-site assessments, meetings with Deloitte firm managing partners, and through coordination with a Global Security Council comprised of security officers from Deloitte firms. Examples of business-continuity program components include a global emergency communications system used to help account for the safety and well-being of Deloitte people and provide critical guidance when emergencies strike, a global travel tracker which quickly accounts for the safety of Deloitte people traveling, and 24-hour emergency medical and security resources that can be deployed in the event of severe weather, fires, or other acute physical impacts. As part of Deloitte's World*Climate* strategy, we have committed to embedding climate-smart considerations into office operations and real estate decisions. In the longer term, as severe weather events and impacts become better understood, real estate strategies will need to increasingly consider physical climate-related risks. Additionally, work is also underway to understand the physical risks to data centers, particularly due to regional, climate-related, system-wide infrastructure impacts. The move toward more hybrid work models is also reducing real estate needs over pre-pandemic levels on a per person basis. This also helps mitigate the risk associated with increasing real estate and operational costs.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Physical	**Acute** Increased severity of extreme weather events such as cyclones and floods **Chronic** Rising mean temperatures, changes in precipitation patterns and extreme variability in weather patterns	**Reduced revenue due to productivity loss and higher costs from negative impacts on workforce** Exposure to higher temperatures and extreme weather events, such as droughts, floods, fires, and heat waves, may increase health risks to Deloitte people, including heat-induced illnesses, respiratory issues, physical injuries, and infectious diseases. These physical and health impacts could impact well-being by leading to trauma or increased stress, thereby hindering productivity. As a global network, Deloitte uses data centers and hosts delivery centers in multiple regions. This means that extreme weather in one region could impact the delivery of services in another. Region-wide impacts such as extensive flooding or loss of power coupled with disruptions to fuel delivery could also impact more than one data facility. Acute weather events may also cause flight delays and cancellations. These could reduce productivity and could increase expenses for Deloitte.	**Loss in revenue due to productivity decline** Both severe weather events and climate-related health impacts may reduce employee productivity, thereby affecting revenue. **Service delivery interruption due to local disruptions** Practitioners could be prevented from working in Deloitte facilities or from their own homes in the aftermath of a severe weather event, leading to a potential loss of revenue due to failed or delayed client service delivery. Under a simplified analysis, severe flooding from a hurricane in a major city is projected to result in as much as US$2.5 million per week in reduced revenue for Deloitte due to productivity loss. This range assumes that 200 to 500 Deloitte practitioners are unable to work for one week. Disruptions impacting more people or lasting longer would likely increase revenue losses. Globally, workplace disruption as a result of increases in severe flooding is projected to result in more than US$70 million of additional costs in 2030 if as little as 5% of Deloitte's workforce across three major regions experienced a week's worth of work disruption. Heat stress and other climatic conditions could impact Deloitte but may vary depending on scenario and region. In hotter and more humid climates, more heat stress may be experienced which could lead to lower labor productivity and could negatively impact Deloitte firm revenues and profits. Annual costs to Deloitte due to heat stress alone is estimated to be in the order of US$600 million under all three scenarios by 2030. Financial impacts may be greater in regions with higher chronic physical risk exposure. Deloitte firms in lower-risk regions, however, may experience indirect financial impacts due to reliance on data or delivery centers in higher-risk regions. Using a simplified assumption, costs may rise by an additional 10% from cross-geographic impacts. For example, labor productivity loss due to heatwaves in India may impact the delivery of service to Deloitte clients in the US. **Loss of productivity due to travel disruptions** If all Deloitte practitioners lose one day of billable time due to travel disruptions, the annual loss in revenue to Deloitte is estimated to be US$350 million to US$450 million.	Across all three scenarios, productivity loss and additional costs are projected to be similar before 2030. By 2050, however, impacts are projected to diverge across scenarios, with the Current Policies scenario likely to experience greater changes in the frequency and/or severity of physical risks, such as severe storms, hurricanes, tropical cyclones and heat waves, and chronic risks, such as average temperature increases. Additional costs to Deloitte under the Current Policies scenario are projected to rise above US$1 billion in the year 2050 due to lost productivity from heat stress.	The shift toward more remote work has created a more geographically distributed workforce, thereby reducing the risks associated with localized acute weather events. Longer-lived physical risks, such as heat waves, may be the most severe physical risk to Deloitte operations given the impact heat waves can have both on interrupting power supplies and decreasing productivity. Increasingly, a portfolio approach may be needed to evaluate key delivery and data center location risks to increase redundancy across (in addition to within) regions. Strategies should consider diversifying capabilities across locations. Deloitte's World*Climate* strategy includes the goal of reducing business travel emissions by 55% per FTE from FY2019 levels by FY2030. Working toward this goal may also help mitigate productivity losses and weather-related travel expenses and may reduce turnover of Deloitte people if travel is increasingly seen as an irritant. Longer-term chronic risk impacts will require continued engagement from governments, municipal and local authorities, and other stakeholders in order to put climate adaptation and resiliency measures in place. Deloitte is an active member in a number of external organizations that seek engagement with stakeholders on climate policies. Additionally, Deloitte regularly publishes thoughtware and position papers on these topics.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Physical	**Chronic** Rising mean temperatures, changes in precipitation patterns and extreme variability in weather patterns	**Reduced revenue from disruption to clients (either through loss of business or productivity)** In addition to the direct impacts of physical risk, Deloitte also faces indirect risks when Deloitte clients' operations and value chains are impacted. Climate-related physical risks experienced by Deloitte clients — such as water stress, sea level rise, fires, extreme temperatures, and weather events — may result in supply chain disruptions, physical facility closures, financial losses, and in some cases, cessation of business for clients.	**Reduced revenue from disruption to clients and productivity loss** Physical risks that impact Deloitte clients may prevent Deloitte firms from delivering services, resulting in productivity declines and revenue loss. **Revenue reduction due to decreased client demand** Similarly, physical risks that inhibit the ability of Deloitte clients to operate (e.g., supply chain disruptions, physical facility closures and resulting financial losses), may result in clients terminating, postponing, or reducing Deloitte client engagements. The annual loss of revenue of these disruptions to Deloitte is estimated to be US$100 million to US$200 million under the Net-Zero scenarios, and in the early years of the Current Policies scenario. Scenarios with high physical risks may lead to heightened political instability and, in extreme cases, societal breakdown. Under these conditions, attention may be focused on more pressing needs such as food and energy security, and demand for traditional Deloitte services may diminish. **Increased operational and real estate costs due to relocation** Clients may also move locations due to physical risks, which may increase operational costs as a result of Deloitte closing or reducing the number of Deloitte people in certain offices, while expanding in others.	Differences in physical risk events between scenarios are minimal by 2030. Greater awareness of climate change risk may lead to higher spend on adaptation. Under the Current Policies scenario, the frequency and/or severity of acute physical risks, such as severe convective storms, hurricanes, tropical storms, and cyclones, are projected to increase by 2050. This may result in greater disruptions in service delivery. The decrease in Deloitte revenue of this is estimated to be US$200 million to US$300 million greater for the Current Policies scenario than for the Net-Zero scenarios by 2050. Under the Current Policies scenario, the humanitarian costs will be significant, including displacement, conflict, famines, and death. It is not possible nor appropriate to translate suffering or loss of life into financial terms, but the immensity and tragedy of circumstances resulting on humanity, particularly under the Current Policies scenario, should be acknowledged.	When the physical impacts of climate change risk materialize, Deloitte's ability to continue to provide services with as little disruption as possible will be essential to avoid financial losses. Deloitte's client-service offerings, which include assisting clients in understanding their physical climate-related risks and establishing mitigation strategies, is one way in which we address impacts of potential physical risk. Future mitigation measures for Deloitte could include evaluating our revenue risk resulting from the climate vulnerabilities of key clients. This risk is somewhat mitigated for Deloitte given the diversification of clients across geographies and sectors.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Market** Changing customer behavior and uncertainty in market signals	**Revenue reduction due to decreased demand from clients in highly-exposed sectors or those with inadequate transition plans** Deloitte clients include organizations that are subject to policy, market, and technology changes brought by the transition to a low-carbon economy. Some Deloitte clients may not have the ability to transition or adapt and, as such, could incur financial losses leading them to terminate or curtail Deloitte services. A key risk underpinning the energy transition is the interdependence of different industries that rely on fossil fuels, including construction, steel, agriculture, and consumer industries. The impact of decarbonization in these industries on Deloitte is not yet well understood. There is potential for highly exposed sectors to negatively impact Deloitte's revenues. For example, continuing to work with certain clients in high-emitting industries could impact reputation and lead to challenges in attracting and retaining talent (see reputation risk for additional discussion).	Outlining transition risks for each industry sector and modelling impact on appetite for Deloitte services, and therefore revenue, is a highly complex exercise. For this disclosure, Deloitte Global has selected three industries to explore potential impacts - Energy, Resources, and Industrials (ER&I), Government and Public Services (GPS), and Consumer. In FY2024, these industries covered over 50% of aggregate **Government and public services** While all governments are exposed to some amount of risk, the degree will depend greatly on the government's ability to implement mitigation measures and their physical geography. Countries with weaker economies or regions with lower climate change risk will be less inclined or able to spend on mitigation or transition services. There may also be a growing risk to all Deloitte firms that elect to do business with governments of countries failing to adopt climate action policies, due to association and reputation risk. In FY2024, the GPS sector accounted for US$12.4 billion, or 18.5% of aggregate Deloitte firm revenue. **Consumer** While the consumer industry might not have the same levels of direct exposure as higher-carbon industries, it serves as a useful indicator of the indirect impacts climate change has on the broader economy. In FY2024, this industry accounted for US$13 billion, or 19.4% of aggregate Deloitte firm revenue. Rising consumer pressure to take climate action will transform certain markets. Consider the automotive and agriculture markets where changing consumer preferences have altered current business processes. Similarly, changes in consumer sentiment will reduce demand for goods and services in certain sectors (e.g., meat consumption, plastics, petrol vehicles) and increase it for others (e.g., meat-substitutes, electric vehicles). This may, in turn, impact the mix in Deloitte's client base.	**Energy, resources, and industrials** Of all major industries, ER&I is the most likely to be impacted, particularly under the two Net- Zero scenarios, Orderly and Divergent. The Current Policies scenario may see a relatively high and growing share of fossil fuel as a percentage of total energy use, while both Net-Zero transition scenarios will see fossil fuel energy use decline, but on differing timelines. A Divergent Net-Zero transition will see a steep decline in fossil fuel dependency from 2040 onwards, while the Orderly Net-Zero scenario will experience a more gradual decline due to a higher use of carbon removal technologies. **Government and public services** Demand for services from GPS clients will be determined by region and the different transition speeds and scales of the Net-Zero scenarios. For example, there may be demand in the short- to medium-term for consulting services in regions that have made early net-zero commitments. In Current Policies or Divergent Net-Zero scenarios, continuing to work with governments that are deemed "climate pariahs" for failing to adopt rigorous climate action policies may result in increased reputational risk. As a global network, Deloitte may need to balance the desire to work with governments in certain regions with the negative opinions about doing so in other regions. These differences in opinion could result in some clients choosing not to engage with Deloitte and could make it more difficult for Deloitte to attract and retain talent. In highly politically polarizing situations (e.g., where there is rising protectionist and nationalist sentiment as may occur under Divergent Net-Zero), global networks like deloitte may be prevented from working with competing governments. This, in turn, could force uncomfortable choices. In extreme scenarios, this could lead to a withdrawal of services from entire countries. **Consumer** Changes in consumer incomes will vary under different scenarios, which, in turn, will impact revenue for consumer companies. Reduced revenues could decrease the appetite for Deloitte services. Declining revenues in this industry are most keenly felt in high-transition scenarios where government policies drive consumers toward low-carbon choices.	Deloitte firms have a client base that is geographically and industrially diverse. This imparts some resilience as not all sectors and service offerings are impacted in the same way at the same time. For example, while fossil fuel related engagements could decrease, renewable energy related engagements could simultaneously increase. Deloitte also invests heavily in training and developing our practitioners. As market shifts play out under the different scenarios, the skills we help practitioners develop will likely be transferrable to other sectors. As the various scenarios unfold, Deloitte expects to continue to send subject matter specialists and senior leaders as observers to United Nations climate conferences to stay informed on where global climate negotiations are headed. Deloitte has articulated responsible business decision-making through our Commitment to responsible business practices statement. This helps inform the types of clients and engagements Deloitte will consider. Continued responsible business dialogue and consensus may help navigate conflicting regulations or client positions, particularly under the Divergent Net-Zero scenario. This risk is also partially mitigated by the potential to increase certain types of services as described in the next section.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Market** Access to new markets	**Changes in revenue mix from client base** Revenue increases due to new climate and sustainability services and growth in other services such as technology strategy and transformation needed by clients to navigate climate change.	Deloitte has the opportunity to grow client services as a result of both transition and physical climate-related risks. **Disclosure requirements** New regulatory reporting requirements on climate risk will create the need for data, controls, reporting and disclosure in all sectors. This can be a significant opportunity for Deloitte as the market for environmental and greenhouse gas disclosures and climate risk and opportunity reporting expands. Energy, resources, and industrials Deloitte is already assisting companies in making the energy transition and is well positioned to help share leading practices and insights. Renewable energy-related work is also an expanding part of this sector as many companies consider alternative energy sources. **Government and public services** As the effects of climate change increase, more developed economies and countries with high climate change risk are likely to require help and guidance to limit negative effects. Many governments may face the same challenges as organizations — collecting and reporting data, transitioning to clean energy, ensuring a just transition, etc., and could look to organizations such as Deloitte to help them on their journey. Governments may also reach out to organizations such as Deloitte, to assess the alignment of existing policies to achieve stated government ESG objectives. **Consumer** Similar to the ER&I sector, Deloitte is in a strong position to help consumer companies pave new paths and transition business operations. While these three sectors are highlighted here, all industries are expected to be affected in some way as they navigate transition and physical climate risk. For example, Health Care and Financial Services are sectors that are facing significant challenges as a result of climate change and societal expectations around how they address the issue.	All three scenarios provide opportunities to serve clients but differ in the timing or nature of client needs. Orderly Net-Zero provides steady and early growth opportunities as changes are phased in. In the Divergent Net- Zero scenario, the opportunities start later, but then accelerate and client opportunities may be strong in certain geographies or industries, but not in others. Under the Current Policies scenario, clients may need services around resilience, especially as the physical impacts of climate change increase.	Deloitte recognizes the market opportunities arising from climate change and is investing and expanding capabilities to serve clients in the climate and sustainability practice as described previously in this report. In 2022, Deloitte announced it will be investing US$1 billion in client-related services, data-driven research, and other capabilities in the areas of sustainability and climate change. Deloitte estimates that growth from this practice area could result in revenues meeting or exceeding US$3 billion by 2025. Many clients will need solutions that are underpinned by technology and Deloitte is working with alliance partners to scale existing technologies and deploy new advancements. Deloitte is also identifying market voids and will collaborate with startups to bring new solutions to clients to address these needs.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Reputation** Increased stakeholder concern, negative stakeholder feedback	**Reduced/Increased revenue from increase/ decrease in talent turnover** Internal or external activists could target Deloitte for the network's response (or lack thereof) to climate change, the work (or perceived work) done with clients, direct or indirect advocacy (e.g., through trade associations), assets in investment portfolios, or Deloitte's progress in addressing its own emissions. This could negatively impact Deloitte's reputation, making it harder to attract and retain talent. This is particularly true when it comes to millennial and Gen Z people who report strong views on the importance of employers acting on climate change[2]. Additionally, providing climate-related services to support clients as they navigate the challenges of the net-zero transition may heighten public scrutiny of Deloitte's own climate ambition and actions.	**Increased costs to attract and retain talent** Financial impacts from reputational risks could materialize via increased costs to attract talent or the inability to do so, increased turnover of staff, increased security costs for protecting Deloitte people, and increased management attention required to address activism. All these risks could lead to either increased expenses and/ or decreased revenue. These events could also lead to a loss in competitive advantage. While difficult to determine the financial impact of these reputational challenges, every 1% increase in talent turnover is estimated to cost Deloitte between US$200 million and US$400 million.	Employment choices and attitudes toward climate change differ for different scenarios and geographies meaning that the financial impacts also vary. An Orderly Net-Zero transition sees increasing concerns over climate change, resulting in more individuals leading environmental or climate conscious lifestyles that impact employment choices. The impacts are less profound in the Divergent Net-Zero scenario where there is less alignment between climate consciousness and employment choices. High physical risk scenarios are projected to see smaller proportions of the population leading a climate-conscious lifestyle and aligning their employment choices accordingly. This may be due to a lack of societal reinforcement of the need to change behavior patterns. Nevertheless, an increase in the frequency or severity of physical risk, particularly in high-vulnerable regions, may result in an overall increase in climate-conscious behavior.	Deloitte believes that its GHG emissions- reduction goals and other World*Climate* commitments support positive brand recognition from clients, talent, and other key stakeholders concerned about climate change. These commitments may also make Deloitte more attractive as an employer, increasing our ability to recruit and retain a skilled workforce. Finally, Deloitte's travel emissions-reduction goals may increase productivity and could give Deloitte access to a larger talent pool due to more flexible travel requirements. Deloitte also connects with external bodies such as the World Business Council for Sustainable Development, the World Wildlife Fund, and the World Resources Institute to challenge and stretch our approaches and actions around climate change challenges. And, by providing ongoing learning and development opportunities for our people, we are deepening their understanding about climate change and what actions Deloitte is taking internally and with clients.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Reputation** Increased stakeholder concern, negative stakeholder feedback	**Reduced revenue from loss of client services and brand value** Clients could choose to limit or not do business with Deloitte if they perceive Deloitte as not adequately addressing climate change within our own operations and services. Brand risk could also arise from being associated with companies who are themselves not taking appropriate climate action, do not have clearly articulated, credible transition plans, or who are not transparent about their actions to address climate change.	**Reduced revenue from loss of client services and brand value** Loss of revenue due to a negative reputational issue and loss of client confidence is difficult to gauge. However, based on FY2024 data, a 1% drop in annual revenue equates to US$670 million. Brand Finance estimated Deloitte's total brand value in FY2022 to be US$30 billion[3]. A one-point loss in Deloitte's Brand Strength Index[4] is estimated to drop Deloitte's brand value between US$400 million to US$500 million. .	Demand for climate-related services varies across scenarios and geographies. The Net-Zero scenarios see greater climate awareness and demand for transition planning services, particularly in regions with clear net-zero targets and appetites for developing climate policy, as in the EU. Under the Current Policies scenario, working with clients that do not have credible transition plans could be viewed as contentious. Demand for client service varies depending on political ambition and policy responses. In the Divergent scenario, demand for transition services in Asia Pacific and the US does not significantly increase until 2035. Deloitte's climate strategy and response is critical here for reducing brand risk. Under the Current Policies scenario and the Divergent Net-Zero scenario, Deloitte firms, geographies, or industries could become polarized regarding climate change and the imperative for action.	Deloitte's World*Climate* strategy addresses climate action in Deloitte operations, through our people, within ecosystems, and includes goals for carbon reduction. Progress against World*Climate* goals, as well as discussion about Deloitte's climate actions, are reported annually in the Global Impact Report. It is likely the World*Climate* strategy will also evolve over time based on changing expectations for business regarding climate change and Deloitte's commitment to action. Deloitte's approach to responsible business considers the type of clients and engagements Deloitte will serve. One area that may generate certain responsible business factors is "Planet", which considers environmental and sustainability aspects. Consensus building will likely be important to maintain consistency, particularly when international consensus on action is not reached as in the Current Policies and Divergent Net-Zero scenarios.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Market** Uncertainty in market signals	**Loss of value of Deloitte pension funds** Deloitte holds a variety of pension assets in investment funds and in some geographies also offers retirement investment programs that include a number of available options (e.g., a 401(k) plan in the US) for the benefit of Deloitte people. Deloitte pension fund holdings could be in sectors subject to increasing policy, market, and technology changes. As companies transition to a low-carbon future, they may lose value due to stranded assets or business model impacts. Pension fund holdings could lose value from exposure to underappreciated and/or unhedged risks due to activism risks or the physical effects of climate change.	Both defined benefit (DB) and defined contribution (DC) pension plans may be available to Deloitte people, depending on the Deloitte firm and location. DB plans may be exposed to financial risks from possible stranded plan assets, whereas DC programs do not carry the same risk to Deloitte. In general, pension funds and retirement programs are regulated at the country level and managed by Deloitte firms, therefore, aggregation of climate change risk exposure in pension funds across all geographies has not been undertaken at this time. There are also reputational risks associated with Deloitte's pension offerings. Failure to provide adequate sustainable investment options for Deloitte people could negatively impact Deloitte's ability to recruit and retain talent or lead to internal activism.	The Divergent Net-Zero scenario is likely to have the largest impact on Deloitte's pension plan investments. This is also the case for retirement investments when they are held in DC schemes. Under the Divergent Net-Zero scenario there is a heightened risk of stranded assets in pension plan portfolios. This could create funding gaps for DB schemes, which would have financial implications for the Deloitte firm involved.	In accordance with local regulatory frameworks, Deloitte US has been working with the chosen pension fund managers to make plan assets subject to such local regulatory frameworks more resilient to transition risks for DB plans. For DC schemes, some Deloitte firms are also increasing the sustainable pension scheme offerings for Deloitte people, in accordance with local regulatory frameworks, and are engaging directly with fund managers to ensure climate change is being considered in their investment decision making. To date, no aggregation of exposure to climate change risks in pension funds across all geographies has been undertaken. Increasingly, country regulators (including in the UK and EU) require or may soon require pension trustees to report the financial impact of climate risk on their pension schemes. Given the regulatory environments within which pension funds operate, climate risk will likely best be evaluated and managed at the country level.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Policy and legal** Exposure to litigation	**Exposure to increased climate litigation and regulatory inquiries** Expanded climate risk reporting and disclosure requirements could increase the demand for related Deloitte services. It could also, however, increase the number of litigations, particularly since the practices and regulations around climate change are in the formative stages of development and can also vary across geographies. Also, certain stakeholders, such as climate activists, may question whether auditors of client financial statements have appropriately considered climate risk under applicable legal and professional standards.	These risks could result in litigation costs or regulatory inquiries and require management time and attention. Litigation could further impact brand and reputation as described earlier, even if it is ultimately unsuccessful. Professional indemnity insurance premiums could also increase, leading to a potential decrease in profits or increasing costs to Deloitte clients.	The Orderly Net-Zero scenario likely has the lowest risk of litigation given the agreement on collective action. Both the Divergent Net-Zero and Current Policies scenarios are likely to lead to polarization from which litigation activity is more likely to arise, particularly from activists under the Current Policies scenario.	Deloitte has been proactive in supporting consistent global sustainability standards, through contributing to the International Financial Reporting Standards Foundation's climate disclosure work, engaging with industry groups, and actively participating in various global platforms, to help enable consistent, high-quality reporting and auditing of climate-related matters, which are subject to scrutiny from climate activists and other stakeholders. Deloitte also educates and trains its practitioners to understand the policies, practices, and standards to which they must adhere to while performing their work and conducts internal quality reviews of engagements.

