A man in winter gear, including a brown jacket, yellow pants, a grey beanie, and a yellow backpack, is walking across a vast, blue-tinted glacier. The glacier has deep crevasses and a textured surface. The sky is overcast and grey. A yellow graphic element, consisting of a thick line forming a partial frame, surrounds the text on the left side of the image.

How can value realized today reshape tomorrow?

EY Switzerland Sustainability
Report 2023

■ ■ ■
The better the question.
The better the answer.
The better the world works.

The EY logo, consisting of the letters 'EY' in a bold, white, sans-serif font. A yellow diagonal line is positioned above the 'Y'.

Building a better
working world

WHO WE ARE

All EY people live by a set of shared values. These values are the fundamental principles that guide our actions. They influence the way we work and the way EY professionals serve clients.

We are and will continue to be guided by integrity, respect, teamwork,

WE ARE

VALUES

ed values that define who we are.
al beliefs of the EY organization.
tions and behavior.
we work with each other,
ents and engage with our communities.

pe: People who demonstrate
ming and inclusiveness

EY PURPOSE

The EY purpose is *Building*

The insights and quality services we provide
in the capital markets and in
We develop outstanding leaders who
all our stakeholders. In so doing, we play a
world for EY people, for clients

In a world that's changing
our purpose is our guide – providing
for the work we

THE PURPOSE

Building a better working world.

Provide help build trust and confidence in economies the world over.

Our team to deliver on our promises to play a critical role in building a better working world for our clients and for our communities.

Working faster than ever, providing the context and meaning we do every day.





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A note from the leadership

Understanding our priorities, commitments and performance

The uncertainty of recent years continued into the financial year 2023 (FY23): geopolitical tensions and conflicts, rapid technological change and extreme weather events triggered renewed market volatility, supply chain disruptions and an economic environment that demands resilience.

In this ever-changing world, the EY NextWave strategy has been our own roadmap for building resilience and creating long-term client value, people value, societal value and financial value. Realizing our goals will only be possible thanks to the passion, dedication and expertise of our exceptional people. In return, they benefit from our investments in health and wellbeing, including initiatives to support flexibility as well as opportunities for ongoing learning and development.

Our investment in our people is paying off. In FY23, we generated revenue of CHF 688.3m, an increase of 10.5% on the prior year. This includes a 32% increase in revenue from Sustainability Services compared to FY22. We have hired many colleagues with sustainability expertise across all service lines and are poised to continue toward our ambition to help our clients to achieve their sustainability goals.

The Swiss ordinance on mandatory climate disclosures for large companies will enter into force as of 1 January 2024. Many Swiss companies are also subject to European legislation like the Corporate Sustainability Reporting Directive (CSRD), which has staggered effective dates over the coming years. It means many clients are coming to us for guidance – not only on how to be compliant with regulations, but how to create impactful sustainability strategies.

Another important driver of service demand is technology. Amid a wave of technological advances in recent years, many will remember 2023 as the year artificial intelligence (AI) and especially generative AI (GenAI) went mainstream following the general release of ChatGPT toward the end of 2022.

At EY, we have been embedding AI into many of our own global technology solutions for around a decade. We are now two years into our three-year global USD 10 billion AI investment plan, of which 1.4 billion relates to GenAI technologies. This has already supercharged our AI capabilities and offerings as well as helping us continuously improve audit quality, for example through our EY Canvas audit platform. We are also actively building the EY ecosystem to keep us on the leading edge of change, help us innovate and execute quickly, and offer ever-evolving services to EY clients. Trust in AI is a priority and is pivotal in delivering our client services. Our prioritization of ethical application, governance and accountability, fairness and data privacy are key in order to foster and maintain public trust in AI technologies. EY is committed through our Responsible AI Principles (Accountability, Data Privacy, Sustainability, Reliability, etc.) to the responsible and ethical design, implementation and use of AI technologies. We believe that Switzerland is well positioned to deal with the risks and opportunities of AI thanks to its strong academic and research institutions and its investments in AI education, upskilling of the workforce, fostering of an innovative ecosystem that promotes knowledge sharing, and collaboration and acceleration of AI technology adaption. This is all backed up by the Swiss government's efforts to create the necessary regulatory frameworks, support research and provide timely access to funding. Trust and acceptance by the general public will be vital if technology is to help businesses and communities thrive in the future.

