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Impact 2014

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My vision for Deloitte is to be the Distinctive Firm – to stand out through the impact we have on our clients and society.

This impact encompasses our significant public interest role in maintaining and building trust in the capital markets. Providing confidence to investors and businesses through the best possible quality in our audit work encourages a strong and stable financial system, ultimately supporting economic growth. We have an unwavering focus on quality and integrity at the heart of our firm and we continually invest in improving our core audit proposition, for example through our use of cutting-edge analytics.

A critical part of enhancing trust involves the great emphasis we put on how we engage with our stakeholders, from investors and professional bodies to government and regulators, listening and responding to the issues that matter most to them.

We believe our work is playing an important part in contributing to the economic recovery in the UK. We advise British business leaders on a variety of issues ranging from organisational change to overseas expansion. An important part of our efforts to increase the competitiveness of British business is through our help in managing their tax affairs effectively and complying with regulations in an increasingly complex global economy. Our work across digital and analytics is driving innovation, helping increase productivity and providing our clients with solutions to the most complex of problems. We have advised on major infrastructure projects across the nation and are spurring debate within government on ways to encourage trade and investment in the UK.

I am immensely proud to report on our broader contribution to a sustainable and more prosperous society. We have many great initiatives in place at Deloitte such as our Social Innovation Pioneers, which support the most promising social enterprises across the UK, as well as the work we do with our national charity partners – Mind, Alzheimer’s Society and Prostate Cancer UK. As part of our dedication to greater social mobility, we launched our skills and education programme, Deloitte Access, a pioneering initiative with TeachFirst where our people volunteer hundreds of hours a year to support the development of young people in schools across the UK.
Investing in the learning and development of our own people remains a key priority. In FY14 we hired over 3,400 employees1 including over 1,000 graduates. This year we invested £27 million in our people’s learning and education equipping them to make a material difference to our clients’ ability to succeed and grow. Over and above our focus on developing the talents of our own people, we are committed to building the skills of Britain’s current and future business leaders. Our Next Generation CFO Programme, where we help develop the skills and expertise required by senior finance executives, is very highly regarded within the FTSE 350 and we are extending this unrivalled training across other executive level positions.

We have made great progress this year but I recognise that we have not achieved all we set out to do and there are areas where we can improve on our performance. We need to make tangible progress on our Women in Leadership agenda. Diversity brings great value, both to our business and that of our clients, and we have set targets of having 25% female partners by 2020 and 30% by 2030. The launch of our agile working programme, which gives employees the power to choose where, when and how they work, should help in our pursuit of these aims.

While the marketplace has been challenging, I believe that the quality, passion and energy of our people over the last few years has impacted positively both on our clients and the broader society. We will work hard to improve this impact in FY15 and beyond.

David Sproul, Senior Partner and CEO

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1 Includes FTE experienced hires, graduates and school leavers and over 300 inbound secondees to the UK from other Deloitte Member Firms.
Trust and confidence

Quality and integrity are a critical part of our responsibility in maintaining trust in the capital markets. This incorporates our work in audit and tax, where we strive to improve transparency and corporate governance, ultimately bringing confidence to our clients and to the wider investment community.

Our role in the capital markets
Audit plays a fundamentally important role in business transparency and helps restore growth to the wider UK economy. We are committed to helping clients meet regulatory standards to better fulfil the needs of investors and have taken steps to introduce innovative techniques to raise the benchmark. This is underpinned by the Distinctive Audit, launched in FY14, which will, we believe, encompass the next generation of auditing. Our approach means each audit is bespoke and forward-looking, which should ultimately deliver superior insight in terms of risks.

Our use of cutting-edge analytics technologies will improve audit quality and professional scepticism – both of which are crucial to rebuild trust following the financial crisis. For example, masses of company data can be analysed in real-time with more efficiency. This means anomalies or new trends can be identified and interrogated more readily and companies will be more agile in responding to market pressures.

In FY14, we launched a new framework to assist audit committees in meeting new annual requirements, including a comprehensive series of best practice statements. It goes beyond existing published checklists, embraces all the latest reporting requirements and will provide audit committees with a comprehensive tool with which to fulfil the latest requirements. We believe our initiatives will improve financial information, making it more timely and relevant to the capital markets.

In the past year we have been engaging proactively in consultations with the UK Competition and Markets Authority, European authorities and the Financial Reporting Council (FRC) about audit. The revised UK Corporate Governance Code and Guidance on Audit Committees, together with the work of these regulatory bodies, have brought about an evolution in the audit market. More frequent and consistent tendering will become the norm, bringing more opportunities for a broader range of firms to compete in the market.