	TCFD risk categorization	Description of potential operations or business impacts	Potential financial impacts	Impacts under different scenarios	Management response and strategic approach
Transition	**Policy and legal** Increased pricing of GHG emissions	**Rising energy costs** Government-mandated external carbon-pricing policies — such as taxes on aviation, energy, or the elimination of fuel subsidies — could increase Deloitte's expenses. These pricing mandates could affect Deloitte directly or indirectly if the costs are passed through by vendors. Energy costs to Deloitte could also increase if suppliers facing carbon-pricing regulations, particularly utility providers, pass the financial impacts through to Deloitte. Given the need to meet with Deloitte clients, business travel remains a significant and consistent source of greenhouse gas emissions for Deloitte. The cost of flights could increase as a result of carbon taxes on airline emissions or aviation fuels. Note that travel reductions may not occur uniformly across all Deloitte businesses as some businesses, such as Audit & Assurance, may require more on-site presence to achieve expected standards of quality.	Carbon-pricing policies vary across scenarios, geographies, and jurisdictions. The magnitude of this risk is considered low because, historically, electricity costs are less than 5% of Deloitte operating costs. Based on an assumed price of US$200 per metric ton of carbon dioxide equivalents, Deloitte's potential increase in air-travel costs from carbon-price exposure could be in the range of US$90 million to US$110 million in 2030. These are the costs associated with non-client service travel and are based on pre-pandemic levels of travel. We estimate approximately half of these costs could be mitigated if Deloitte meets its 2030 travel emissions-reduction targets.	Both Net-Zero scenarios see significant increases in carbon-pricing policies and other disclosure costs, though these vary across regions and jurisdictions. The Orderly Net-Zero scenario sees gradual introduction of carbon policies from 2025 onwards, which are implemented in a smooth fashion, rising gradually. In the Divergent scenario, carbon- pricing policies are implemented from 2035 onwards and become more disruptive.	Improvements in battery storage, reduction in cost-per-unit of solar panels, and other technology innovations are expected to continue to drive down the cost of renewable energy. The marketplace for renewable energy is also growing, and in many jurisdictions, it is becoming cheaper while benefiting from more flexible regulations. With the opportunity to select more sustainable offices or renewable sources of power, Deloitte could benefit from energy efficiency cost savings, lower emissions, and boosted reputation from sustainable and smart buildings. Most Deloitte offices are leased rather than owned. As leases expire, Deloitte can choose properties that are more efficient, thereby reducing energy consumption in the medium- to long-term. That said, competition for energy-efficient real estate is expected to increase in the future as other organizations look to reduce greenhouse gas emissions and costs. This could potentially increase future costs for Deloitte as we seek to achieve carbon-reduction goals. Deloitte firms are also exploring contractual options for longer-term renewable energy through virtual power purchase agreements which would lock in low-carbon energy sources. Deloitte also has the opportunity to reduce its overall real estate footprint as post-pandemic, return-to-work scenarios are developed and tested. This could change the overall real estate portfolio depending on which Deloitte office leases are terminated or not renewed. As part of Deloitte's World*Climate* strategy, Deloitte has committed to reducing business travel emissions 55% per FTE from FY2019 levels by FY2030, sourcing 100% renewable electricity for our buildings by FY2030, and converting 100% of our fleet to hybrid and electric vehicles by FY2030. All these actions should help mitigate an increase in energy costs. For example, meeting Deloitte's emissions-reduction targets by reducing travel and increasing the use of videoconferencing technologies could reduce Deloitte travel costs by US$500 million to US$800 million in 2030 (assuming pre-pandemic levels of travel). Deloitte has also started to purchase sustainable aviation fuel, and if purchasing is expanded, this could also serve as a mitigation measure.

