

OURNEY TO INCLUSION FY2013 DIVERSITY ANNUAL REPORT

Deloitte.

The path we're taking



Click on the video player above to launch an introductory message from Jane Allen, Chief Diversity Officer.

Engaging our people

Ensuring that our people feel valued, supported and respected is paramount to our goal of building a culture of true inclusion at our firm. Over the past year, we have taken significant steps to make that happen – we continue to offer innovative, educational programs and events that truly engage our people and make them feel part of a larger community that truly cares about them and what makes them unique.

I have taken many communications and leadership type courses in the past and never have I walked away so energized and with tools that I can leverage right away that will allow me to lead.





Proud to Lead

Helping our people bring their 'true selves' to work is not always easy — especially for some members of our Lesbian, Gay, Bisexual, Transgendered, Queer (LGBTQ) community at Deloitte. Many are ready to advance their career but they face barriers that prevent them from taking that next step.

To help break down those barriers, we partnered with The Humphrey Group to co-develop a unique learning program called **Proud to Lead**. Building on the **Taking the Stage** program — designed to help our talented women become strong, confident leaders — we built a similar model for our LGBTQ employees. This program was piloted in Toronto in March and met with great enthusiasm. Our goal is to make the program available to other LGBTQ employees across the firm later this year.

All attendees are introduced to the fundamental principles of leadership communication. Participants learn how to capitalize on their leadership opportunities by articulating strong, clear messages in every interaction. Proud to Lead shows employees how to express themselves as members of the LGBTQ community and employees of Deloitte, with confidence, with pride and also with awareness of their audience and environment.



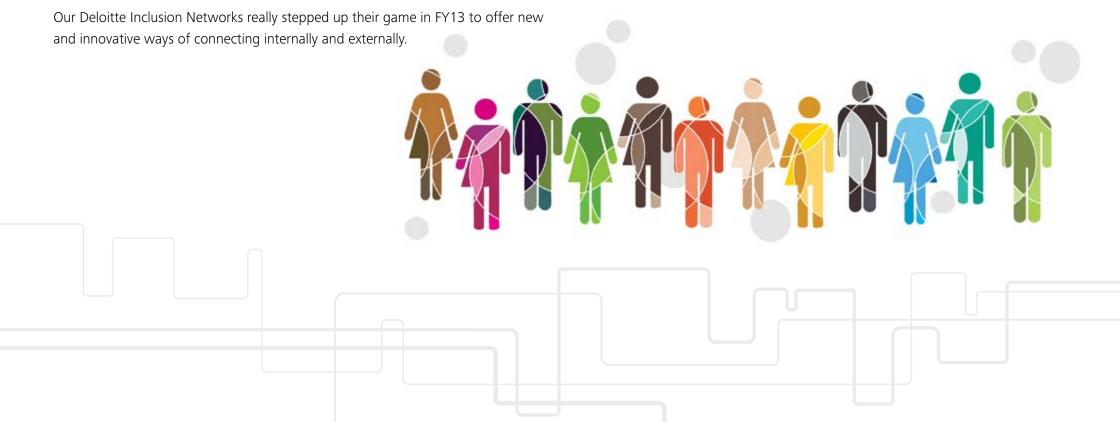
The Proud to Lead program was the reason our firm was recognized with an **Innovation in Diversity Award of Excellence** from the Diversity Journal magazine. The award recognizes "organizations and institutions anywhere in the world that have developed innovative solutions offering measurable outcomes in the area of workforce diversity and inclusion."

That community feeling

Our six **Deloitte Inclusion Networks** offer our people a sense of community where they can connect with colleagues who have similar backgrounds and interests.

But they are much more than an internal support system — they provide professional development for our people, help others learn about their unique challenges and opportunities and they also reach out externally to create relationships with the business community, potential recruits and alumni.

- Canadian Asian Network (CAN)
- Canadian Black Professionals Network (CBPN)
- Canadian Women's Initiative (canWin)
- Deloitte Dads
- Deloitte Latin American Network (D.Lan)
- LEAD (Lesbian, Gay, Bisexual, Transgendered and Queer Employees At Deloitte)



Winning beyond borders

The **Canadian Asian Network** collaborated with the Deloitte International Business program to launch their first **Winning beyond borders** event this past year. The event focused on Asian-international services and explored the range of international support to help develop and win opportunities both locally and globally. The evening featured a number of amusing and educational corporate 'enactments,' which focused on several corporate cultural faux pas performed by Deloitte's very own in-house talent. This was followed by a group panel, where the audience had an opportunity to meet and network with the Country Service Group Leaders, the International Business team (Chinese services, Japanese services, Korean services and Indian desk), as well as Shouli and Partners LLP.



