



Carbon Reduction Plan

Supplier name: **Deloitte LLP**
Publication date: **7 October 2024**

Commitment to achieving Net Zero

Deloitte LLP has publicly committed to becoming Net Zero, as part of Deloitte's global [WorldClimate](#) strategy. In the first phase of our long-term decarbonisation plan we set 'near-term' 2030 carbon reduction goals covering our operations and value chain. We have now set a long-term target to reach Net Zero by 2040. These targets have been verified by the Science-Based Targets Initiative (SBTi).

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

| Baseline Year: 01 June 2018 to 31 May 2019 (FY19) | |
|--|--------------------------------------|
| Additional details relating to the Baseline Emissions calculations: | |
| <p>Our carbon emissions are calculated using an operational control consolidation approach as described in the GHG Protocol. Our detailed methodology is outlined in this Basis of Reporting. BDO LLP provide limited assurance of our UK firm's data (Deloitte LLP).</p> <p>The emissions reproduced in this CRP differ slightly from those in our externally assured GHG statement. This is because our assured footprint is aligned with the GHG Protocol and our own global reporting standard – as such we report all material sources of emissions. To ensure alignment with the Procurement Policy Note 06/21 we have estimated emissions from waste and added this to the totals (see *). We have also used analysis from the 2018 SBT Value Chain report to split out 'Upstream Transport and Distribution' from 'Purchased Goods and Services' emissions (which are combined in our own reporting).</p> <p>In FY24, we revised the methodology for calculating contingent labour emissions that were previously included in purchased goods and services (PG&S) emissions to increase the precision of these calculations. Additionally, we 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.). Additional details on the methodology used to calculate PG&S emissions and further details on this restatement are provided in the FY24 Basis of Reporting and FY24 UK GHG statement. Actual activity data on commuting was sourced from a survey in FY24, however, a proportion of the commuting and working from home calculation still rests on assumptions and extrapolation. We will refine these assumptions and improve the methodology moving forwards as guidelines develop.</p> | |
| Baseline year emissions | |
| Emissions Source | Total Emissions (tCO ₂ e) |
| Scope 1 | 3,192 |
| Fuel combustion | 3,083 |
| Vehicle fleet (internal combustion engine) | 109 |
| Scope 2 | 3,615 |
| Electricity (market-based) | 3,353 |
| District heating & Cooling | 258 |
| Vehicle fleet (electric) | 3 |
| Scope 3 | 109,143* |
| <u>Upstream</u> | |

| | |
|---|---|
| Purchased goods and services | 43,563 |
| Capital goods | Reported in the PG&S category |
| Fuel- and energy- related activities | Not material |
| Upstream transport and distribution | 889 |
| Waste generated in operations | 52* |
| Business travel (excl. radiative forcing) | 50,999 |
| Employee commuting and teleworking | 13,640 (<i>see footnote</i>) |
| Upstream leased assets | Reported in the PG&S category |
| <u>Downstream</u> | |
| Downstream transport and distribution | Not relevant. Deloitte does not sell or transport products |
| Processing of sold products | Not relevant. Deloitte does not sell or transport products |
| Use of sold products | Not relevant. Deloitte does not sell or transport products |
| End-of-life treatment of sold products | Not relevant. Deloitte does not sell or transport products |
| Downstream leased assets | Downstream asset leasing is only done in rare circumstances. Emissions assumed to be negligible compared to overall footprint |
| Franchises | Not relevant. Deloitte does not own franchises |
| Investments | Not relevant according to the GHG Protocol as Deloitte is not a financial institution |
| Total Gross Emissions | 115,950* |

Employee commuting and teleworking is split as follows in the Baseline year: employee commuting **12,805 tCO₂e** and teleworking (homeworking) **835 tCO₂e**.