Materiality

Table 3 brings a qualitative financial materiality perspective to the relative impacts based on the assumptions and inputs previously detailed. Both likelihood and magnitude are considered when determining the overall materiality of an impact on a residual basis (i.e., with consideration to mitigation measures already in place). The scales used to assess the likelihood and magnitude of risks are aligned with the Deloitte Global Enterprise Risk Management criteria. Risks and opportunities with the highest likelihood and largest financial magnitude are deemed the most material. Green circles represent risks while blue circles represent opportunities.

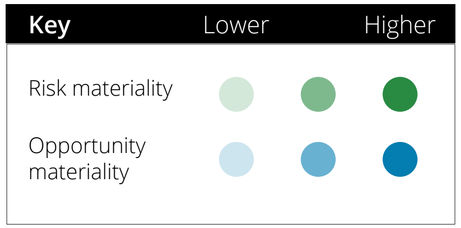

Table 3: Risk summary with qualitative materiality comparisons

TCFD risk categorization	Risk description	Timeframe	Scenario	2030	2040	2050
Physical — Acute Increased severity and/or frequency of extreme weather events, such as cyclones and floods	Increases in real estate and operational costs due to property damage	Short, medium, and long term	Orderly Divergent Current Policies			
Physical — Acute Increased severity and/or frequency of extreme weather events such as cyclones and floods **Physical — Chronic** Rising mean temperatures, changes in precipitation patterns, and extreme variability in weather patterns	Reduced revenue due to productivity loss and higher costs from negative impacts on workforce (including data and delivery centers)	Short, medium, and long term	Orderly Divergent Current Policies			
Physical — Chronic Rising mean temperatures, changes in precipitation patterns, and extreme variability in weather patterns	Reduced revenue from disruption to clients (either through loss of business or productivity)	Short, medium, and long term	Orderly Divergent Current Policies			
Transition — Market Changing customer behavior and uncertainty in market signals	Decreased revenues from highly-exposed sectors or those with in-adequate transition plans, shifts of demand for services across different entities and sectors	Medium to long term (all sectors)	Orderly Divergent Current Policies			
Transition — Market Access to new markets	Changes in revenue mix from client base, with increased demand in certain geographies or sectors (e.g., government and public service)	Short to long term (all sectors)	Orderly Divergent Current Policies			
Transition — Reputation Increased stakeholder concern or negative stakeholder feedback	Reduced/increased revenue from an increase/decrease in talent turnover (e.g., employee attraction and retention)*	Medium to long term	Orderly Divergent Current Policies			
Transition — Reputation Increased stakeholder concern or negative stakeholder feedback	Reduced revenue from loss of client services and brand value	Medium to long term	Orderly Divergent Current Policies			
Transition — Market Uncertainty in market signals	Loss of value of Deloitte firm pension funds	Medium to long term	Not quantified			
Transition — Policy and legal Exposure to litigation	Exposure to increased climate litigation and regulatory inquiries	Short and medium term	Not quantified			
Transition — Policy and legal Increased pricing of GHG emissions	Rising energy costs	Medium to long term	Orderly Divergent Current Policies			

*Circle indicators for reduced/increased revenue from an increase/decrease in talent turnover represent the materiality of both risks and opportunities

Risk management

Climate risk is embedded into Deloitte's formal risk management processes. Deloitte has a robust process for identifying, assessing, managing, and monitoring all risks, both at the Deloitte Global and at the Deloitte member firm level, through their respective Enterprise Risk Frameworks (ERFs). The Deloitte Global ERF sets out the Deloitte Global Executive's assessment of the priority risks and emerging risks facing Deloitte, specifically those that could impact the ability of Deloitte to achieve its strategic priorities, meet its public interest obligations, protect its reputation and people, and operational and financial resilience. Deloitte firm ERFs are managed in coordination with the Deloitte Global ERF. Deloitte Global priority risks and emerging risks are assigned a risk owner drawn from senior-level leadership.