In addition to our contributions to the various regulatory consultations, we provided evidence to the Parliamentary Commission on Banking Standards. We suggested solutions to improve communication between auditors and financial supervisors, enhance the transparency of banks’ risks and methods for improved auditor reporting models.
Our work this year across audit reflects our unyielding focus on innovation, excellent governance and transparency as we seek to drive higher standards across the market.

**Stakeholder engagement**

Given our important public interest role we put great emphasis on how we engage with investors and during the year we held our second Stakeholder Forum. This event for investors, business and professional bodies, government and regulators is a vital opportunity for members of Deloitte’s executive, board and independent non-executive directors to listen and respond to the issues that matter most to our stakeholders. A third event is being planned for 31 October 2014. We have also held a series of investor dinners during the year to facilitate feedback.

**Tax: a force for stability and investment**

For the UK economy to thrive and for business to play its role in this success, we need a tax system that provides certainty, stability and confidence in the rule of law. Deloitte’s role in tax comprises our work with government to put forward practical policy suggestions, cooperating with regulators on projects aimed at building trust in the tax system and helping clients navigate and comply with an increasingly complex regulatory environment.

**Attracting investment: new UK corporate tax regime**

The statutory rate of corporation tax will be the joint lowest in the G20 when it drops to 20 percent from April 2015 and there have been a range of tax incentives introduced to support scientific and technical expertise, promoting innovation and entrepreneurship. We have worked closely with the government to develop the practical application of several of these incentive schemes, such as the new R&D expenditure credit and the Patent Box legislation, introduced to help maintain the UK’s position as a world leader in patented technologies.

Through helping our clients realise the benefit of such incentive schemes we can help retain the UK as a centre for intellectual property investment, in turn supporting business growth and competitiveness.

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**In FY14, we issued**

**73 ENHANCED AUDIT REPORTS**

Deloitte were the first firm to publish an extended audit report

**£356m**

We contribute to tax revenues by directly paying to the UK Exchequer, whilst collecting a further £511m on its behalf, in FY14

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**Value Added (VA): a measure of economic output, or value added by an organisation or sector of the economy.**

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In FY14, we issued 73 ENHANCED AUDIT REPORTS for the FTSE 350.
This evolving tax landscape has attracted companies seeking to base their headquarters in the UK and such a positive trend should provide a great boost to the government’s efforts to rebalance the economy away from financial services. Several Japanese groups have established or are expanding regional headquarters in the UK and we held a high profile event in Japan for the former Exchequer Secretary to the Treasury David Gauke MP to discuss the attractions of the UK.

The UK is one of the leaders of the BEPS project both politically and technically and our partners and directors have invested a significant amount of time in participating at all the OECD Open Days and at discussion meetings to contribute our knowledge and experience to the entire process. Our client conferences on BEPS in London, where chair of the Commons Public Accounts Committee Margaret Hodge MP was a keynote speaker, were sold out and we ran similar events at many regional offices.

**Building public trust: tax compliance**

Tax compliance has been under much scrutiny and there is a lack of public trust in the value created by business — including the application of the tax system to multinationals and wealthy individuals. We are supporting our clients by helping develop their tax policies to take into account the wide range of interests of all their stakeholders. Our tax compliance work is critical in helping clients navigate an increasingly complex terrain, providing transparency and certainty for their business and encouraging better communications in relation to their tax affairs.

Future changes to national and international tax policies will have an impact on UK growth and competitiveness. We are gathering views from UK business leaders to put forward practical policy suggestions to help facilitate the changes that support the success of UK business, while at the same time bring increased transparency and confidence to the system.

**Tax transparency: BEPS**

Another major theme in tax this year has been the Base Erosion and Profit Shifting (BEPS) project, which was introduced amid concerns over tax planning strategies by multinationals to exploit gaps in tax rules. Deloitte UK is fully engaged with, and is contributing positively to, the BEPS project and we are focused on making new international tax rules workable for tax authorities and for business.
At Deloitte, the impact we have on our clients, the wider society and the long term, sustainable growth of the UK economy are central to our vision and purpose. Our work in driving business and economic success encompasses our role in advising Britain’s business leaders, our participation in key infrastructure projects as well as our desire to innovate, using digital and analytics to solve the most complex of problems.

Our economic contribution

- **£1.77bn** in Direct Value Added toward UK GDP
- **£1,000** to UK GDP in every job
- **£1,000m** Value Added outside London
- **12,700 JOBS**
- **£530m**

**4.8% Real Value Added growth from Deloitte**

**2.7% UK GDP growth in FY14**

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2 Direct Value Added (direct VA): a measure of economic output, or value added, by the internal activities of an organisation or sector of the economy. Here, it refers to Deloitte’s day-to-day activities. Total direct VA (or Gross Value Added) is analogous to GDP and consists of incomes from activity (profits), incomes to labour and attributable taxes.