Did you know

Canada's immigrant population reported close to 200 countries as a place of birth in a 2011 survey? On a regional basis, Asia (including the Middle East) remained Canada's largest source of immigrants between 2006 and 2011.

The cultural aspect of business is becoming more and more important as companies from other countries — especially Asian countries — enter the Canadian marketplace. Cultural awareness (or lack of it) can be a make or break issue for some clients. Practitioners think to go to the client with service and industry expertise, but for these clients we must also bring a cultural awareness dimension to the table.

Michael Di Iorio Manager, International Development



Deloitte Dads make news

Our **Deloitte Dads People Network** made a big splash in the news when they were featured in Bloomberg Business Week in the U.S. and the National Post here in Canada. Just in time for Father's Day, **Rob Lanoue**, **Andrew Hamer**, **Jonathan Magder** talked in both articles about the challenges of raising a family while also maintaining a demanding career in a society that still considers parenting to be more of a woman's responsibility.

Here's a quote from the Bloomberg article: "Lanoue, who became partner in 2010, has two children in school full time, a 5-year-old and a 9-year-old, and he estimates that he works one day a week out of his basement office at home, partly to spend more time with them. He manages this, he says, by "being proactive with my calendar, weeks out," planning his schedule meticulously, moving in-person meetings to conference calls when he needs to and being blunt and in-your-face about it.

Even when he's in the office, he sometimes has to leave at 3:30 p.m. to drive his son to his hockey games, a fact he broadcasts to help dispel the stink that can trail people when they sneak out early. "Everyone knows my routine when I'm not there," he says. "Between 3:30 p.m. and 7 p.m., I'm available by e-mail. If there's anything I have to review, it's well into the evening." In other words: It'll get done, but on his time.

Connect to the articles here

- Bloomberg Business Week
- The National Post



Did you know

According to 2010 data from Statistics Canada, 11% of two-parent families in Canada have stay-at-home dads? With each consecutive year, more and more fathers are taking paternity leave.

Getting to know our people

Sharing stories about what makes us unique is an important way to create connections with people and foster a sense of belonging. We all have a story – here are just three of many.



Lenore MacAdam Manager, Talent

Explain your involvement in Deloitte's LGBTQ Deloitte Inclusion Network

I was the Chair of the GTA chapter of LEAD for two years. LEAD is a national Deloitte Inclusion Network which stands for Lesbian, Gay, Bisexual, Transgendered, Queer and Allied Employees At Deloitte.

Explain how your sexual orientation affects you at work

The main effect is that I often allow it to take up headspace that could probably be used more productively. Because of my association with LEAD, most people assume I'm gay, while technically I'm bisexual. Although that may seem trivial, it really is a different identity. I'm hesitant to share stories about, say, my high school boyfriend, because I get that confused look that says "I thought she was gay? Should I ask?

Is that inappropriate? What words do I use?" This is entirely understandable. I should probably be more open about it, so that people aren't put in that position but it seems awkward to follow a casual dating story with an explanation of your sexual identity.

I've been continually impressed with the leadership around diversity in general, and LGBTQ specifically, at Deloitte. My managers, coaches, leaders and colleagues have all been supportive and positive about my involvement with LEAD. In addition, LEAD's Executive Sponsor, **Ken Fredeen**, always took time out of his incredibly busy schedule to support us as a group and also me individually.

What advice would you give to colleagues about working with and supporting those in the LGBTQ community?

Simply ask! Be open and ask questions the same way you would a straight colleague. "Are you married?", "Are you in a relationship?" etc. And if you aren't sure what something means ("gay" versus "queer" for instance), challenge yourself to ask. Obviously these questions have an appropriate time and place, but if asked with genuine curiosity and openness, can lead to some great conversations and an increased comfort level with your colleagues.

Saad Malik Manager, ERS Explain your cultural background

I was born in Pakistan and moved to Libya as an infant, where I was raised until my early teens. Six countries later, I came to Canada in 2008 with my family. The principal factors behind our family decision were the safety, freedom, multiculturalism and family-friendly environment which Canada offers, and above all, the proximity to our closest relatives who had migrated here over the years.