Climate change and ESG disclosure is a priority risk within the Deloitte Global ERF. The Deloitte Global Chief People & Purpose Officer and the Deloitte Global Purpose Officer were assigned as the climate change and ESG disclosure risk owners during FY2024. The climate change and ESG disclosure risk is comprised of defined physical and transition risks, which have been assessed in line with the ERF and governance processes and informed by qualitative and quantitative scenario analysis. Deloitte's reputational risks associated with climate change are considered as part of the Purpose and responsible business risk, another priority risk captured in the Deloitte Global ERF. During FY2024 the Deloitte Global Chief People & Purpose Officer and Deloitte Global Purpose Officer were also the risk owners for the Purpose and responsible business risk.

There is ongoing and frequent dialogue between the Deloitte Global ERF team, who facilitates the operation of the Deloitte Global ERF, the Deloitte Global risk owners, and other Deloitte Global teams to help ensure early identification and escalation of any matters requiring consideration by the risk owner or the Deloitte Global Chief Risk Officer (CRO). This is complemented by a regular cadence of meetings between the Deloitte Global CRO, the Deloitte Global Enterprise Risk Management team, and each Deloitte Global risk owner, during which the exposure to each risk is discussed and assessed. During these meetings the internal and external drivers and trend of the risk are discussed as well as the key mitigation activities and their status. Key risk indicators used to monitor the risk are also identified or updated.

The Deloitte Global CRO reports on Deloitte's priority risks at a regular cadence to the Deloitte Global Executive, enabling discussion of risk exposures and mitigation actions. Priority risks are also regularly reviewed by the Risk and Ethics Committee of the Deloitte Global Board.

Priority risks

A full list of priority enterprise risks and opportunities (as of May 2024) are detailed in the Risk and opportunity management overview. These risks have been identified based on potential primary impact, which includes loss of opportunity. The risks have been categorized as follows:

- Risks impacting Deloitte's brand, reputation and/or public interest obligations
- Risks impacting Deloitte's strategic success or market differentiation
- Risks impacting Deloitte's operational and financial resilience
- Risks impacting Deloitte's people, Purpose and Shared Values

It is recognized that risks do not operate in discrete categories, and they may have more than one impact. However, for the purposes of categorization, the focus is on the potential primary impact. Risks impacting operational and financial resilience include the Climate change and ESG disclosure risk which is described as "proactively responding to the impacts of climate change that affect Deloitte people, facilities, suppliers, or clients and meeting ESG regulatory reporting requirements or expectations for disclosure." The reputational risks relating to climate change are also embedded in the Purpose and responsible business risk which is described as "living up to Deloitte's Purpose and Shared Values, meeting its responsible business commitments, and connecting its people to purpose in their day-to-day work." As priority risks, these risks are actively monitored and managed through the governance process described earlier.

All priority risks are assessed according to one of three risk exposure levels: Medium, High or Very High, and Deloitte Global has assessed one or more risks at each of these levels. These risk exposure levels are assessed by taking into account both residual impact and residual likelihood. For priority risks, residual impact is typically assessed as "moderately significant" to "colossal" and residual likelihood is typically assessed as "possible" to "virtually certain." Subject matter specialists as well as the risk owners and the Deloitte Global Enterprise Risk Management team consult together in assessing the overall risk exposure level with external factors and information, including regulatory changes, being taken into account. Assumption driven financial modeling was done to assess the potential financial impact of climate change under the chosen climate scenarios and the output was also considered in evaluating overall risk exposure. During FY2024, Climate Change and ESG disclosure risk and Purpose and responsible business risk were categorized as having "High" risk exposure.

Metrics and targets

Deloitte annually calculates and reports a set of performance metrics, including environmental indicators such as greenhouse gas emissions (by source, greenhouse gas scope, and intensity), energy consumption and renewable energy adoption in the performance metrics table. While these metrics provide an overall perspective on how Deloitte is making progress toward its own emission- performance goals, other measures are also monitored and discussed in assessing climate-related risks and opportunities.

These include:

- Severe weather events or other physical events that impact the safety of Deloitte people and/or materially reduce Deloitte firms' ability to deliver client service. Any such event would be reported to senior leadership in the relevant local geography.
- The demographic breakdown of Deloitte people and millennial and Gen Z sentiment regarding climate change, which provides insight on reputational and activism risk. In recent years, the Deloitte Global Gen Z and Millennial Survey has shown that climate change continues to be a primary societal concern for both millennials and Gen Zs, the demographic groups that make up the majority of Deloitte's people.
- The WEF's Global Risks Report and the number of climate-related risks in the top 10 risks by likelihood and impact.
- Regulatory and country legislation changes, including those related to required actions and country emissions goals.
- Investor, regulator, and non-governmental organization activities, publications, and reports.
- Changes in revenue generated from sustainability services.
- Changes in market pricing and availability of offsets and renewable energy credits, as well as reputational challenges associated with their use.
- The frequency and type of Deloitte client inquiries regarding Deloitte climate actions and climate services.

Environmental metrics can be found in the performance metrics tables. A detailed explanation of methodologies used in calculating the emissions can be found in the Basis of Reporting.

The path forward

Identifying risks and opportunities and translating those into financial metrics has allowed deeper conversations with a wider group of stakeholders, including senior leaders. The focus on estimated financial metrics has also served to make greenhouse gas emissions numbers and climate scenarios, which are generally under the purview of a small set of sustainability practitioners within the network, more accessible to a larger business audience. For these reasons, Deloitte Global sees continued value in the TCFD framework for climate change reporting and encourages others to use it as well.

This disclosure reflects results that were impacted by the COVID-19 pandemic. Many of the underlying assumptions in the financial estimates are based on pre-pandemic business practices. We recognize that the pandemic is likely to permanently change some of the ways in which Deloitte and Deloitte clients operate, but it is too early to glean sufficient insight into these long-term business impacts or incorporate them as the basis for estimations. Using pre-pandemic levels, nevertheless, gives insight into the risks and opportunities of returning to pre-pandemic, business-as-usual practices.

Deloitte recognizes that we are in the crucial years for reducing global emissions if we are to limit global warming to 1.5° C. Deloitte is committed to taking climate action and encourages and supports others in doing so as well.

Stakeholder capitalism metrics reference table

Deloitte.

Deloitte is committed to the principles of stakeholder capitalism for long-term enterprise value creation and helping address the societal priorities enshrined in the United Nations Sustainable Development Goals. In 2021, Deloitte signed the "Commitment to Adopt and Implement the Stakeholder Capitalism Metrics," sponsored by the International Business Council (IBC) of the World Economic Forum (WEF). Deloitte helped lead the effort to identify a set of universal, comparable stakeholder capitalism metrics focused on people, planet, prosperity and principles of governance that organizations can report on regardless of industry or region. This index represents our reporting against the 21 core metrics and two expanded metrics for the fiscal year ending 31 May 2024. We continue to look for opportunities for further transparency on the topics which are material to our business.

Principles of governance

Core metrics and disclosures

Theme	Metric	Response
Governing purpose	1. Setting purpose	Refer to Governance overview
Quality of governing body	2. Governance body composition	Refer to Leadership and governance and Deloitte Global Board of Directors
Stakeholder engagement	3. Material issues impacting stakeholders	Refer to Stakeholder engagement and materiality
Ethical behavior	4. Anti-corruption	Refer to Anti-corruption commitment and Performance metrics: Governance
	5. Protected ethics advice and reporting mechanisms	Refer to Ethics

Expanded metrics and disclosures

Theme	Metric	Response
Governing purpose	Purpose-led management	Refer to Leadership and governance, Letter from leadership, and Stakeholder engagement and materiality

Planet

Core metrics and disclosures

Theme	Metric	Response
Climate change	7. Greenhouse gas (GHG) emissions	Refer to Performance metrics: Environment and Environmental overview
Quality of governing body	8. TCFD implementation	Refer to the Deloitte TCFD report
Nature loss	9. Land use and ecological sensitivity	Refer to Environmental overview Based on analysis performed on owned or leased facilities in Deloitte's operational control at the beginning of FY2024, 10% of total facilities (representing 8% of total square footage) were located in a protected area or key biodiversity area (KBA). In FY2024, Deloitte completed an assessment of nature and biodiversity impacts within its direct operations and the indirect pressures resulting from the most material categories of its supply chain. Additional work to prioritize the reduction of negative impacts to, and encourage positive outcomes for, nature and biodiversity is underway to build on this assessment. Deloitte recognizes the importance of this topic and is a member of the Taskforce on Nature-related Financial Disclosures.
Freshwater availability	10. Water consumption and withdrawal in water-stressed areas	Refer to Environmental overview Deloitte has limited direct water-related impacts within its operations, as water is primarily used for sanitation purposes in offices. Deloitte recognizes, however, that water is also embedded in its supply chain. In FY2024, Deloitte identified owned or leased facilities within its operational control that are located in areas with high or extremely high baseline water stress. Deloitte started collecting annual water use data for the largest of these facilities in FY2024 and anticipates analyzing information, expanding collection locations, and improving data quality toward the goal of improving water management practices over time.

Expanded metrics and disclosures

Theme	Metric	Response
Climate change	Paris-aligned GHG emission targets	Refer to Performance metrics: Environment and Environmental overview

People

Core metrics and disclosures

Theme	Metric	Response
Dignity and equality	11. Diversity and inclusion (%)	Refer to Social overview and Performance metrics: Our people
	12. Pay equality (%)	Refer to Women's equity
	13. Wage level (%)	Deloitte entities are required to comply with applicable local laws, and have processes and controls in place to comply with all applicable national and local wage laws.
	14. Risk for incidents of child, forced, or compulsory labor	Refer to Human rights and Ethics
Health and well-being	15. Health and safety (%)	Refer to Mental health and Global security Workplace injuries and fatalities are extremely rare in the professional services industry. Deloitte offers its people healthcare insurance plans that meet or exceed the requirements governed by the country they live in.
Skills for the future	16. Training provided (#, $)	Refer to Learning and development and Performance metrics: Our people

Prosperity

Core metrics and disclosures

Theme	Metric	Response
Employment and wealth generation	17. Absolute number and rate of employment	Refer to Performance metrics: Our people
	18. Economic contribution	Refer to Business overview, Social overview, and Performance metrics: Societal impact Information on certain economic contribution indicators is considered confidential to Deloitte given its organizational structure.
	19. Financial investment contribution	This metric is not relevant to Deloitte given its organizational structure.
Innovation of better products and services	20. Total R&D expenses ($)	Refer to Artificial intelligence and innovation and Performance metrics: Business
Community and social vitality	21. Total tax paid	Each Deloitte entity is organized as a separate and independent legal entity and is subject to the tax laws applicable to it in the jurisdictions in which it is formed and otherwise operates. For this reason, tax reporting obligations will vary across Deloitte entities. Certain Deloitte entities are structured as partnerships or other legal entities that are 'flow-through' for tax purposes, and as such, income tax is not paid at the entity level, but by individual partners or members. Certain Deloitte entities report their tax strategy, which may include taxes paid, under local statutory requirements.