3 Indirect Value Added: indirect business-to-business effects from Deloitte purchases and induced effects through consumer spending by Deloitte employees and partners.

4 Real Value Added growth refers to the change in VA after accounting for inflation. This is to allow a reasonable comparison with real GDP growth from the Office of National Statistics.
Participating in the economic debate
Our pioneering UK Futures Programme, and in particular our Businesses Leading Britain report, have been recognised at the highest levels of government for their insight into how to facilitate the development and competitiveness of British companies, exploring barriers to expansion, particularly into overseas markets, in order to nurture wealth creation.

UK Futures seeks to encourage debate on how to grow and develop British business and, as part of this, Deloitte runs a highly successful CEO Growth Escalator Programme (GEP). This helps leaders of medium-sized businesses (MSBs) succeed in expanding into high-growth markets through various support mechanisms such as interaction with a Deloitte mentor, executive workshops, connecting peer CEOs and access to a network of government and policy stakeholders.

As part of our efforts to understand the best ways to support inbound and outbound investment in the UK, we have been proactively supporting the government’s Exporting is GREAT campaign. We have worked in association with UK Trade and Investment (UKTI) to drive exports and have been active in several high-profile trade delegations throughout the year. During the recent trade missions to China by London mayor Boris Johnson, we hosted a roundtable event for the mayor and leading Hong Kong and mainland real estate developers to showcase investment opportunities in London.

Investment by British businesses will be a key engine of economic growth in the UK in the coming years. Our report into the $2.8 trillion (c. £1.6 trillion) of unspent corporate cash built up since the start of the financial crisis - and the widening gulf between hoarders and spenders - created significant interest across the UK media and government. Understanding how, and whether, companies will deploy this vast cash pile has been significant in predicting increased capital expenditure and deal-making in the UK.

“The Growth Escalator Programme is fantastic for CEOs who want to develop their skills and learn about emerging markets. In this business you never stop learning so I think this programme is great.”

Martin Gilbert, CEO, Aberdeen Asset Management

Solutions through innovation and digital
The need to innovate and bring fresh ideas to evolving challenges is becoming increasingly important for clients. Our digital business has grown significantly over the past two years and we expect it to double in size by the end of 2015, with clients increasingly seeking advice on developing technology software, products and digital services. Deloitte is passionate about supporting the companies that set the market for innovation, bringing job creation and economic benefit for the UK as a whole. The online and mobile revolution is impacting businesses in many different ways, and Deloitte Digital works with local and global organisations to help them understand how to profit from technological advances.

Elvis & Kresse: From trash to turnover
Our website design work resulted in a “vast improvement” in the company’s communication tools and in how it relates to its most important customers says co-founder Kresse Wesling. The website has helped drive a 40 percent increase in the number of visitors to the site and a 50 percent rise in online sales. Find out more: www.deloitte.co.uk/impact/case-studies

Revolutionising the Retirement Market
“The Deloitte team really were superb and not only do I stand by the quote that we couldn’t have done it without them, we would have struggled to get started without them.” Stephen Crosbie, Innovation Architect at Aegon UK on our work with their Retiready product. Find out more: www.deloitte.co.uk/impact/case-studies

UK technology has been an active sector in the IPO market over FY14, with several high-profile listings. The London Stock Exchange (LSE) introduced the High Growth Segment of the main market this year to offer growth companies greater flexibility when considering a listing in London. We advised on the very first listing in this new segment of JUST EAT, the online takeaway ordering service.

From sushi to satay: Deloitte brings JUST EAT listing to London
“We were really impressed by Deloitte’s capacity to meet our evolving needs across our business and we had no hesitation in selecting them as reporting accountants to assist us with our IPO. Deloitte’s support enabled us to list at the right time for our business and the IPO is an important stepping stone for our business as we continue to grow.” Frank McGlade, Head of Corporate Development, JUST EAT Find out more: www.deloitte.co.uk/impact/case-studies

The work we do across digital and analytics reinforces our ability to help position our clients for the future, thus supporting UK competitiveness and ultimately the government’s long-term economic plans.

The ideas our people bring to fruition are playing a critical role in helping our clients break new ground across a range of industries – from sport to retail. For example, our world-leading analytics solution is helping professional sports teams stay ahead of the game by enabling them to turn stats into strategy to improve their on-field performance. Launched earlier this year, Player Performance has already captured the imagination of a number of world-class teams, including Saracens RFC and Harlequins RFC. We are also about to launch our Fashion Intelligence Tool, which provides real-time competitor intelligence for fashion retailers based on publicly available data; intelligence that helps our clients improve their products, prices and discounts.

