

# Technology and innovation

EY's data-based consulting  
and usage concept  
Last updated February 2024

EY believes that modern and innovative services require more than just a high level of technological progress. They should also be characterized by forward thinking and creativity in order to continuously improve our services and adapt them to our clients' needs.

In this document, we provide further information on our initiative to use new, data-driven technologies. It provides you with a snapshot of how we ingeniously utilize our clients' information to enhance and evolve our existing services, and reveals the exciting array of services we will be able to offer to you moving forward.

We not only focus on our clients' need for optimized and expanded services, but also on data protection and information security, with an eye to maintaining confidentiality, integrity and availability at all times.

# A clearly defined technology and data strategy

In response to the rapid transformation of the market for professional services and to reflect new technologies, in addition to our experience-based services, we would like combine our expertise with data-based knowledge generated in the context of our engagements in order to incorporate sound knowledge into the services we offer you. The EY team's ability to deliver innovative, tailored and high-quality services to its clients worldwide is underpinned by a clearly defined technology strategy. It goes without saying that we ensure effective governance in this area and compliance at all times with the applicable national and international data protection and regulatory standards.

EY's technology and data strategy and the methods defined therein are managed by three different but interconnected groups: the local Data Expert Group, the European network and the global network of our tax advisory firms. The aim of these networks is to achieve better insights, assessments and analyses based on the available data and, based on this, to better anticipate tax developments, simulate scenarios and effects and develop suitable forward-looking solutions.



# Content of EY's innovation and technology clause

See below for details on our technology and innovation clause.

## **Benchmarking**

Benchmarking is a process in which data – whether relating to products, services or even processes and methods – from (several) companies is compared, thus identifying differences to other companies using best practice approaches. This enables strategies to be developed and implemented to improve services, particularly in terms of efficiency, quality and competitiveness.

## **Research and development**

Our research and development activities aim to create new or improved technologies, products, processes and services by analyzing and evaluating data. To this end, we develop and use innovative software and IT technologies, including AI, machine learning and process automation bots.

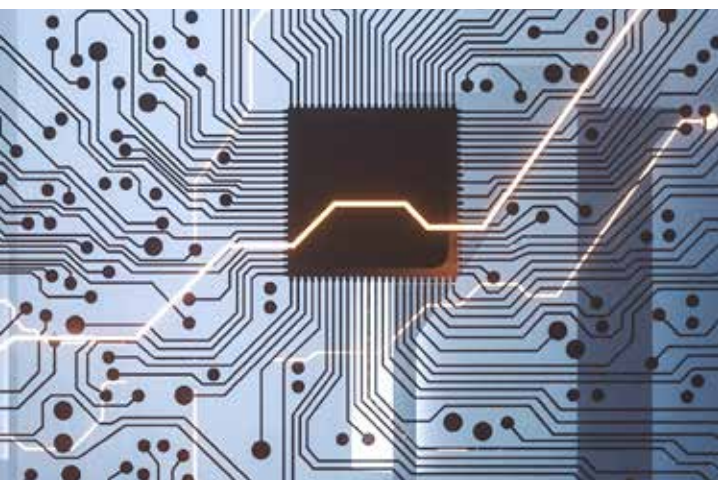
These advanced technologies will enable us to develop and offer additional services.