Global Reporting Initiative (GRI) index

Deloitte.

In preparing the FY2024 GRI Index, Deloitte has considered all GRI Topic Standards and whether the associated Disclosures are material based on Deloitte's latest materiality assessment, as described in the Stakeholder engagement and materiality section.

The below matrix includes all Topic Standards and associated Disclosures deemed material for Deloitte as of FY2024. Disclosures determined to be immaterial for Deloitte have been excluded from this matrix. For any Disclosure that is material for Deloitte, but for which the information has been omitted or is not currently available, the reason for omission is included directly within the GRI Index.

GRI 1: Foundation 2021 was used in preparing the reported information.

GRI 2: General Disclosures 2021

GRI Standard	Report location or disclosure
2-1 Organizational details	Deloitte network structure; Locations Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities. DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities. As such, there is no Deloitte headquarters. For this question, we have provided a principal place of business for DTTL, as follows: 1221 Avenue of the Americas New York, NY 10020 United States
2-2 Entities included in the organization's sustainability reporting	Deloitte network structure This report covers performance metrics that are aggregated across the Deloitte network (except where otherwise noted)
2-3 Reporting period, frequency and contact point	Deloitte Global Basis of Reporting Questions about the report or reported information should be directed to: GlobalReport@Deloitte.com
2-4 Restatements of information	Performance metrics; Deloitte Global Basis of Reporting
2-5 External assurance	Select environmental metrics have undergone limited assurance from BDO, as detailed in the Environmental Performance Data Limited Assurance Report FY2024. Limited assurance results were presented to the Deloitte Global Board of Directors ("Deloitte Global Board"). The Deloitte Global Chief People and Purpose Officer and the Deloitte Global Chief Sustainability Officer are responsible for overseeing the assurance process and results.
2-6 Activities, value chain and other business relationships	Locations; Deloitte services; Revenue by industry; Ecosystems and alliances Major categories of Deloitte's global supply chain include talent/benefits, travel and meetings, technology, business services, real estate and office services.

Deloitte.

GRI 2: General Disclosures 2021

GRI Standard	Report location or disclosure
2-8 Workers who are not employees	Performance metrics: Our people The majority of Deloitte people work as employees, not as temporary contractors, although we do leverage specialized contractors for some areas. Many Deloitte firms offer flexible working arrangements.
2-9 Governance structure and composition	Deloitte Global Board of Directors; Leadership and governance
2-10 Nomination and selection of the highest governance body	Deloitte Global Board of Directors; Leadership and governance
2-11 Chair of the highest governance body	Deloitte Global Board of Directors; Leadership and governance
2-12 Role of the highest governance body in overseeing the management of impacts	Deloitte Global Board of Directors; Leadership and governance; Stakeholder engagement and materiality; Governance and management of sustainability impacts
2-13 Delegation of responsibility for managing impacts	Leadership and governance; Stakeholder engagement and materiality; Governance and management of sustainability impacts
2-14 Role of the highest governance body in sustainability reporting	The Global Impact Report was reviewed by representatives from the Risk and Ethics Committee (REC), Audit, Finance, and Investment Committee (AFIC) and Purpose, Sustainability and Culture Committee (PSCC) of the Deloitte Global Board and approved by the Deloitte Global Board.
2-15 Conflicts of interest	Independence; Global Principles of Business Conduct The Deloitte Global Chair actively encourages all Deloitte Global Board members to consider and raise any actual or perceived conflicts of interest and reminds all Deloitte Global Board members of their obligations to do so at the start of every scheduled board meeting.

GRI 2: General Disclosures 2021 *(continued)*

GRI Standard	Report location or disclosure
2-16 Communication of critical concerns	The Deloitte Global Chief Risk Officer and Deloitte Global General Counsel report critical risks, challenges, and legal matters to the Risk and Ethics Committee of the Deloitte Global Board at each scheduled meeting. Significant matters are also brought to the Deloitte Global Board for attention and discussion. Information on the number and nature of such matters is considered confidential. The Deloitte Global Chief Ethics Officer provides an annual report to the Deloitte Global Board including a summary of key trends, results of Deloitte Global's annual Ethics Survey, and annual ethics refresher training. Furthermore, the Deloitte Global Chair and Deloitte Global CEO receive briefings on critical matters on a case-by-case basis.
2-17 Collective knowledge of the highest governance body	Deloitte Global Board of Directors In FY2024, a Deloitte Global Board education program was developed, to be launched in FY2025. This is an annual calendar of structured board/governance education sessions and offerings, tailored to the specific needs of Deloitte Global Board members. The program aims to provide directors with ongoing education and knowledge through standalone education sessions, one-off and annual refresher training, education sessions from internal and external specialists, and optional suggested reading. Topics will evolve based on matters relevant to the Deloitte Global Board agenda and through ongoing engagement with key stakeholders.
2-18 Evaluation of the performance of the highest governance body	The Deloitte Global Board undertakes annual governance effectiveness reviews, led by the Stewardship Committee of the Deloitte Global Board which has responsibility for matters pertaining to governance. The reviews include Deloitte Global Board effectiveness assessments and board committee effectiveness reviews. The assessments and reviews are supported by Deloitte governance specialists from outside the Deloitte Global Board. Reviews are reported on to the full Deloitte Global Board for discussion and taken into consideration by the Deloitte Global Chair and the Office of the Deloitte Global Chair.

GRI 2: General Disclosures 2021 *(continued)*

GRI Standard	Report location or disclosure
2-19 Remuneration policies	Except for the Deloitte Global CEO and Deloitte Global Chair, all Deloitte Global Board members are active Deloitte firm partners. Each Deloitte firm and/or related entity is organized as a separate and independent legal entity and determines its own remuneration policies. Performance objectives for the Deloitte Global Board members except for the Deloitte Global CEO and Deloitte Global Chair are determined by their respective Deloitte firms and ordinarily include objectives pertaining to the expectations of their Deloitte Global Board role. The Deloitte Global CEO and Deloitte Global Chair provide performance input and feedback for Deloitte Global Board members (as appropriate) as part of the assessment processes. The Deloitte Global CEO's and the Deloitte Global Chair's annual objectives are reviewed and approved by the Deloitte Global Board, and their remuneration is approved by the Deloitte Global Board, upon the recommendation of the Stewardship Committee of the Deloitte Global Board (chaired by the Deloitte Global Deputy Chair), based on performance against the approved objectives. The process for setting remuneration for Deloitte Global Executive members is overseen by the Stewardship Committee of the Deloitte Global Board with the final remuneration approved by the Deloitte Global Board.
2-20 Process to determine remuneration	Except for the Deloitte Global CEO and Deloitte Global Chair, all Deloitte Global Board members are active Deloitte firm partners. Each Deloitte firm and/or related entity is organized as a separate and independent legal entity and determines its own remuneration policies. Performance objectives for the Deloitte Global Board members except for the Deloitte Global CEO and Deloitte Global Chair are determined by their respective Deloitte firm and ordinarily include objectives pertaining to the expectations of their Global Board role. The Deloitte Global CEO's and the Deloitte Global Chair's annual objectives are reviewed and approved by the Deloitte Global Board, and their remuneration is approved by the Deloitte Global Board, upon the recommendation of the Stewardship Committee of the Deloitte Global Board (chaired by the Deloitte Global Deputy Chair), based on performance against the approved objectives. The process for setting remuneration for Deloitte Global Executive members is overseen by the Stewardship Committee of the Deloitte Global Board with the final remuneration approved by the Deloitte Global Board.
2-21 Annual total compensation ratio	Given the partnership and member firm structure of the global network, compensation ratios are disclosed in the relevant annual reports for those entities that currently calculate such ratios.

GRI 2: General Disclosures 2021 *(continued)*

GRI Standard	Report location or disclosure
2-22 Statement on sustainable development strategy	Letter from leadership; Governance overview
2-23 Policy commitments	Global Principles of Business Conduct; Commitment to Responsible Business Practices; Human Rights Statement
2-24 Embedding policy commitments	Ethics; Global Principles of Business Conduct; Commitment to Responsible Business Practices; Supplier Code of Conduct
2-25 Processes to remediate negative impacts	Ethics; Report an ethics concern; Global Principles of Business Conduct
2-26 Mechanisms for seeking advice and raising concerns	Ethics; Report an ethics concern; Global Principles of Business Conduct
2-27 Compliance with laws and regulations	Deloitte addresses and resolves instances of non-compliance with laws and regulations as identified. Information on the number and monetary value of fines for significant instances is considered confidential.
2-28 Membership associations	Public policy; Ethics; Environmental overview
2-29 Approach to stakeholder engagement	Stakeholder engagement and materiality
2-30 Collective bargaining agreements	Information for this indicator is not currently consolidated for the Deloitte network. As most Deloitte firms are not unionized, the processes and systems required to monitor and record this information are not currently in place.