Deloitte Impact 2014
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Our regional impact

The government is encouraging investment through its Regional Growth Fund and we are working to advertise the benefits of setting up businesses outside of the Capital. This year we organised an investment roadshow for Indian companies in Manchester, Birmingham, London, Leeds, Bristol and Belfast to promote two-way trade between India and the UK.

More broadly, as we seek ways to build our clients’ growth prospects, we also attempt to find ways to combine this with our vision for a stable and prosperous society for the many not the few. Our involvement in regeneration across the nation should benefit the wider society and our Real Estate team is delivering integrated solutions for the public sector through its property services and financial and business advisory expertise.

We are assisting companies responsible for some of the UK’s key infrastructure projects and assets, ensuring the financial stability of their underlying ownership arrangements. We are working with the owners of major infrastructure businesses to restructure financial liabilities and stabilise complex capital structures.

Our regeneration work extends from these major infrastructure initiatives to our input on key projects that can help address some of the structural issues facing the UK, such as the concern over housing supply.

Regeneration for growth

Deloitte is proud to be advising the government on key infrastructure initiatives designed to transform the country’s transport and energy networks with the aim of future job creation and spreading economic benefits from the capital across the nation. New rail links, such as HS2 and Crossrail, Europe’s largest construction project, are an engine for economic growth and Deloitte is working closely with the government to bring certain projects to fruition.

Crossrail: 10,000 workers, 40 sites, 14 miles of tunnels

“Deloitte have taken the lead working in partnership with our own teams, our other partner organisations and many suppliers to deliver first class programme controls systems and a business organisation fit for purpose. This has enabled me and my team to lead and control the largest and most complex construction programme in Europe.” Andy Mitchell, Crossrail Programme Director.

Find out more:
www.deloitte.co.uk/impact/case-studies

Regenerating Southwark

Notting Hill Housing Trust will be the lynchpin in one of the most historically exciting and large-scale projects the capital has ever seen. Over the whole regeneration site there will be a net increase in homes from 2,400 to 4,200 of which 50 percent will be affordable.7

Find out more:
www.deloitte.co.uk/impact/case-studies

Deloitte is helping design and build the organisation that will deliver the Thames Tideway project, which was set up to transform public health and the environment by reducing pollution into the River Thames. Deloitte has worked with all the major stakeholders, including Thames Water, HM Treasury, Ofwat and Defra on plans for this £4.2 billion, 25 mile-long super drain.

Find out more:
www.deloitte.co.uk/impact/case-studies

7 https://www.gov.uk/government/collections/affordable-housing-supply
Building a better Belfast
Helping Belfast secure £18 million of lottery funding was just a part of our role in revitalising the city’s Titanic quarter, one of the world’s largest urban-waterfront regeneration projects.

Find out more: www.deloitte.co.uk/impact/case-studies

Our contribution to economic growth across the nations and regions:

• Accounting for nearly 5,000 jobs outside London in FY14 – over a third of the Deloitte UK total. The practitioners working at Deloitte’s regional offices were responsible for generating almost £470 million in Direct Value Added in FY14 (26 percent of the Deloitte UK total);

• Through these economic links, Deloitte helps to support a further 12,700 jobs and £530 million in Value Added outside London;

• As our regional case studies demonstrate, we enhance the economic impact of our clients across the regions through the services we provide.

The UK high street
Our restructuring team is frequently called upon to give advice and guidance on administrations. In FY14 we were engaged on over 100 insolvency-related assignments and helped save thousands of jobs. We were appointed as administrator to iconic London landmark The Gherkin, retailer Paul Simon and directories group Hibu. We can bring our clients the market facing knowledge and understanding of our real estate division coupled with pre-eminent retail specialists to help identify the best strategy for business recovery.

Find out more: www.deloitte.co.uk/impact/case-studies

The map of regional economic contribution:

Footprint employment numbers

- SCOTLAND: 1,540
- YORKSHIRE AND NORTH EAST: 2,000
- MIDLANDS: 3,130
- GREATER LONDON: 39,520
- GREATER SOUTH EAST: 6,400
- NORTHERN IRELAND: 360
- NORTH WEST: 2,380
- SOUTH WEST: 1,110
- WALES: 470

Footprint employment: a measure of the total employment impact generated by Deloitte’s day-to-day activities, as well as indirect business-to-business effects from Deloitte purchases and induced effects through consumer spending by Deloitte employees and partners.

LA fitness

We’ll get there together

LA Fitness: Shaping Up
Our supervision of the Company Voluntary Arrangements (CVAs) helped the health club chain avoid a full administration – benefiting creditors, members, employees, suppliers and trade partners. Around 1,000 jobs were saved.