What aspects of your culture are most important to you?

Most important to me are the values of my faith as a Muslim and the ability to exercise my moral values, which include personal integrity, supporting my family and contributing positively to my community.

How does your life experience affect your role at Deloitte?

Within the Deloitte Canada context, I am part of a visible yet growing minority group which is becoming increasingly important to our business. My international experience, gained from living in eight countries and cosmopolitan environments, provides me with the real-world experience and understanding to work well

with people from diverse professional and personal backgrounds. My experience relocating across five Deloitte offices internationally over the years means that I know the Deloitte culture that carries across borders. On a more personal level, I bring an ethical, principles-based approach to life, always seeking to learn and grow.

How are you involved in Deloitte's Diversity initiatives?

I serve as co-chair of our Canadian Asian Network (CAN). As co-chair, I actively support a wide range of ongoing activities and events to build an inclusive environment within Deloitte as well as within the community. I also serve as co-lead for our committee responsible for engaging the external community and actively engaging third parties and not-for-profits to collaborate on diversity initiatives.

I have also been involved with mentoring of Canadian Asians from within and outside Deloitte, exploring innovative ways to promote key diversity messages. I joined CAN within days of joining Deloitte, thrilled by the opportunity to connect with others of similar background and culture. The feeling of comfort and natural ease which I got from the first event I attended provided a sense of comfort and inclusiveness I had not felt before.

David MacdonaldSenior Manager, Assurance and Advisory

Explain your personal journey with Deloitte

I have been lucky enough to work in three different offices across the globe with Deloitte. I was born and raised in South Africa which is quite similar to Canada in many ways — it is a large country with a diverse population. There I joined Deloitte after obtaining my CA designation.

I then joined Deloitte in the Cayman Islands in order to experience life in the Caribbean as part of my quest to see the world. It was a huge change from living in South Africa as the Cayman Islands has a very laid back way of life. The weather was pretty different in that it was either hot or very hot. Professionally, it was quite a learning curve as I had not worked with financial institutions before and they are the major clients there. Thankfully I had great mentors and so got up to speed pretty quickly.

In South Africa, I had grown used to working in a certain way and working in the Cayman Islands with people from all over the world, I learnt quickly that there is more than one way to do something and that you need to be open to different approaches.

Two years and many happy memories later, my wife and I decided that we weren't finished travelling. It was at that stage that we happened to vacation in Vancouver and the decision was made. We both loved the outdoor lifestyle in Vancouver, the multicultural population and the city itself. After leaving the Cayman Islands, we took a three-month vacation (travelling to the U.K. and South Africa) and I then joined Deloitte Canada in Vancouver.

Why is it so important to get that global experience?

Sharing best practices from around the world is one of our competitive advantages as a global firm. Personally it has been such an interesting and fulfilling journey, learning how to deal with unique challenges and growing from those experiences. The most important lesson that I learnt was how to deal with people from a variety of different backgrounds and understand their needs. My global experience has allowed me to bring different ideas to the table and best practices from other offices.

Leading from the front

Our aim is not only to advance our diversity and inclusion goals internally, but lead by example in the broader business community and beyond.

Canadian society will benefit when all of its talented people are able to contribute to their full potential, and all of us who make Canada our home will benefit too.

As a leading Canadian business, we have an opportunity to work with our communities to bring about positive change and to leverage our brand and our people to truly make a difference.





Leading the dialogue

This past year, we put a focus on creating connections between Aboriginal people and Canada's business community as part of our annual **Dialogue on Diversity**. We brought together representatives from business, government, academia, Aboriginal groups and community-based organizations to discuss how to help bridge the gap.

Through our sessions across Canada, we discovered that there are significant gaps in the education system that make it hard to complete the formal education required by employers. There are also limited opportunities to learn about careers beyond those traditionally aspired to in Aboriginal communities and little support available to navigate corporate systems. Once hired, Aboriginal people can experience isolation and unfamiliarity with cultural norms. The absence of Aboriginal colleagues and Aboriginal role models in senior positions can contribute to retention challenges.

Participants highlighted inflexible company hiring practices that make it difficult to consider a wider range of qualifications and experience, while limited resources may make it difficult to foster inclusive hiring and training practices. Misconceptions and old myths persist.

