

DELOITTE LLP - GREENHOUSE GAS EMISSIONS STATEMENT

Deloitte LLP calculated this greenhouse gas (GHG) emissions statement using an operational control consolidation approach as described in the GHG Protocol. The full methodology is outlined in the Basis of Reporting. Scope 1 refers to all direct emissions from our gas usage, refrigerant leakage, generators and our owned fleet. Scope 2 refers to indirect emissions from generating our purchased electricity. Scope 3 includes our emissions from business travel, transmissions losses from our purchased electricity and our waste management.

Assessment Parameters

Baseline year	FY 2011
Consolidation approach	Operational control
Boundary summary	All entities and all facilities either owned or under the operational control of Deloitte LLP in the UK and Switzerland were included.
Consistency with the financial statements	The only variation to our financial statements is that the 42 leased properties under operating leases in the UK and Switzerland are included in our Scope 1 and 2 data. The upstream and downstream emissions outside of our operational control are included in Scope 3 data.
Emission factor data source	DEFRA (May 2013) emissions factors were uplifted to consider 4th Protocol IPCC factors.
Assessment methodology	Greenhouse Gas Protocol, a Corporate Accounting and Reporting Standard (revised edition, 2004).
Materiality threshold	A materiality threshold was set at group level at 5%, with all facilities estimated to contribute >1% of total emissions included in the data.
Intensity ratio	Emissions per FTE
Target	25% reduction in relative net CO ₂ e emissions per FTE by FY21 from a FY11 baseline.
Independent assurance/verification	Limited assurance provided by Grant Thornton UK LLP over all reported carbon and environmental metrics since FY11.

Greenhouse Gas Emissions	FY11 (Baseline Year)		FY12		FY13		% change against baseline	
	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)	(tCO ₂ e)	(tCO ₂ e / FTE)
Scope 1	4,021	0.32	3,977	0.29	4,129	0.28	2.7%	-9.8%
Fuel combustion	3,866	0.30	3,814	0.28	4,010	0.28	3.7%	-8.9%
Vehicle fleet	40	0.00	2	0.00	1	0.00	-96.9%	-97.3%
Fugitive emissions	115	0.01	161	0.01	118	0.01	2.8%	-9.7%
Process emissions	N/A	N/A	N/A	N/A	N/A	N/A	-	-
Scope 2	14,198	1.11	14,796	1.08	14,565	1.00	2.6%	-9.9%
Purchased electricity	14,198	1.11	14,796	1.08	14,565	1.00	2.6%	-9.9%
Purchased heat	N/A	N/A	N/A	N/A	N/A	N/A	-	-
Purchased steam	N/A	N/A	N/A	N/A	N/A	N/A	-	-
Statutory total (Scope 1 & 2)*	18,219	1.43	18,773	1.37	18,694	1.29	2.6%	-9.9%
Scope 3	35,502	2.78	38,905	2.84	38,373	2.64	8.1%	-5.1%
Upstream scope 3 emissions	35,502	2.78	38,905	2.84	38,373	2.64	8.1%	-5.1%
Purchased goods and services	Excluded	-	Excluded	-	Excluded	-	-	-
Capital goods	Excluded	-	Excluded	-	Excluded	-	-	-
Fuel- and energy- related activities	1,213	0.10	1,169	0.09	1,245	0.09	2.6%	-9.8%
Upstream transport and distribution	N/A	-	N/A	-	N/A	-	-	-
Waste generated in operations	77	0.01	87	0.01	98	0.01	26.2%	10.8%
Business travel	34,212	2.68	37,649	2.75	37,030	2.55	8.2%	-4.9%
Employee commuting	Excluded	-	Excluded	-	Excluded	-	-	-
Upstream leased assets	N/A	-	N/A	-	N/A	-	-	-
Downstream scope 3 emissions	0	0.00	0	0.00	0	0.00	-	-
Downstream transport and distribution	N/A	-	N/A	-	N/A	-	-	-
Processing of sold products	N/A	-	N/A	-	N/A	-	-	-
Use of sold products	Excluded	-	Excluded	-	Excluded	-	-	-
End-of-life treatment of sold products	N/A	-	N/A	-	N/A	-	-	-
Downstream leased assets	Excluded	-	Excluded	-	Excluded	-	-	-
Franchises	N/A	-	N/A	-	N/A	-	-	-
Investments	Excluded	-	Excluded	-	Excluded	-	-	-
Biogenic emissions	N/A	-	N/A	-	N/A	-	-	-
Total Gross Emissions	53,721	4.21	57,678	4.21	57,067	3.93	6.2%	-6.7%
Exported renewable electricity	N/A	-	N/A	-	N/A	-	-	-
Certified Emission Reductions (CERS)	N/A	-	N/A	-	N/A	-	-	-
Total Net Emissions	53,721	4.21	57,678	4.21	57,067	3.93	6.2%	-6.7%

Other Metrics	FY11 (Baseline Year)		FY12		FY13		% change against baseline	
	(Metric)	(Metric / FTE)	(Metric)	(Metric / FTE)	(Metric)	(Metric / FTE)	(Metric)	(Metric / FTE)
'Green' Electricity Procured (%) *	0%	-	62%	-	95%	-	-	-
Renewable Electricity Generated (%) **	0%	-	0%	-	0%	-	-	-
Paper Procured, <30% Recycled (kg)	707,776	55.46	686,830	50.12	293,499	20.20	-	-
Paper Procured, 100% Recycled (kg)	-	-	330	0.02	364,027	25.06	-	-
Paper Procured, Total (kg)	707,776	55.46	687,160	50.14	657,526	45.26	-7.1%	-18.4%
Video-Conferencing (No.)	1,732	0.14	2,135	0.16	2,583	0.18	49.1%	31.0%
Waste, Produced (tonnes)	2,115	0.17	2,217	0.16	2,420	0.17	14.4%	0.5%
Waste, Recycled (%) ***	75%	-	75%	-	71%	-	-	-
Waste, Diverted from Landfill (%) ***	98%	-	99%	-	99%	-	-	-
Water Usage (m ³)	111,742	8.76	121,949	8.90	115,035	7.92	2.9%	-9.6%

* Our 'green' electricity is procured from two tariffs: SSE, Renewable Source and Opus, Cleaner Greener Energy.

** This year we undertook an exercise to scope out how best to attain our target to generate 40% of our electricity from renewable sources. Installing on-site renewable technologies had a payback in excess of 20 years, while the most favourable option, investment in a small-scale, onshore community wind farm still had a prohibitive 12-year payback. We have thus taken the difficult decision to suspend our renewables target and instead continue to support the low-carbon economy through investing further in our energy efficiency programme and procuring 100% of our electricity from green tariffs. This will not affect our commitment to reduce our total greenhouse gas (GHG) emissions by 35% per FTE by 2020/21.

*** Offices under our direct control