Find out more: www.deloitte.co.uk/impact/case-studies
Building skills and developing future leaders

The ability to attract, develop and retain truly outstanding professionals is key to our success. We create unrivalled opportunities for people to work with the most interesting clients and build flexible, successful careers that meet their aspirations as well as deliver for our clients. In doing so, we create productive employment that develops economically useful skills and grows business leaders who can have a wide impact on UK plc.

We are proud of our significant role in the labour market — and in particular of being one of the UK’s largest recruiters of graduates. This year we recruited 1,896 full time experienced hires and 1,200 entry level positions, including 85 Bright Start and Scholar School leavers. We are pleased to have nearly doubled the number of undergraduate internships that we have been able to offer.

We are proud that many of our alumni take up senior level appointments in industry when they leave the firm and it is a reflection of our ability to add to our people’s skills.

Our people continue to benefit from world-class learning and professional education as they develop exceptional careers and business experience. During FY14, we invested £27 million on our people’s learning and education — an average of over £1,800 per person. In total, our staff received more than half a million hours of training in FY14. This includes the official launch of Deloitte University in Europe in December 2013, part of a global strategy that focuses on the development of leadership and business advisory skills for our management and partner populations and provides attendees with the valuable opportunity to work alongside colleagues from across Deloitte member firms in Europe.

This relentless focus on learning and development forms a key part of our pursuit of the highest quality and integrity in our professional work. We provide extensive training with online programmes to educate our people on a range of key issues, such as anti-money laundering, anti-bribery and information security. Ethics learning is also embedded into various classroom-based programmes across the firm. In addition to our wide-ranging education schemes, we also have well-established systems and procedures in place to help safeguard the objectivity of our people, helping ensure we avoid conflicts of interest and comply with ethical and other key standards.

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Nurturing our Talent

During FY14, we hired over 3,400 employees, including over 1,000 graduates in the UK.

During FY14, we invested £27 million in our people’s learning and education.

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8 Includes FTE experienced hires, graduates and school leavers and over 300 inbound secondees to the UK from other Deloitte Member Firms.
9 Our BrightStart school leaver scheme provides a structured 3-5 year programme for students with a strong interest in business and finance and give them the opportunity to gain a full professional business qualification. www.deloitte.co.uk/graduates/brightstart
10 Per FTE
11 Figure includes time spent training in our Swiss office.
We are always focused on how to help spur the creation of the next generation of businesses. This is where our work with London Business School comes to the fore as we enable businesses and entrepreneurs to recognise and grasp opportunities, giving them the insights and tools they need to succeed in challenging environments.

**Encouraging entrepreneurship**
As well as developing the talent of our own people, we also look to encourage skill building and entrepreneurship across society. In partnership with British Universities & Colleges Sport, our Deloitte BUCS Leadership Academy runs workshops to equip students with leadership skills. And this year, we have continued our work with charity Micro-Tyco to run an enterprise challenge across British universities and schools to help develop the entrepreneurial skills required to run a successful enterprise.

*Micro-Tyco: An Entrepreneurial Challenge*
Micro-Tyco is a fantastic tool that helps people develop entrepreneurial skills. This year we used the tool to identify the talent of the future at UK universities and our partner schools. Seventy five Deloitte volunteer coaches supported 345 school and university students by helping to generate ideas and develop business plans.

*Find out more:*
www.deloitte.co.uk/impact/case-studies

**Crowd funding goes mad for pizza**
We mentored Corrado Accardi through the London Business School in his Pizza Rossa business venture. The group’s funding campaign broke the European record for equity raised by a start-up through crowd funding and has won a range of innovation and start-up awards.

*Find out more:*
www.deloitte.co.uk/impact/case-studies

**Influencing the next generation of leaders**
SchoolstoBusiness (S2B) is a digital platform giving businesses the tools to influence the next generation of leaders at the start of their journey: in the classroom.

*Find out more:*
www.deloitte.co.uk/impact/case-studies
To start a new section, hold down the apple+shift keys and click to release this object and type the section title in the box below.

The breadth and depth of our dedication to mentoring and supporting future business leaders in the UK is best represented by our highly successful Next Generation CFO programme, where we help develop the skills and expertise required by senior finance executives.

Transferring skills and knowledge
We work with businesses to build strong and lasting relationships, and part of the durability of those relationships comes from working on projects that help raise the skills and capabilities of our clients. Our efforts with the UK government’s Major Projects Leadership Academy, which aims to return the capability of major project management to the Civil Service, really demonstrates the kind of impact our commitment to driving talent and skills across the public and private sector can have.