We compiled all the insights, ideas and recommendations of these discussions into our third annual Dialogue on Diversity report entitled **Widening the circle: Increasing opportunities for Aboriginal people in the workplace.**



Our top 10 best practices for increasing opportunities for Aboriginal people in the workplace

- Partner with high schools, colleges and universities.
- Provide students with internships to give them training/experience.
- · Question standard job requirements.
- Review screening/hiring/advancement practices to recognize unconventional talent and cultural differences.
- · Conduct company-wide cultural training.
- Hire more than one Aboriginal person.
- Promote Aboriginal people to senior roles.
- Assess business/employment practices that could provide barriers to Aboriginal people.
- Develop an Aboriginal hiring and retention strategy.
- Communicate and celebrate successes.

Making progress

Deloitte and Carleton University's Centre for Women in Politics & Public Leadership — of which Managing Partner and Chief Executive **Frank Vettese** is a founding member of its board — jointly published a benchmark study of women's leadership entitled **Progress in Inches, Miles to Go**.

The report shows that women held only 29% of senior management positions in Canada in 2011, although they constituted 47% of the workforce, just a 6% increase since 1987. And there is significant variation across industries, with mining, retail and wholesale and manufacturing well below average levels.

The study also reveals that women are not making consistent, steady gains toward full leadership equality, but instead experience fluctuations and plateaus over time. They do better in the public and non-profit sectors than they do in private industry. Important recommendations were made and a mining industry roundtable was convened to explore further opportunities to make progress.

If we know that women in leadership roles change the way companies collaborate, build partnerships and engage employees, how can women's leadership roles not contribute to amazing innovations in the future and improved levels of productivity? The connection is there, but we need to make targeted and consistent changes in our organizations to capitalize on this wealth of knowledge.



Frank Vettese Progress in Inches, Miles to Go

Rethinking disability

When The Honourable Diane Finley, Minister of Human Resources and Skills Development, announced the creation of the Panel on Labour Market Opportunities for Persons with Disabilities, our own **Ken Fredeen**, Deloitte's General Counsel, was tapped to chair the panel. The panel conducted about 200 in-person, telephone and online consultations with employers of all sizes across the country and in a broad range of industry sectors to identify successes and barriers in employing people with disabilities.

It comes down to the fact that there's a huge talent pool out there that we have not tapped into in ways that maximize the abilities these people have. What we learned from the great corporations in Canada is that the ones we saw that really got it right, were some of our most successful businesses in Canada. We think it's quite clear that if you develop a strong strategy of inclusion within your organization, you're going to be a more successful business.



Ken Fredeen
Speaking at the Human Resources, Skills and Social Development and the Status of Persons with Disabilities Committee

The report, entitled **Rethinking disAbility in the Private Sector**, was released January 2013 and highlights actions employers can take to accommodate people with disabilities in their workplaces, as well as the benefits to both individuals and businesses. As well, the report recognizes the need for business leadership and effective community partnerships.

This report is directed at Canadian private sector employers and offers the following findings:

- Many companies are doing great things, but more education and training are needed to overcome barriers, dispel myths and put theory into practice.
- In 57% of cases, no workplace accommodation is required for people with disabilities. In the 37% of cases reporting a one-time cost to accommodate an employee with a disability, the average amount spent is \$500.
- To increase employment among people with disabilities and access the related benefits, tone from the top and the actions of leaders are imperative.
- Also critical is identifying community partners who fully understand the business' talent needs and are committed to customer service.

Board diversity in the spotlight

Canada is falling behind when it comes to progress on gender diversity among corporate directors — we currently rank tenth among 20 major industrialized nations. The pool of potential directors needs to be broadened beyond the traditional circles. Corporate boards must make diversity a priority and search for a wider range of skills, experiences and perspectives to support corporate governance.

Provinces like Ontario are currently considering options for asking companies to set targets for women directors on boards. There is currently a Senate Bill in place to require 40% women board directors. Ontario is considering "comply or explain" legislation to require corporations to disclose measures they are taking to increase the number of women in executive and board positions.

Deloitte became a founding partner of the Diversity 50, a sponsor driven approach to improving board diversity led by the Canadian Board Diversity Council. Diversity 50 is intended to provide boards with a pool of potential candidates who are not currently in board members' individual networks of contacts. Key differences that set Diversity 50 apart from similar initiatives that have been tried in the past include:

- a focus on board-ready diverse candidates
- the hands-on participation of leading CEOs
- best-in-class criteria that addresses knowledge, skills and behaviours
- a stringent selection process
- collaboration with Governance Metrics International (GMI)

Frank Vettese is part of a group of 10 CEOs and chairs that created a list of 50 diverse, board-ready candidates that organizations across the country may select from to complete membership on their own boards. "As business leaders, we all need to be committed to broadening our field of vision when recruiting leaders. These leaders need to be given opportunities to 'let their lights shine' and have their talents used to the fullest," says Frank.