We are progressing with all of the targets we articulated in our ESG scorecard across three strategic pillars:

- ▶ Reducing our environmental footprint
- ▶ Transforming our social impact
- ▶ Governing transparently and fairly

Environment

EY Switzerland subscribes to EY's global Carbon Ambition, which includes a net zero aspiration by 2025. We have committed to reducing total emissions by 40% against baseline (FY19) across EY Switzerland by reducing business travel emissions by 35%. While we remained within the annual air travel carbon budget for EY Switzerland, our total emissions increased by 36% compared to FY22 and decreased by 22% against the FY19 baseline. We acknowledge that this is partly due to our business growth as well as gradual normalization of the post-pandemic working environment. Business travel – the main source of our Scope 3 emissions – makes up approximately 70% of our greenhouse gas emissions and is therefore at the center of our seven-point action plan. It is also the most challenging one as it is key to the delivery of a majority of our client services. As part of our efforts to progress toward our goal, we have put in place more rigorous approval processes to limit non-client related travel; introduced virtual working tools; enabled informed decision making through carbon usage forecasting tools (i.e., individual travelers dashboard and engagement carbon calculator); and raised our carbon ambition awareness among our people through dedicated training. For the upcoming year, we plan to update our travel guidance and to evaluate the introduction of carbon budgets per service line.

Social

We are also investing in the communities where EY people live and work because creating long-term value for society broadly is also at the core of the EY NextWave strategy. During FY23, we exceeded our target for lives impacted (319,785 against a 288,844 target) through EY Ripples, our skills-based corporate volunteering program. Thanks to further partnerships for impact and wide acceptance among our people, the number of participants also increased to 891 in FY23 (prior year: 644). Our activities are as diverse as our people and their skillsets: we worked with impact entrepreneurs to solve global issues like food security; mentored the next-generation workforce seeking an apprenticeship; and challenged our people's awareness of their personal carbon footprints in the EY for Oceans Changers Challenge.

Governance

Engaging with our stakeholders – our private and public sector clients, our people and our communities – has always helped shape who we are, and how we choose to grow and develop. We believe that transparent disclosure of our governance and performance will keep us closely connected to our stakeholders. We once again received the EcoVadis Gold Medal in acknowledgement of our sustainability achievements in FY23 and worked with Swiss Triple Impact, further underpinning our sustainability commitments. We increased our overall score by four points compared to the prior year to 73 out of 100 and have put in place a roadmap of actions to stay on track and further improve our sustainability management in a rapidly evolving environment.

Diversity, equity and inclusiveness (DE&I) remains an important driver of business and social value. In FY23, most people (85%) say they feel free to be themselves at EY, an increase of 4% compared to FY22. At the same time, we diluted 1.5% of female representation at the top leadership level compared to last year (26.5%) due to the addition of two new Swiss Management Committee members. We strive to continue to build and maintain the gender balance across our governance bodies and senior leadership pipeline by investing in multiple initiatives and management tools. These include our "DE&I tracker", "Parents@EY framework" and the EY Switzerland mentorship program as well as new and ongoing "Woman. Fast forward" programs.

Our performance and achievements in FY23 increase the impact we can have with EY clients and our communities, but also the responsibility we have to contribute to a prosperous future for society. Although we are progressing well along our sustainability roadmap, we acknowledge that there is even more that we can and must do in remaining committed to further progression.

Looking ahead, we start from a solid foundation that will support growth and development for all our stakeholders. This is vital in a world where uncertainty and positivity coexist; where opportunities are unfolding as fast as risks; where we will need to embrace opportunities like GenAI in a responsible way to address the pressing challenges of our time.

We would like to close by thanking you, our stakeholders, for the trust you place in us as an employer, business partner or corporate citizen. It is for you, for all of us, that we are *building a better working world*.



Stefan Rösch-Rütsche

Country Managing Partner,
EY Switzerland



Bruno Patusi

Financial Services
Country Leader



Robin Ann Errico

Chief Risk Officer and Chair of the
Corporate Responsibility Board



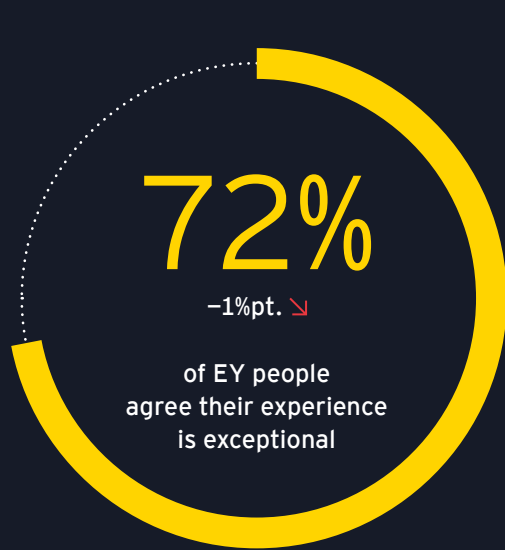
Andreas Blumer

Chair of the Board

Report highlights

Creating long-term value for all stakeholders in financial year 2023 (FY23)

People value



71
-5% ↘
Different nationalities

402
-28% ↘
EY Badges awarded

54.5
+0.9hrs ↗
Average learning hours per employee

1,040
+1.5% ↗
New hires

Client value

6,317
+0.25% ↗
Clients served in FY23

19
+0% →
Swiss Market Index (SMI) clients served

8.14/10
-0.08pts ↘
Average client recommendation score

Sustainability leader

according to independent research firm Verdantix Green Quadrant: Climate Change Consulting 2023