The Next Generation CFO Programme is an eye-opener in understanding the breadth of the CFO role.

Anne-Francoise Nesmes: CFO, Dechra Pharmaceuticals (FTSE 250)

The programme is highly regarded by FTSE 350 organisations and regularly recommended by head-hunters as a springboard for the development of future CFOs. We have also broadened the scope of our CIO Programme and work with the CPO community to prepare for the launch of our CPO Programme in FY15.

Developing leaders at the heart of government
“The Academy will significantly improve the quality of Major Project leadership at the heart of Whitehall, reducing over-reliance on external consultants, elevating the status of the profession and developing a cadre of world-class major project leadership supported by a peer group of exceptional quality and experience.” Francis Maude, Minister for the Cabinet Office.

Find out more: www.deloitte.co.uk/impact/case-studies

You’ll be a better CFO from doing the CFO Programme.

Julie Brown: CFO, Smith & Nephew (FTSE 100)

The Lab was undoubtedly the best day’s development I have had in too many years to mention. I have been a CFO for 16 years, so set the word ‘transition’ aside, and use the day to focus the mind, your energy, time and activity plans on what really matters – it was and is a powerful tool in helping me do just that.

Tim Tookey: CFO, Resolution (FTSE 100)
In recognition of our wider responsibility to make a contribution to the effectiveness of management and governance, we continue our work with the Deloitte Academy. This offers a range of tailored education programmes focused on members of the board and the C-suite. As individuals take on key positions of responsibility, the Deloitte Academy provides significant personal support and helps them keep abreast of changes in the business environment. Programmes cover a range of topics including developments in corporate governance and reporting, ethics, remuneration and the evolving role of the audit committee. We have also covered the broader business trends in risk management, such as cyber security, trust, use of data and many more relevant topics. The Deloitte Academy is open to all company directors but also offers programmes for discrete market segments, such as the FTSE100 and FTSE250. In the financial services sector, more specialist programmes exist within the Financial Services Faculty of the Deloitte Academy. The sessions are delivered in our dedicated business centre that allows the time and space for real debate and reflection.

Agility and Women in Leadership
Opportunity at Deloitte has not just been about formal learning, we also underpin development through our open-minded, agile culture. This year we have made significant steps to expand and deepen this aspect of our firm. Our ‘Work Agility’ programme is a blend of formal, flexible working arrangements and informal day-to-day practices. These practices help and encourage our people to work in a more agile way, equipping and trusting them to deliver work of a consistently high quality when they are not physically present in the office. Work Agility will be an excellent addition to supporting our Women-in-Leadership initiative and our targets of 25 percent female partners by 2020 and 30 percent by 2030.

As part of our dedication to diversity in the workplace, we are supporting the activities of the Women’s Business Council, a group sponsored by the Government Equalities Office. Denis Woulfe, a partner and vice chairman of Deloitte UK, has been appointed as a member of the Women’s Business Council over the next year to help it achieve its goal of maximising women’s contribution to economic growth.

Work Agility: An Athlete’s Story
Clare Cunningham is an Olympic triathlete who combines her work for Deloitte with her elite sporting career. Find out more: www.deloitte.co.uk/impact/case-studies
Contributing to a sustainable society

Our contribution to a sustainable society involves four key themes: social mobility through skills and education, Social Innovation Pioneers, our extensive charity work and our Green Journey.

Social mobility and diversity through education
As a founding partner of the social mobility charity UpReach, we understand the benefits of drawing talent from a diverse population. This year, we launched a new skills and education programme with Teach First, with the aim of raising the achievement, access and aspirations of young people in low-income communities.

Called ‘Deloitte Access’, the programme is a pioneering step in our relationship with Teach First that helps young people from disadvantaged backgrounds access professional employment. We are working with 11 Teach First schools across England, supporting young people in developing enterprise and leadership skills and raising their aspirations and employability.

We have also expanded our relationship with Teach First through our support for the award-winning Higher Education Access Programme for Schools (HEAPS). HEAPS pairs talented A level students from low-income backgrounds with a mentor, giving them the opportunity to participate in university visits, including a residential Easter School at the University of Cambridge.

We are working with 11 TEACH FIRST SCHOOLS
supporting young people in developing enterprise and leadership skills.

Pro-bono work at St. Mary Magdalene Academy
The academy executive principal described the Deloitte Access Programme as “the most ambitious and comprehensive” he has ever seen between a school and commercial partner.
Find out more:
www.deloitte.co.uk/impact/case-studies
Through these initiatives, we are working to help reduce unemployment across the UK. In addition, our efforts as a partner for Ingeus UK for three years helped over 122,000 people move from welfare into work.