Engaging with our communities

Maintaining connections in the communities where we live and work is important — the fabric of our society and economy is strengthened when we work together to provide employment opportunities, mentorship and other forms of support. And the learning and personal growth that comes from engaging with our communities goes both ways. Some of the community organizations with which we've partnered this past year include:

- Toronto Region Immigrant Employment Council (TRIEC)
- Edmonton Region Immigrant Employment Council (ERIEC)
- Association of New Canadians of Newfoundland and Labrador (ANC)
- · Hire Immigrants Ottawa
- JOIN
- Junior Achievement
- Progress Place
- ACCES Employment

Diversity in Action

As a way to teach young people about diversity and inclusion, a group of Deloitte professionals spends one day a year teaching diversity training to middle school students through Junior Achievement. This interactive program entitled **Stronger Together: Diversity in Action** allows students to explore the value of diversity and how it contributes to improving morale, creativity, teamwork and productivity in school and future workplaces. Students in grades six to eight are encouraged to share perspectives on the various cultural and social challenges faced each day.



Inspiring from the top

Our Board and Executive are leading the charge to keep diversity and inclusion in the forefront of our culture and values at the firm. Our new leadership team challenged and inspired us to take our Diversity and Inclusion Strategy to the next level and to take bold, innovative steps to make diversity and inclusion a way of life at Deloitte. Our renewed strategy will provide a roadmap to build on the strong foundation we have built since 2007 and sets the course to realize the benefits of a truly inclusive workplace.

Last year we also renewed our succession management process to ensure that all of our people's talents are recognized and developed through this process.

Our Inclusion and Diversity Council advises the Executive team on diversity strategy. The requirement to "value the diversity experiences all of our people bring" is a stated, formal performance objective for all firm members.

Our efforts are beginning to show in the changing demographics of our leadership groups:

- over the past two years, close to half of new leadership admissions were women or visible minorities
- 25% of our Board of Directors are women
- 23% of our Canadian Executive and Extended Leadership Team are women
- two of our five services are led by women



Did you know

On top of wide-reaching recruitment strategies, the firm has formalized integration practices to better support newly-recruited employees who are recent immigrants to Canada, their team and management. We also provide training on topics like Canadian workplace norms and business language.

Education is key

We understand how important education is in helping us build a truly inclusive workplace – education helps to foster greater understanding and awareness of different ideas, viewpoints, beliefs and approaches. We are committed to training initiatives designed to support an inclusive work environment including the examples noted here.

Gender Intelligent Leadership is a program focused on ensuring our leaders understand the difference in work styles and preferences between men and women so they can work together more effectively and create an inclusive environment for all.

Built on the work of Barbara Annis, a pioneer and global practitioner in the advancement of Gender Intelligence, the program helps our leaders to understand gender-related tendencies so that they can engage more collaboratively in the workplace and other areas of life. As men and women come to understand each other's ways of thinking and acting, they step up to a new and powerful level of conversation. They begin to include each other more confidently and more willingly.

200 women participated this past year in **Taking the Stage**, a program designed to bring out their best and develop a strong, confident, leadership presence. The intensive two-day course explores the challenges of working in environments where women have to move beyond traditional behaviours and seek recognition for their views. Participants learn how to communicate effectively and get their points across. They discover how to achieve a strong presence through message, words, eye contact, pace, body language and voice. Actor-led workshops provide personalized coaching and each participant is videotaped and given feedback several times during the course.

This was a terrific program, where I had a chance to connect with, share stories and challenge other talented female managers.



Thanks to everyone who has joined us on our journey so far – your commitment to making inclusion a way of life is inspiring. Your involvement and continued commitment will help drive us to our destination as a True Market Leader.



Deloitte, one of Canada's leading professional services firms, provides audit, tax, consulting, and financial advisory services. Deloitte LLP, an Ontario limited liability partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited. Deloitte operates in Quebec as Deloitte s.e.n.c.r.l., a Quebec limited liability partnership.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

© Deloitte LLP and affiliated entities. 13-3485