GRI 3: Material Topics 2021

GRI Standard	Report location or disclosure
3-1 Process to determine material topics	Stakeholder engagement and materiality
3-2 List of material topics	Stakeholder engagement and materiality

GRI 201: Economic Performance 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Letter from leadership; Stakeholder engagement and materiality
201-1 Direct economic value generated and distributed	Letter from leadership; FY2024 Revenue announcement; Performance metrics: Business; Performance metrics: Societal impact Economic value distributed and retained is considered confidential. Each Deloitte entity is organized as a separate and independent legal entity and is subject to the financial disclosure and tax laws applicable to it in the jurisdictions in which it is formed and otherwise operates. For this reason, financial disclosure and tax reporting obligations will vary across Deloitte entities. Certain Deloitte entities are structured as partnerships or other legal entities that are 'flow-through' for tax purposes, and as such, income tax is not paid at the entity level, but by individual partners or members. Certain Deloitte entities publish financial statements and/or report their tax strategy, which may include taxes paid, under local statutory requirements.
201-2 Financial implications and other risks and opportunities due to climate change	Deloitte TCFD report; Deloitte CDP Response

GRI 203: Indirect Economic Impacts 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Social overview; FY2024 Revenue announcement; Stakeholder engagement and materiality
203-2 Significant indirect economic impacts	Social overview; FY2024 Revenue announcement; Performance metrics: Societal impact

GRI 205: Anti-corruption 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Anti-corruption commitment; Ethics; Independence; Global Principles of Business Conduct; Stakeholder engagement and materiality
205-1 Operations assessed for risks related to corruption	Deloitte Global's Anti-Corruption team performs an analysis of the geographic corruption risk of each member firm based on various geographic corruption risk indices and factors.
205-2 Communication and training about anti-corruption policies and procedures	Anti-corruption commitment; Performance metrics: Governance; Ethics; Global Principles of Business Conduct
205-3 Confirmed incidents of corruption and actions taken	Anti-corruption commitment; Performance metrics: Governance

GRI 302: Energy 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Stakeholder engagement and materiality; Environmental overview; Deloitte Global Basis of Reporting
302-1 Energy consumption within the organization	Performance metrics: Environment; Deloitte Global Basis of Reporting
302-3 Energy intensity	Performance metrics: Environment; Deloitte Global Basis of Reporting
302-4 Reduction of energy consumption	Performance metrics: Environment; Deloitte CDP Response For a detailed explanation of reductions in energy consumption achieved as a direct result of conservation and efficiency initiatives, please refer to Deloitte Global's CDP response available at www.cdp.net.

GRI 303: Water and Effluents 2018	
GRI Standard	**Report location or disclosure**
3-3 Management of material topics	Stakeholder engagement and materiality; Environmental overview Deloitte has limited direct water-related impacts within its operations, as water is primarily used for sanitation purposes in offices. Deloitte recognizes, however, that water is also embedded in its supply chain. In FY2024, Deloitte identified owned or leased facilities within its operational control that are located in areas with high or extremely high baseline water stress. Deloitte started collecting annual water use data for the largest of these facilities in FY2024 and anticipates analyzing information, expanding collection locations, and improving data quality toward the goal of improving water management practices over time. It may be two or more years until sufficient data becomes available to make network-wide reporting meaningful.
303-1 Interactions with water as a shared resource	Environmental overview Deloitte has limited direct water-related impacts within its operations, as water is primarily used for sanitation purposes in offices. Deloitte recognizes, however, that water is also embedded in its supply chain. In FY2024, Deloitte identified owned or leased facilities within its operational control that are located in areas with high or extremely high baseline water stress. Deloitte started collecting annual water use data for the largest of these facilities in FY2024 and anticipates analyzing information, expanding collection locations, and improving data quality toward the goal of improving water management practices over time. It may be two or more years until sufficient data becomes available to make network-wide reporting meaningful.
303-3 Water withdrawal	Environmental overview Deloitte has limited direct water-related impacts within its operations, as water is primarily used for sanitation purposes in offices. Deloitte recognizes, however, that water is also embedded in its supply chain. In FY2024, Deloitte identified owned or leased facilities within its operational control that are located in areas with high or extremely high baseline water stress. Deloitte started collecting annual water use data for the largest of these facilities in FY2024 and anticipates analyzing information, expanding collection locations, and improving data quality toward the goal of improving water management practices over time. It may be two or more years until sufficient data becomes available to make network-wide reporting meaningful.

GRI 304: Biodiversity 2016	
GRI Standard	**Report location or disclosure**
3-3 Management of material topics	Stakeholder engagement and materiality; Environmental overview; Based on analysis performed on owned or leased facilities in Deloitte's operational control at the beginning of FY2024, 10% of total facilities (representing 8% of total square footage) were located in a protected area or key biodiversity area (KBA). In FY2024, Deloitte completed an assessment of nature and biodiversity impacts within its direct operations and the indirect pressures resulting from the most material categories of its supply chain. Additional work to prioritize the reduction of negative impacts to, and encourage positive outcomes for, nature and biodiversity is underway to build on this assessment.
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Stakeholder engagement and materiality; Environmental overview; Stakeholder capitalism metrics; Based on analysis performed on owned or leased facilities in Deloitte's operational control at the beginning of FY2024, 10% of total facilities (representing 8% of total square footage) were located in a protected area or key biodiversity area (KBA). In FY2024, Deloitte completed an assessment of nature and biodiversity impacts within its direct operations and the indirect pressures resulting from the most material categories of its supply chain. Additional work to prioritize the reduction of negative impacts to, and encourage positive outcomes for, nature and biodiversity is underway to build on this assessment.

GRI 305: Emissions 2016	
GRI Standard	**Report location or disclosure**
3-3 Management of material topics	Stakeholder engagement and materiality; Environmental overview; Deloitte CDP Response; Deloitte Global Basis of Reporting
305-1 Direct (Scope 1) GHG emissions	Performance metrics: Environment Refer to the 'Environmental impact reporting' section of the Deloitte Global Basis of Reporting for discussion of base year, gases included in calculations, emission factor sources, consolidation approach, and standards, methodologies and assumptions used.
305-2 Energy indirect (Scope 2) GHG emissions	Performance metrics: Environment Refer to the 'Environmental impact reporting' section of the Deloitte Global Basis of Reporting for discussion of base year, gases included in calculations, emission factor sources, consolidation approach, and standards, methodologies and assumptions used.
305-3 Other indirect (Scope 3) GHG emissions	Performance metrics: Environment Refer to the 'Environmental impact reporting' section of the Deloitte Global Basis of Reporting for discussion of base year, gases included in calculations, emission factor sources, consolidation approach, and standards, methodologies and assumptions used.
305-4 GHG emissions intensity	Performance metrics: Environment Refer to the 'Environmental impact reporting' section of the Deloitte Global Basis of Reporting for discussion of base year, gases included in calculations, emission factor sources, consolidation approach, and standards, methodologies and assumptions used.
305-5 Reduction of GHG emissions	Performance metrics: Environment Refer to the 'Environmental impact reporting' section of the Deloitte Global Basis of Reporting for discussion of base year, gases included in calculations, emission factor sources, consolidation approach, and standards, methodologies and assumptions used.

GRI 306: Waste 2020

GRI Standard	Report location or disclosure
3-3 Management of material topics	Stakeholder engagement and materiality; Environmental overview Waste is generated in Deloitte offices and consists predominantly of paper waste, food waste, packaging and electronic waste. Electronic waste is often handled at the Deloitte firm or country level by technology services personnel due to regional requirements, contract provisions, and the nature of the waste stream. Other types of waste are generally managed at an office level by the office facility personnel and varies across offices as it is often subject to regional requirements related to recycling and dependent on the availability of services within a reasonable distance (for example composting).
306-3 Waste generated	Waste and related impacts are not consistently measured across the Deloitte network at this time. It may be two or more years until sufficient data becomes available to make network-wide reporting meaningful.

GRI 308: Supplier Environmental Assessment 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Environmental overview; Supplier code of conduct; Stakeholder engagement and materiality
308-1 New suppliers that were screened using environmental criteria	Supplier code of conduct All new suppliers responding to requests for proposals conducted by Deloitte Global complete the Deloitte Global request for proposal questionnaire template. This includes questions about sustainability and corporate social responsibility policies and processes.
308-2 Negative environmental impacts in the supply chain and actions taken	Deloitte CDP Response For details of Deloitte's engagement with suppliers on environmental topics, please refer to Deloitte Global's CDP response available at www.cdp.net.

GRI 401: Employment 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Our people overview; Stakeholder engagement and materiality; Commitment to responsible business practices
401-1 New employee hires and employee turnover	Performance metrics: Our people Turnover by age group is not currently aggregated across the Deloitte network. Additional discussions with Deloitte firms are needed to understand the systems and processes needed to capture this data globally. It may be three or more years before the age-related information becomes available.

GRI 403: Occupational Health and Safety 2018

GRI Standard	Report location or disclosure
3-3 Management of material topics	Our people overview; Mental health; Global security
403-6 Promotion of worker health	Our people overview; Mental health; Global security

GRI 404: Training and Education 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Learning and development; Stakeholder engagement and materiality
404-1 Average hours of training per year per employee	Performance metrics: Learning
404-2 Programs for upgrading employee skills and transition assistance programs	Learning and development Deloitte provides our people with a range of formal and informal learning opportunities. Deloitte supports the transfer of our people between different departments and geographies as part of their career. Where people retire or otherwise leave Deloitte, formal transition assistance is also provided, where appropriate, as required by applicable laws and common practice. For example, outplacement services and pre-retirement planning are offered by many Deloitte firms.
404-3 Percentage of employees receiving regular performance and career development reviews	Regular performance and career development conversations are core to Deloitte's focus on professional development. Deloitte has adopted a comprehensive methodology by which Deloitte firms leverage their respective management performance programs to provide regular performance feedback and career development conversations throughout the year. Metrics for this indicator are not aggregated across the network.

GRI 405: Diversity and Equal Opportunity 2016

GRI Standard	Report location or disclosure
3-3 Management of material topics	Our people overview; Women's equity; LGBT+ inclusion; Racial and ethnic inclusion; Disability inclusion; neurodiversity; Stakeholder engagement and materiality
403-6 Promotion of worker health	Deloitte Global Board of Directors; Performance metrics: Our people; Women's equity
405-2 Ratio of basic salary and remuneration of women to men	Women's equity; Performance metrics: Our people Information for these indicators is not currently consolidated across the Deloitte network; however, data is available for certain Deloitte firms.