Current Emissions Reporting

| Reporting Year: 01 June 2023 to 31 May 2024 (FY24) | |
|--|--|
| Emissions Source | Total Emissions (tCO ₂ e) |
| Scope 1 | 1,643 |
| Fuel combustion | 1,624 |
| Vehicle fleet (internal combustion engine) | 19 |
| Scope 2 | 0 |
| Electricity (market-based) | 0 |
| District heating & Cooling | 0 |
| Vehicle fleet (electric) | 0 |
| Scope 3 | 68,035* |
| <u>Upstream</u> | |
| Purchased goods and services | 20,802 |
| Capital goods | Reported in the PG&S calculation |
| Fuel- and energy- related activities | Not material |
| Upstream transport and distribution | 425 |
| Waste generated in operations | 19* |
| Business travel (excl. radiative forcing) | 38,263 |
| Employee commuting and teleworking | 8,526 |
| Upstream leased assets | Reported in the PG&S calculation |
| <u>Downstream</u> | |
| Downstream transport and distribution | Not relevant. Deloitte does not sell or transport products |
| Processing of sold products | Not relevant. Deloitte does not sell or transport products |
| Use of sold products | Not relevant. Deloitte does not sell or transport products |
| End-of-life treatment of sold products | Not relevant. Deloitte does not sell or transport products |

| | |
|------------------------------|---|
| Downstream leased assets | Downstream asset leasing is only done in rare circumstances. Emissions assumed to be negligible compared to overall footprint |
| Franchises | Not relevant. Deloitte does not own franchises |
| Investments | Not relevant according to the GHG Protocol as Deloitte is not a financial institution |
| Total Gross Emissions | 69,677* |

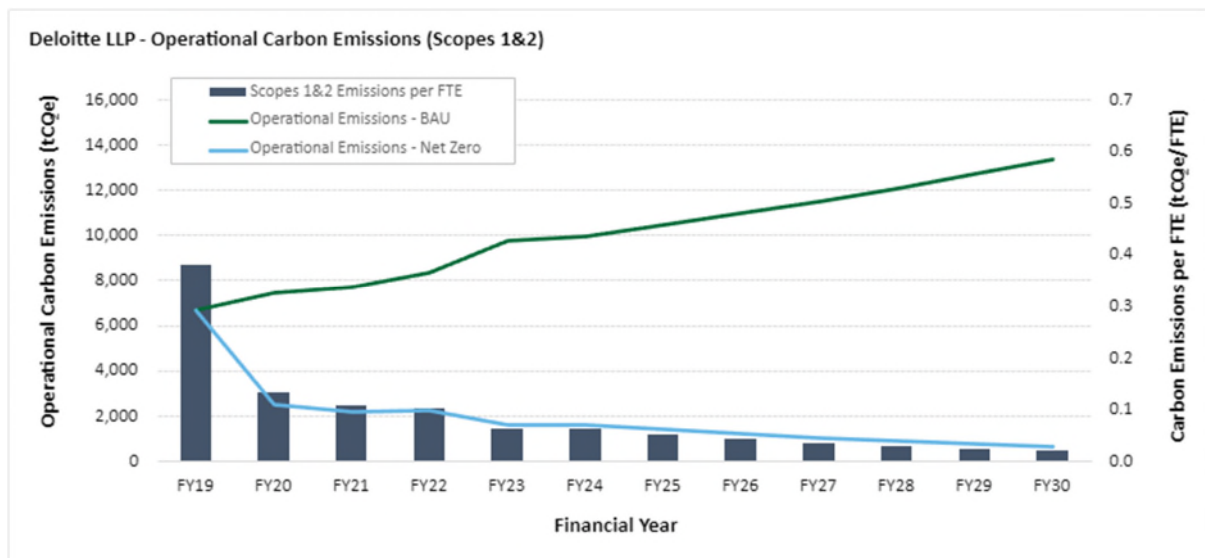
Employee commuting and teleworking is split as follows in FY24: employee commuting **4,876 tCO₂e** and teleworking (homeworking) **3,650 tCO₂e**.