We are strong advocates of greater social mobility into the accountancy profession and have signed up to a new cross-profession initiative called ‘Access to Accountancy’. The initiative sets key targets for professional service firms to broaden the diversity of young people coming into the profession.

Transforming Lives Through Lasting Employment
The Ingeus UK joint venture was a leading player in the welfare-to-work market, helping over 122,000 people to find jobs, including over 31,000 18-24 year olds.
Find out more: www.deloitte.co.uk/impact/case-studies

Deloitte Access: Kelly Stevenson
"I strongly believe we need to open doors to students from all backgrounds to reach the best talent. This is why I am so impressed by, and excited to be involved in, Access Accountancy and what it stands for – giving every student equal opportunities to access the accountancy profession based solely on merit."
Kelly Stevenson, Deloitte
Find out more: www.deloitte.co.uk/impact/case-studies

We work with the Powerlist Foundation to support careers for black and ethnic minority students through a Summer Leadership Programme. We offer networking opportunities, mentors and friendships with high achieving students from diverse backgrounds. The Powerlist Foundation is devoted to developing promising leaders of the future, irrespective of their race, gender, faith or ethnicity. It forms part of our commitment to champion the benefits of a diverse workforce and is designed to provide the students with opportunities to learn more about leadership and develop new skills to enhance their future work and educational prospects.
Fostering social progress
As proud as we are of our success in promoting companies’ expansion plans, we also believe that business can play a critical role in supporting societal improvement. This is the rationale for our Social Innovation Pioneers programme, now in its third year of existence. This year we supported 16 of the most exciting and promising social businesses across the UK. Over the course of 12 months, Pioneers received a comprehensive package of support, including a Deloitte relationship team, a series of events and clinic-based workshops, pro-bono support, supply chain advice and joint venture opportunities. In total, Deloitte invested more than 5,000 hours of professional support, and delivered over 20 different pro-bono projects to support the growth and development of the Pioneers. The group reported 38 percent average growth in revenue and 80 percent of Pioneers increased employment in the period.

We have also seen a number of the Pioneers enter our supply chain, with Blue Sky employees working in our kitchens, Belu water being sold in our canteens and Micro-Tyco supporting our graduate recruitment. The programme has also been recognised by the prime minister’s Big Society Award for its support to the growth of leading social enterprises across the UK.

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Leeds Empties
Unlocking the potential of empty homes

**Pioneer: Leeds Empties**
Leeds Empties is a social enterprise born with the objective of bringing the estimated 5,000 empty homes in the city back into use through the Empty Homes Doctor service. The organisation is going from strength to strength and, with our help, it secured a further £100,000 from Leeds City Council to continue to run the service.  
*Find out more:*  
[www.deloitte.co.uk/impact/case-studies](http://www.deloitte.co.uk/impact/case-studies)

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VI/ABILITY

**Pioneer: Vi-Ability**
Vi-ability helps people of all ages to develop skills in commercial sports management. The organisation has benefited from the insight and expertise of Deloitte’s Sports Business Group, and received advice on developing a 12-month growth plan for the business.  
*Find out more:*  
[www.deloitte.co.uk/impact/case-studies](http://www.deloitte.co.uk/impact/case-studies)
Social Progress Index
The complexity of the big societal challenges demands collaboration between private, public and civil sectors. In recognition of this Deloitte Touche Tohmatsu Limited and its member firms are working with Social Progress Imperative (SPI), and leaders from academia and other organisations, to drive cross-sector collaboration and raise the global debate on how progress can really be measured. The creation of the Social Progress Index, which focuses solely on social and environmental indicators, looks to provide a more holistic view on the issues that matter most. It takes a wider snapshot of a country’s health and focuses on areas beyond traditional economic measures. As a result, investment decisions can be further focussed, allowing all sectors to better contribute to building a stronger society.

Charity and volunteering
As a firm we have a wide range of volunteering programmes which engaged over 3,100 of our people. 90% of this activity in FY14 was skills-based volunteering. These programmes not only help to develop our staff across a wide range of areas, but also ensure they are using their skills and capabilities to have a tangible impact on society.

“Our partnership with Deloitte delivers a scale of impact we’ve never seen before to promote good mental health, particularly in the workplace.”

Paul Farmer, CEO, Mind

The support we give to clients to expand their businesses and remain competitive in today’s challenging markets is extended to our National Charity Partners: Prostate Cancer UK, Mind and Alzheimer’s Society. At these charities we are effecting real change through our dedicated support. Our aim is to play an active role in helping charities deal with key organisational challenges, not just raising funds but also providing time and expertise through volunteering and pro-bono support. We want to create sustainable solutions to meet the needs of our communities.
Our Green Journey
We are committed to pursuing environmental excellence, for the benefit of our firm, our clients, our people and the wider society. In 2011, we set ourselves a series of targets for reducing our environmental impacts and we have continued to deliver against these during FY14. This year, we reduced our absolute carbon emissions by an additional 2 percent. With our carbon footprint down by 11 percent per FTE we are on track to reaching our target of a 35 percent reduction by 2021.