GRI 406: Non-discrimination 2016	
GRI Standard	**Report location or disclosure**
3-3 Management of material topics	Our people overview; Women's equity; LGBT+ inclusion; Racial and ethnic inclusion; Disability inclusion; Neurodiversity; Stakeholder engagement and materiality; Global Principles of Business Conduct
406-1 Incidents of discrimination and corrective actions taken	Deloitte is committed to providing a respectful and inclusive working environment, free from discrimination and harassment in alignment with the anti-discrimination and anti-harassment policy. Likewise, Deloitte is committed to providing a work environment that promotes ongoing and open communication about ethics, compliance or other related matters and encourages reporting of violations or potential violations of any Deloitte network policy, professional standards, the Global Principles of Business Conduct, and Deloitte firms' codes of conduct without fear of retaliation. Deloitte provides a variety of reporting channels, including an anonymous speak up helpline that is managed by a third party. Deloitte Global has provided guidance that each Deloitte firm is responsible for the development, implementation, and on-going support of member firm policy that specifically and expressly prohibits workplace harassment or discrimination. Deloitte Global has also provided guidance that each Deloitte firm should be responsible for the development, implementation and ongoing support of a Deloitte firm non-retaliation policy that promotes and encourages reporting of ethics, compliance or other related matters without fear of retaliation. Note: All Deloitte people are required to complete anti-discrimination training—upon being hired and every other year thereafter—that includes the Global Principles of Business Conduct and related policies, reporting procedures, and case scenarios. This figure may not reflect 100% participation at any point in time, as required, because it includes Deloitte people on extended leave and those with recent start dates who may still complete the training before their designated due dates. Deloitte is committed to addressing and resolving any instances of discrimination that may occur. Information on the number of incidents alleging discrimination is considered confidential.

GRI 414: Supplier Social Assessment 2016	
GRI Standard	**Report location or disclosure**
3-3 Management of material topics	Stakeholder engagement and materiality; Supplier code of conduct; Commitment to responsible business practices
414-1 New suppliers that were screened using social criteria	New suppliers responding to requests for proposals conducted by Deloitte Global are requested to answer questions about socially responsible policies and processes including supplier diversity and sustainability. All new Deloitte Global suppliers contracted with the support of procurement receive the Deloitte Supplier Code of Conduct.
414-2 Negative social impacts in the supply chain and actions taken	Suppliers responding to requests for proposals conducted by Deloitte Global are requested to answer questions related to social impact. Those questions include if they comply with the International Labour Organization (ILO) principles (www.ilo.org) in respect to human rights and conditions of employment and if they publicly report on efforts to minimize slavery, forced labor, child labor and improve worker health and safety in their operations and supply chain. From a diversity and inclusion perspective, they are asked to confirm the presence of a formal diversity, equity and inclusion (DEI) policy, targets and if they measure progress against those targets. New Deloitte Global suppliers are screened for anti-corruption risks and economic sanctions. Additionally, contract clauses with new global suppliers include complying with applicable Deloitte policies, which includes the expectations of compliance with the International Labour Organization (ILO) Principles in respect to human rights and conditions of employment. Further, suppliers are required, upon request, to report to Deloitte on its efforts to prevent slavery, forced labor and child labor in its operations and supply chain. New Deloitte Global suppliers contracted with the support of procurement receive the Deloitte Supplier Code of Conduct, which includes specific expectations of suppliers in the areas of human rights, forced labor, and child labor. Additionally, in certain relevant countries, supplier diversity programs are supported by procurement to create wealth for diverse businesses and the communities where they reside.

GRI Standard	Report location or disclosure
3-3 Management of material topics	Stakeholder engagement and materiality; Public policy; Commitment to responsible business practices
415-1 Political contributions	Information for these indicators is not currently consolidated across the Deloitte network. Additional review would be required to assess the level of materiality of this topic at the Deloitte Global and Deloitte firm levels.

GRI Standard	Report location or disclosure
3-3 Management of material topics	Letter from leadership; Stakeholder engagement and materiality; Confidentiality, privacy and cybersecurity
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Deloitte addresses and resolves complaints regarding confidentiality and privacy when identified. Information on the substance and number of complaints is considered confidential.

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Endnotes

ESG highlights

[1] Percent reduction of metric tonnes of CO2e in FY2024 vs. FY2019 base year

[2] Suppliers covering purchased goods and services and business travel; an additional 4% of suppliers have committed to setting science-based targets

[3] Training hours do not include on the job learning hours that are a core aspect of development at Deloitte. The definition and calculation methodology for this metric has been revised to include development investment.

[4] Deloitte people align to gender identities beyond men and women. We are on a journey to more accurately and completely capture gender identity information across our network. The Talent data provided is a mix of biological sex and gender identity data based on information available at this time. In some cases where gender data is not available, the data may not sum to 100%.

[5] Partners, principals, and managing directors refer to Deloitte firm partners, principals and US managing directors.

[6] Based on annual survey of Deloitte firms.

[7] Board of Directors and Executive Committee membership is presented as of 1 June 2024 to reflect composition as of the date of report publication, thus this does not align with composition during the fiscal year which ended on 31 May 2024. If presented as of the end of FY2024 on 31 May 2024, figures would be: percent of women members on Deloitte Global's Board of Directors: 35%; percent of women members on Deloitte Global's Executive Committee: 38%.

Performance metrics table

Business

[1] "Legal" means the legal practices of member firms or their related entities that provide legal services. For legal and regulatory reasons, not all member firms provide legal services.

[2] Based on annual survey of Deloitte firms. The definition and calculation methodology for this metric have been revised; Innovation investment for FY2023 and FY2022 has been restated to align to the revised calculation methodology.

Environmental

[1] Where possible, Deloitte entities procure and claim renewable electricity in accordance with the Climate Group's RE100 Technical Criteria and Global Reporting Initiative (GRI) topic standard GRI 302: Energy 2016. In certain markets where procuring renewable electricity is challenging or is not possible, Deloitte entities may procure renewable electricity from a neighboring country. This enables Deloitte to demonstrate commitment to our renewable electricity target and signal market demand. As this approach meets only one out of three market boundary conditions included in the RE100 Technical Criteria, there may be variances between renewable electricity amounts reported in the Global Impact Report and within RE100 reports. Deloitte anticipates increasing the alignment with RE100 Technical Criteria over time as market availability of renewable energy increases.

[2] In accordance with the Global Reporting Initiative (GRI) disclosure 305-2, Deloitte publishes purchased electricity emissions using both a location- and market-based methodology. The location-based method involves using an average national, regional or subnational emission factor that relates to the local grid from which electricity is drawn, whereas the market-based method involves deriving emissions factors from contractual instruments, allowing for a zero emission factor to be applied to portions of electricity consumption that is matched to a renewable energy source, resulting in lower emissions compared to the location-based method. Deloitte's near-term science-based targets use a market-based methodology for purchased electricity, hence this figure is shown in the primary emissions inventory whereas the location-based figure is shown in a separate schedule for comparative purposes. Additional details on location- and market-based electricity emissions are provided in the Deloitte Global FY2024 Basis of Reporting.

[3] Performance tracking for this indicator is reported for the most recent year(s) only.

[4] Because activity data is not readily available, scope 3 purchased goods and services (PG&S) emissions are calculated using data collected from select suppliers, combined with broad estimations of emissions per amount spent by purchasing category. As such, the uncertainty around these reported emissions is high.

In FY2024, Deloitte revised the methodology for calculating contingent labor emissions that were previously included in purchased goods and services (PG&S) emissions to increase the precision of these calculations. Additionally, Deloitte enhanced spend-based PG&S calculations methodology to more precisely identify and exclude supplier spend items that are deemed non-emission generating (e.g., taxes, intercompany transactions, etc.). Refer to Supplementary table 1 for the comparison of emissions totals by methodology by year.

Deloitte will continue to review its approach to scope 3 reporting in the future, aiming to continually improve the accuracy of its disclosures. When these enhancements lead to a material change in a reported figure, Deloitte is committed to explaining the nature of the change, its reasoning for its appropriateness, and the variance compared to previous methodologies. Additional details on the methodology used to calculate PG&S emissions and further details on this restatement are provided in the Deloitte Global FY2024 Basis of Reporting.

[5] Tank-to-wake air travel emissions inclusive of radiative forcing would be 618,758 metric tonnes CO2e in FY2024; 580,776 metric tonnes CO2e in FY2023; 177,054 metric tonnes CO2e in FY2022; and 935,937 metric tonnes CO2e in FY2019.

[6] Deloitte used a distance-based methodology to calculate jet fuel emissions consistent with the World Economic Forum Clean Skies For Tomorrow's proposed Sustainable Aviation Fuel certificate (SAFc) emissions accounting and reporting guidelines. Emissions factors for the applicable classes of service were sourced from the UK's Department for Energy Security and Net Zero (DESNZ). This methodology is used for both well-to-tank and tank-to-wake emissions.

[7] Deloitte reviewed its scope 3 emissions category screening in FY2023 and identified scope 3, category 7 – commuting (including optional emissions from teleworking) as a material source of emissions. Accordingly, in FY2024, Deloitte developed a methodology to calculate emissions from commuting and teleworking, and has updated the reported GHG emissions totals to include emissions from these sources. Due to historical data limitations, performance tracking is included from FY2024 onward only.

[8] Reflects purchases of carbon credits that are completed and in progress as of the date of publication. In FY2024, Deloitte began transitioning our approach to expand our investment in beyond value chain mitigation to a portfolio of innovative beyond-compliance or credited investments in climate mitigation that may not occur without external funding. Deloitte is beginning this transition through the implementation of a voluntary internal carbon price. As Deloitte begins implementing this new financial mechanism, the number of carbon credit purchases may decrease relative to prior years.

[9] Sustainable aviation fuel (SAF) environmental benefits are transferred through the use of SAF certificates (SAFc). Similar to a renewable electricity certificate or guarantee of origin in the production of green electricity, a SAFc represents the environmental attributes of a metric ton of neat (i.e. unblended) SAF. Deloitte's purchase of airline tickets in jurisdictions where SAF blending mandates are present are not considered to have a material impact on reported emissions.

[10] Water consumption data was collected across 110 buildings in FY2024. We anticipate expanding the coverage of water data in the future.

Sociatal Impact

[1] Pro bono refers to professional service engagements performed at no cost (pro bono) or significantly reduced cost (low bono) to qualifying organizations, for which Deloitte would normally bill for the professional services performed. Expenses incurred to deliver pro bono work are included in the total reported costs for managing societal impact.

Our people

[1] Partners, principals, and managing directors refer to Deloitte firm partners, principals and US managing directors.

[2] Partners, principals, and managing directors refer to Deloitte firm partners, principals and US managing directors.

[3] Board of Directors and Executive Committee membership is presented as of 1 June 2024 to reflect composition as of the date of report publication, thus does not align with composition during the fiscal year which ended on 31 May 2024. If presented as of the end of FY2024 on 31 May 2024, figures would be: percent of women members on Deloitte Global's Board of Directors: 35%; percent of women members on Deloitte Global's Executive Committee: 38%.