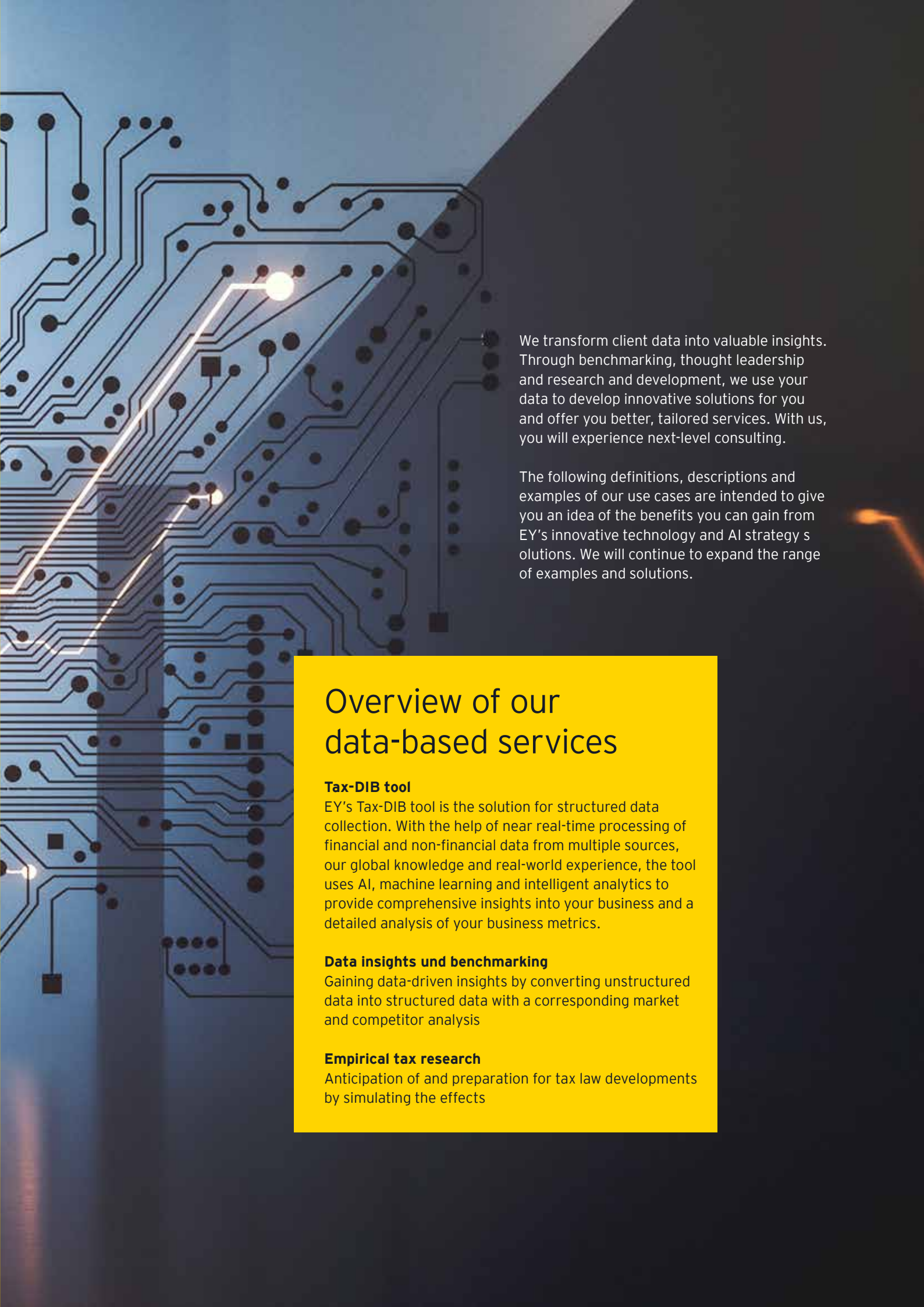
## **Thought leadership**

We anticipate future trends and megatrends that will influence and potentially transform your business. By leveraging innovative research techniques and a deep understanding of the industry, we can transform your data into actionable insights. Our methods include analyzing and benchmarking your data to promote progressive thought leadership and develop innovative business models. Our aim is to constantly improve our services and support you with new potential solutions.

## **Global Code of Conduct on data protection and the use of AI**

We require our employees to comply with the applicable professional and technical standards and to adhere to the EY Global Code of Conduct. These principles can be found on EY's global website and are binding for all EY member firms worldwide. EY has implemented Binding Corporate Rules (BCRs) for both controller and processor activities in order to enable the international transfer of personal data between EY member firms. Our BCRs are published on [ey.com/bcr](https://ey.com/bcr).





We transform client data into valuable insights. Through benchmarking, thought leadership and research and development, we use your data to develop innovative solutions for you and offer you better, tailored services. With us, you will experience next-level consulting.

The following definitions, descriptions and examples of our use cases are intended to give you an idea of the benefits you can gain from EY's innovative technology and AI strategy solutions. We will continue to expand the range of examples and solutions.

## Overview of our data-based services

### **Tax-DIB tool**

EY's Tax-DIB tool is the solution for structured data collection. With the help of near real-time processing of financial and non-financial data from multiple sources, our global knowledge and real-world experience, the tool uses AI, machine learning and intelligent analytics to provide comprehensive insights into your business and a detailed analysis of your business metrics.

### **Data insights und benchmarking**

Gaining data-driven insights by converting unstructured data into structured data with a corresponding market and competitor analysis

### **Empirical tax research**

Anticipation of and preparation for tax law developments by simulating the effects

# Information on data handling

## **Confidentiality and data protection**

The EY information security concept does not depend exclusively on written security policies or standards. We also ensure the confidentiality, integrity and availability of information by using new technologies and IT security solutions.

Here are a few examples of the measures we have implemented:

- ▶ All data are processed in aggregated form.
- ▶ Data relating to the client and/or personal data are solely processed in aggregated form.
- ▶ For cross-border access, such as for benchmarking, anonymization rules are applied (rule of 5).
- ▶ Personal data, in particular sensitive data, is excluded from being used and processed in this way unless it is relevant to the results of the engaged service.
- ▶ Data processing is carried out in a secure and certified IT security environment.
- ▶ Local and global policies for data protection, IT security and the use of AI:
  - ▶ EY Global Data Protection Policy
  - ▶ Global and local EY AI Guidance
- ▶ Employees are sensitized and participate regular training.
- ▶ Compliance with the guidelines is checked on a regular basis.





## Information security

We also invest considerable time and resources in future security technologies. We adapt our information security strategy in line with our roadmap for technology products and are closely aligned with our technology service offering. We are thus able to counteract security risks that could otherwise threaten the confidentiality, integrity or availability of our technology resources.

## EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

In this publication, "EY" and "we" refer to all German member firms of Ernst & Young Global Limited. Each EYG member firm is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). For more information about our organization, please visit [ey.com](https://ey.com).

In Germany, EY has 20 locations.

© 2024 EY Tax GmbH  
Steuerberatungsgesellschaft  
All Rights Reserved.

SRE 2402-010  
ED None

This publication has been prepared for general informational purposes only and is therefore not intended to be a substitute for detailed research or professional advice. No liability for correctness, completeness and/or currentness will be assumed. Neither EY Tax GmbH Steuerberatungsgesellschaft nor any other member of the global EY organization can accept any responsibility.