We are continuing to manage down the environmental impact of our business travel. Emissions from travel fell 5 percent with air travel down 9 percent. Maintaining this strong performance is important to us and, through our Agile Working programme and a push to use video-conferencing and online collaboration tools to deliver low-carbon engagements, we are well-placed to continue to decouple our business growth from our environmental impact.

Our paper consumption continues to fall dramatically (14% this year) as a result of our secure printing implementation and awareness campaigns. We have now also attained our paper reduction target, driving it down by 31% per FTE since 2011. This performance has also supported a 7% per FTE reduction in our total waste production this year.

Our gas consumption is down by 22% per FTE

Our electricity consumption is down by 7% per FTE

We have reduced our water consumption by 20% per FTE in just three years

Edinburgh office transformation
The transformation of our Edinburgh office to a more modern, sustainable space is on track to receive a SKA Gold accreditation for its re-design. Upgrades throughout the building have resulted in energy savings, including an 18% reduction in our electricity consumption compared to FY13.
Chairman’s statement

Our focus on quality and integrity is reflected in the positive impact we can have on our clients and the wider society.

We are always looking to find new ways to adapt to the evolving marketplace. We are making considerable investment in many developing markets to respond to, and anticipate the needs of our clients. We also continue to invest in our global organisation, Deloitte Touche Tohmatsu Limited. 52 of our partners are now in global leadership roles and in FY14 we had more than 200 partners and staff on secondment overseas.

This past year has provided us with greater clarity on the regulatory landscape after a period of some uncertainty. Both the UK Competition and Markets Authority and the European Commission have issued their final reports on audit tendering and rotation, and the OECD plans to reform global tax rules under the Base Erosion and Profit Shifting (BEPS) project. Our Board, Executive and client teams have spent much time debating these changes, providing input to the regulators and assisting our clients and our people to best adapt to this evolving regulatory environment.

We have a strong belief that good governance and transparency contribute to the trust in, and ultimately the success of, our firm. We are resolute in our commitment to independence and maintaining the highest ethical standards. We take the public interest debate seriously, as evidenced by the creation of our Public Interest Oversight Committee and appointment of three independent non-executives to our board.

In April, our Managing Partner for Public Policy, David Barnes, commissioned an effectiveness survey on the PIOC and, as you can see from our Transparency Report, much of the feedback was encouraging. There is, of course, always room for improvement and this year we will focus our attention on increasing the visibility of our independent non-executives and maintaining strong interaction with our stakeholders.

In November we conducted a full Board effectiveness review. This was very positive, giving Board members the opportunity to discuss areas where we could consider devoting more time to in the coming year. In addition, this year we had our second annual meeting with stakeholders and are doing more to change the way we report our contribution and impact (including this report and our Audit Transparency Report) – all aimed at providing greater transparency and understanding of our business.

We would, as always, welcome your feedback as a reader of this report about what additional reporting you would like to have from us.

David Cruickshank
Chairman
Leaders

The Executive Group

David Sproul
Senior Partner and
Chief Executive

Richard Punt
Clients and Markets

Vince Niblett
Senior Markets

Steve Almond
International Markets

Sharon Thorne
Regional Markets

Nick Sandall
Financial Services

Panos Kakoullis
Audit

Andy Hodge
Tax

Paul Robinson
Consulting

Neville Kahn
Corporate Finance

Emma Codd
Talent

David Barnes
Public Policy

Steve Ward
Quality & Risk

Stephen Griggs
Finance

Vimi Grewal-Carr
Delivery Models

Simon Owen
Innovation and Solutions

Executive-level responsibilities

Iain Williams
Partner Matters

David Gill
Internal Client Services
Board

David Cruickshank  
Chairman

David Sproul  
Senior Partner and  
Chief Executive

David Barnes  
Zahir Bokhari

John Cullinane  
Nick Edwards  
Stephen Griggs  
Chris Loughran

Anna Marks  
Nick Owen  
Ellie Patsalos  
Chris Powell

Reto Savoia  
Ian Steele  
Sharon Thorne  
Denis Woulfe

Dame DeAnne Julius  
Independent non- 
executive

Sir Gerry Grimstone  
Independent non- 
executive

Sir Michael Peat  
Independent non- 
executive

Caryl Longley  
Board secretary

Deloitte Impact 2014  23
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