[4] For purposes of this report, professional staff is defined as Deloitte firm individuals spending at least 50% of their time serving clients and includes professionals from director to junior staff.

[5] For purposes of this report, administrative staff is defined as Deloitte firm individuals spending less than 50% of their time serving clients and includes professionals from director to junior staff. Administrative staff also includes Deloitte Global professionals who do not serve clients.

[6] Deloitte people align to gender identities beyond men and women. We are on a journey to more accurately and completely capture gender identity information across our network. The Talent data provided is a mix of biological sex and gender identity data based on information available at this time. In some cases where gender data is not available, the data may not sum to 100%.

[7] Age ranges are estimated based on data collected from Deloitte entities.

[8] The rate is calculated using the total Deloitte people at the end of the reporting period.

[9] FY2023 internships, in total and by gender, are restated due to a data clarification.

[10] Training hours do not include on-the-job learning hours that are a core aspect of development at Deloitte.

[11] Indirect learning and development investment is the opportunity cost based on estimates of the value of time spent in formal learning and development activities. The definition and calculation methodology for this metric has been revised to include development investment; calculations for FY2022 and FY2023 have been updated to align to the revised definition and methodology.

[12] One additional Deloitte University campus is under construction.

Governance

[1] Deloitte Global has a written policy requiring member firms to escalate corruption incidents meeting established criteria to the appropriate Deloitte Global executive. For the purpose of this disclosure, corruption is defined as any form of bribery including offering, promising, giving, accepting or soliciting anything of value for the purpose of gaining or securing any improper business advantage.

[2] All Deloitte people are required to complete anti-corruption training—upon being hired and every other year thereafter—that includes Global policies, corruption red flags and case study scenarios. This figure may not reflect 100% participation at any point in time, as required, because it includes Deloitte people on extended leave and those with recent start dates who may still complete the training before their designated due date.

[3] As anti-corruption training takes place every other year, Deloitte reports completion rates on a biennial basis.

Stakeholder engagement and materiality

[1] Deloitte uses the GRI Standard "GRI 3 Material Topics 2021" in defining what is material or a material topic.

Basis of reporting

[1] Contingent labor refers to non-employee staff providing services to Deloitte, including but not limited to self-employed independent contractors, project-based resources provided through external vendors, and third-party contractors referred by staffing agencies.

[2] Annex 16 - Environmental Protection, Volume IV, Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA).

[3] https://sciencebasedtargets.org/resources/files/SBTi_AviationGuidanceAug2021.pdf

TFCD Report

[1] AR6 Synthesis Report: Climate Change 2023 — IPCC

[2] The Deloitte Global 2023 Gen Z and Millennial Survey

[3] Global 500 2022 | Brand Value Ranking League Table | Brandirectory

[4] Based on information from Brand Finance, a leading brand valuation consultancy, Brand Strength Index is a composite score (1-100) that measures the strength of a brand in terms of ability to drive business value. It influences the royalty rate, forecast growth, and discount rate used in Brand Finance's valuation. Values shown are from the 2022 Brand Strength Index based on data from calendar year 2021.

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Environmental Performance Data Limited Assurance Report FY2024

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Independent Limited Assurance Report to Deloitte Global Services Limited in Respect to the Environmental Performance data for the year ended 31 May 2024.

BDO LLP ("BDO" or "we") was engaged by Deloitte Global Services Limited ("the Company" or "DGSL") to report on the Deloitte network's (as defined below) environmental performance data for the year ended 31 May 2024 (the "subject matter") in accordance with the requirements laid out in the FY2024 Basis of Reporting (the "criteria"). We were engaged to report in the form of an independent limited assurance conclusion as to whether the applicable criteria have been met. Our work has been conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3410 Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

Our review was limited to the subject matter reported in the 2024 Global Impact Report ("the Report") comprising:

- Scope 1 Greenhouse Gas (GHG) emissions (consisting of fuel combustion in buildings and vehicle fleet, internal combustion engine, reported in tCO2e)
- Scope 2 GHG emissions (consisting of purchased electricity, buildings and fleet, location and market based, and district heating and cooling, reported in tCO2e)
- Scope 3 GHG emissions (consisting of business travel, commuting and teleworking, and purchased goods and services (PG&S), reported in tCO2e)
- Energy usage (consisting of renewable electricity, non-renewable electricity, natural gas, gasoline and diesel fuel, reported in terajoules).

Figures reviewed are shown in Appendix 1 to this report.

The Deloitte environmental performance data consist of the emissions of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their respective related entities (collectively, the "Deloitte network"). DTTL (also referred to as "Deloitte Global") and each of its member firms and their respective related entities are responsible for collecting their energy consumption and activity data. Consumption and associated emissions are submitted to Deloitte Global annually and compiled for inclusion in the Report. The engagement covered the entities comprising the Deloitte network and all facilities either owned or under the operational control of any such entities.

We have not performed any procedures with respect to other information included in the Report and, therefore, no conclusion on the Report as a whole is expressed.

DTTL's Responsibilities

The Directors of DTTL are responsible for the preparation of the subject matter in accordance with the criteria and associated disclosures within the Report, including disclosure of significant assumptions or deductions. The Directors of DTTL are responsible for the accuracy and completeness of the information contained in the Report.

This responsibility also includes the design, implementation, and maintenance of such internal controls as are determined necessary to ensure the subject matter is free from material misstatement, whether due to fraud or error (to the extent possible given developing methodologies).

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Our Responsibilities

We conducted the engagement in accordance with the International Standard on Assurance Engagements 3410 (UK) - Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410"). The standard requires that we:

- Comply with the requirements of Parts A and B of the Code of Ethics for Professional Accountants, including independence, issued by the International Ethics Standards Board for Accountants (the IESBA Code);
- Implement quality control procedures that are applicable to the individual engagement in accordance with the requirements of the International Standard on Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (ISQM 1)
- Plan and perform our engagement to comply with the requirements of ISAE 3410; which include obtaining sufficient evidence to provide limited assurance, over the subject matter for the year from 1 June 2023 to 31 May 2024 in accordance with the criteria.
- Communicate matters that may be relevant to the subject matter to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the subject matter; and
- Report our conclusion in the form of an Independent Limited Assurance Report to the Company.

Scope of the Assurance Engagement

The procedures selected, and our determination of the nature, timing, and extent of these procedures, were dependent on our judgment, including an assessment of the risks of material misstatement and non-compliance with laws and regulation in the subject matter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a conclusion on the subject matter shown in Appendix 1.

A limited assurance engagement undertaken in accordance with ISAE 3410 involves assessing the suitability of Deloitte Global's use of its reporting procedures as the basis for the preparation of the subject matter, assessing the risks of material misstatement of the subject matter whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the subject matter.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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Our procedures included, but were not limited to:

- Review of the criteria to understand and identify risks of material misstatement in the associated Report
- Interviews with key personnel to understand the systems and controls in place during the reporting period
- Review and assessment of the systems, processes and controls to collate, aggregate, validate and report the data
- Evaluated the materiality of the locations based on reported emissions and considered this for reasonableness against the geographies covered by the entities comprising the Deloitte network, including all facilities either owned or under the operational control of any such entities and activity in those locations
- Tested the key processes and controls covering the consolidation process and presentation of network-wide level data
- Reviewed the reasonableness of information provided by any member of the Deloitte network, including data of the outsourced facilities managers or outsourced travel management companies
- Performed analytical procedures and sample tests on collated data and conversion factors applied in accordance with published guidelines. This included reviewing any matters showing significant variations from prior years
- Confirmed the purchase of Energy Attribute Certificates (EACs)
- Reviewed the draft disclosures contained within the draft Report, dated 11 September 2024 and the corresponding FY2024 Performance Metrics – Environment table, to assess alignment with the underlying GHG emissions calculations and activity data.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion against the applicable criteria.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the subject matter for the year from 1 June 2023 to 31 May 2024, has not been prepared, in all material respects, in accordance with the applicable criteria.

Inherent Limitations

Our opinion is based on historical information and the projection to future periods of any evaluation of the service description or subject matter, or conclusions on the controls or subject matter reviewed, would be inappropriate.

The following limitations are noted under ISAE 3410:

- ISAE 3410 recognises that Greenhouse Gas quantification process can rarely be 100 percent accurate due to:
    - Scientific uncertainty, arising from incomplete scientific knowledge about the measurement of the gases
    - Measurement uncertainty, arising from limitations in measurement techniques and the use of estimations.

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The relative effectiveness and significance of specific control procedures at Deloitte Global and their effect on assessment of control risk at the level of any individual entity in the Deloitte network are dependent on their interaction with the controls and other factors present at other members of the Deloitte network. We have not performed any procedures to evaluate the effectiveness of controls at individual entities in the Deloitte network.

For this engagement, we have not carried out any work on data reported for prior reporting periods nor in respect of future projections and targets. We have not conducted any work outside the agreed scope and therefore restrict our conclusion to the above-mentioned subject matter.

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information. The absence of a significant body of established practice on which to draw- allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact accuracy and comparability. Greenhouse gas quantification is unavoidably subject to inherent uncertainty as a result of both scientific and estimation uncertainty and for other non-financial performance information the precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time.

Restriction of Use of Our Report

Our limited assurance report is made solely to DGSL and designed to meet the agreed requirements specified by DGSL. Our limited assurance report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the DGSL for any purpose or in any context. Any party other than DGSL, including any of the other members of the Deloitte network, who obtains access to our limited assurance report or a copy thereof and chooses to rely on our limited assurance report (or any part thereof) will do so at their own risk. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any party, other than DGSL, for our work, for this independent limited assurance report or for the conclusions we have reached.

DocuSigned by:
BDO LLP
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BDO LLP
Chartered Accountants
55 Baker Street, London, W1U 7EU
United Kingdom
9 October 2024

Appendix 1: Environmental Performance data for the year ended 31 May 2024

Greenhouse Gas Emissions	FY24, tCO2e
Total Scope 1 emissions	33,618
Total Scope 2 emissions	16,908
Total Scope 3 emissions	1,395,284
Gross GHG Emissions	1,445,810

Energy Usage	FY24, Terajoules (TJ)
Total energy consumed, consisting of electricity (renewable and non-renewable), natural gas, gasoline, diesel fuel and district heating and cooling	2,068