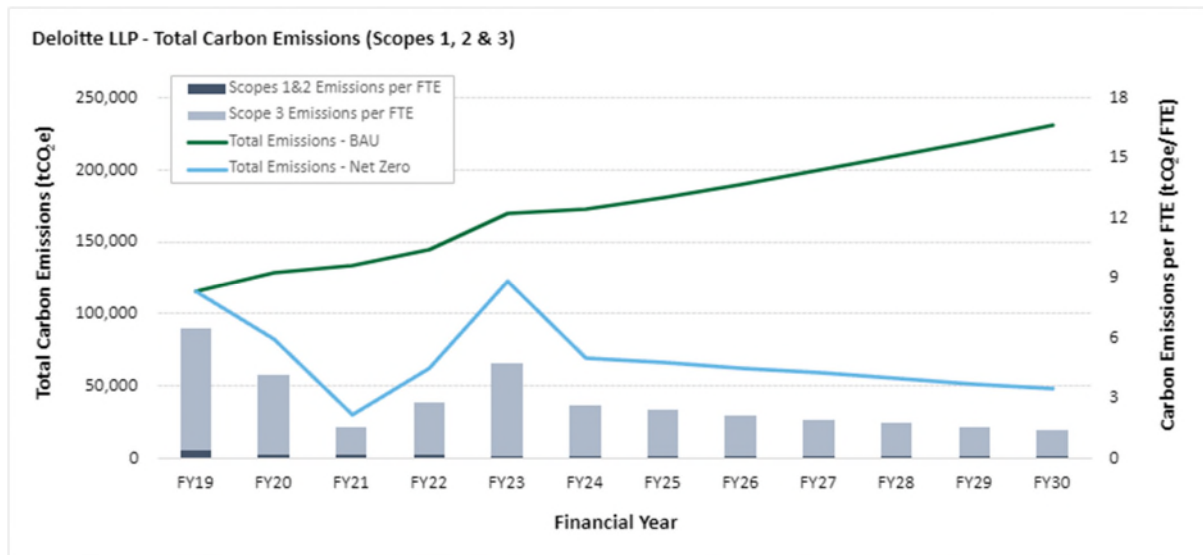
Emissions Reduction Targets

We are committed to becoming Net Zero by 2040 across our value chain. Underpinning this commitment are the following near-term carbon reduction targets. By 2030 or sooner we will:

- Reduce scopes 1 & 2 emissions by 70%
- Reduce scope 3 business travel emissions by 55% per FTE
- Require two-thirds of our global suppliers (by emissions) to adopt a science-based target by 2025
- Invest in certified, market solutions for emissions we cannot eliminate through the purchase of CERs ('carbon offsets') and direct investment.
- In addition, we have set the following supporting targets:
 - Operate a fully plug-in hybrid/ electric vehicle fleet
 - Source 100% renewable electricity for our buildings

Compared to a BAU trajectory from FY19, we estimate that total carbon emissions will decrease over the next five years (FY25-29) by **706,243 tCO₂e**. This is a cumulative reduction of **71%** vs the BAU scenario.





Emissions Reduction Projects

The following environmental management measures and projects have been completed or implemented since the FY19 baseline. It is difficult to separate the impacts of our carbon reduction programme from the impact of Covid, but the cumulative carbon emission reduction achieved over the past six years (FY19-24) vs. our FY19 BAU trajectory equates to **381,324 tCO₂e**. All carbon reduction measures will remain in effect when performing the contract.

- We launched *WorldClimate*, our global strategy to drive responsible climate choices within our organisation and beyond.
- We set a carbon reduction target that has been externally verified by the Science-Based Targets Initiative (SBTi) as being in line with the 1.5°C ambition set out in the Paris Agreement.
- We created a climate action roadmap that includes:
 - Creation of our 'Better Buildings' framework to ensure sustainability is a key factor in all office leasing, fit-outs and operational decisions.
 - Delivery of efficient operations from installing automatic meter readers (AMRs); to commencing a rolling programme of capital upgrades to our offices.
 - Sourcing 100% renewable electricity across our estate.
 - Investment in digital technology and the launch of a 'Sustainable Delivery Framework' and Travel Emissions Calculator to help us work with our clients to reduce project-related travel emissions.
 - Active engagement with our largest global suppliers so they monitor and report their carbon emissions and commit to set their own 1.5°C aligned carbon reduction target.
- To effectively manage our broader environmental impacts, we continue to operate a combined ISO14001/50001 certified energy & environmental management system.

In FY24 we:

- Continued to install LEDs, optimise building services and decarbonise our heating systems in our largest buildings.
- Moved closer to our commitment to have a fully electric company car fleet with 98% of our vehicles now electric.
- Saw the number of our key suppliers with Science-Based Targets increase by a third.

In the future we will continue to develop projects around the above themes of supplier engagement, business travel emissions reduction, real estate optimisation, and efficient operations. We will also

embed wider sustainability considerations into our business operations, empower our colleagues to lead by example, and create partnerships that will enable us to accelerate climate action across the sectors in which we operate.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and the associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the Deloitte UK Managing Partner.

Signed on behalf of Deloitte LLP:



Philip Mills
UK Managing Partner
7 October 2024

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2023>

³ <https://ghgprotocol.org/standards/scope-3-standard>



This publication has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this publication. Deloitte LLP accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London, EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2024 Deloitte LLP. All rights reserved.