ISO 27001/2

certified Information Security Management System

Societal value

891

+38% ↗

EY Ripples
volunteers

24

+4 projects ↗

Swiss EY Ripples
and volunteering projects
conducted

5,036

-0.9% ↘

hours of skill-based
volunteering

6,102^{tCO2e}

+36% ↗

22% reduction in total
greenhouse gas emissions
compared to FY19

EcoVadis Gold Medal

+4pts ↗

in acknowledgement of our sustainability performance



Financial value

Revenue by service line



■ Assurance

Growth: 10.2% ↗
Revenue: CHF 280.7m

■ Consulting

Growth: 23.1% ↗
Revenue: CHF 156.0m

▨ Strategy and Transactions

Growth: 0.4% ↗
Revenue: CHF 64.9m

■ Tax

Growth: 3.8% ↗
Revenue: CHF 139.6m

■ People Advisory Services

Growth: 10.5% ↗
Revenue: CHF 47.2m





1

ABOUT US

MATERIALITY

CLIENTS

PEOPLE

SOCIETY

GRI INDEX

FACTS & FIGURES

APPENDIX

“

Builders of a better world –
that is who we are

EY Global

Ernst & Young Global Limited (EYG), a UK company limited by guarantee, is a global leader in assurance, tax, strategy, transactions and consulting services worldwide. EYG coordinates the member firms and supports cooperation among them. In this report, EY refers collectively to the global organization of the member firms of EYG.

EY Switzerland

In Switzerland, Ernst & Young Ltd (also registered under the names: Ernst & Young AG; Ernst & Young SA) is a corporation incorporated in Basel, Switzerland, and a member firm of EYG. EY Switzerland also includes Ernst & Young AG, Vaduz, an EYG member firm in Liechtenstein. Ernst & Young AG, Vaduz, is a wholly owned subsidiary of Ernst & Young Ltd, Basel, and reference made in this report to EY Switzerland includes its subsidiary in Liechtenstein.

Ernst & Young Ltd, Basel, is owned by Chatmust Ltd, a Swiss holding company. The equity of Chatmust Ltd is collectively owned by the Swiss partners (Swiss Partner Pool). In this report, we refer to ourselves as "EY Switzerland", "we", "us" or "our" and we refer to our employees as our "people". EY refers collectively to the global organization of the member firms of EYG.

Our geographical footprint

Figure 1

EY Global

24
Regions

+700
Locations

+150
Countries

395,442
Professionals

Present in 3 Geographic Areas:

- **EMEIA**
Regions: **9** Countries: **97**
- **Americas**
Regions: **8** Countries: **31**
- **Asia-Pacific**
Regions: **7** Countries: **23**

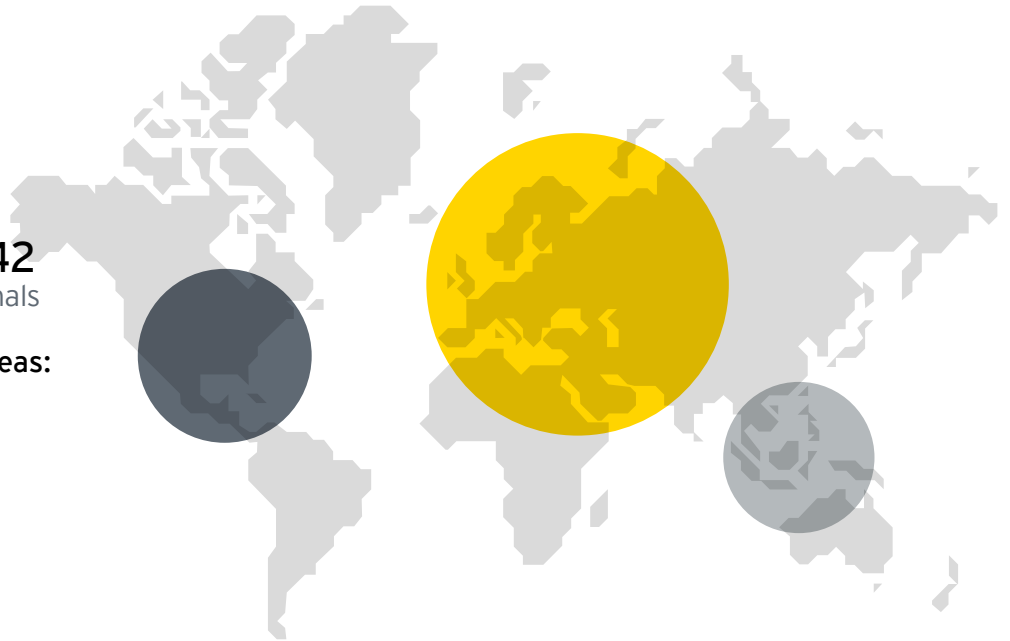


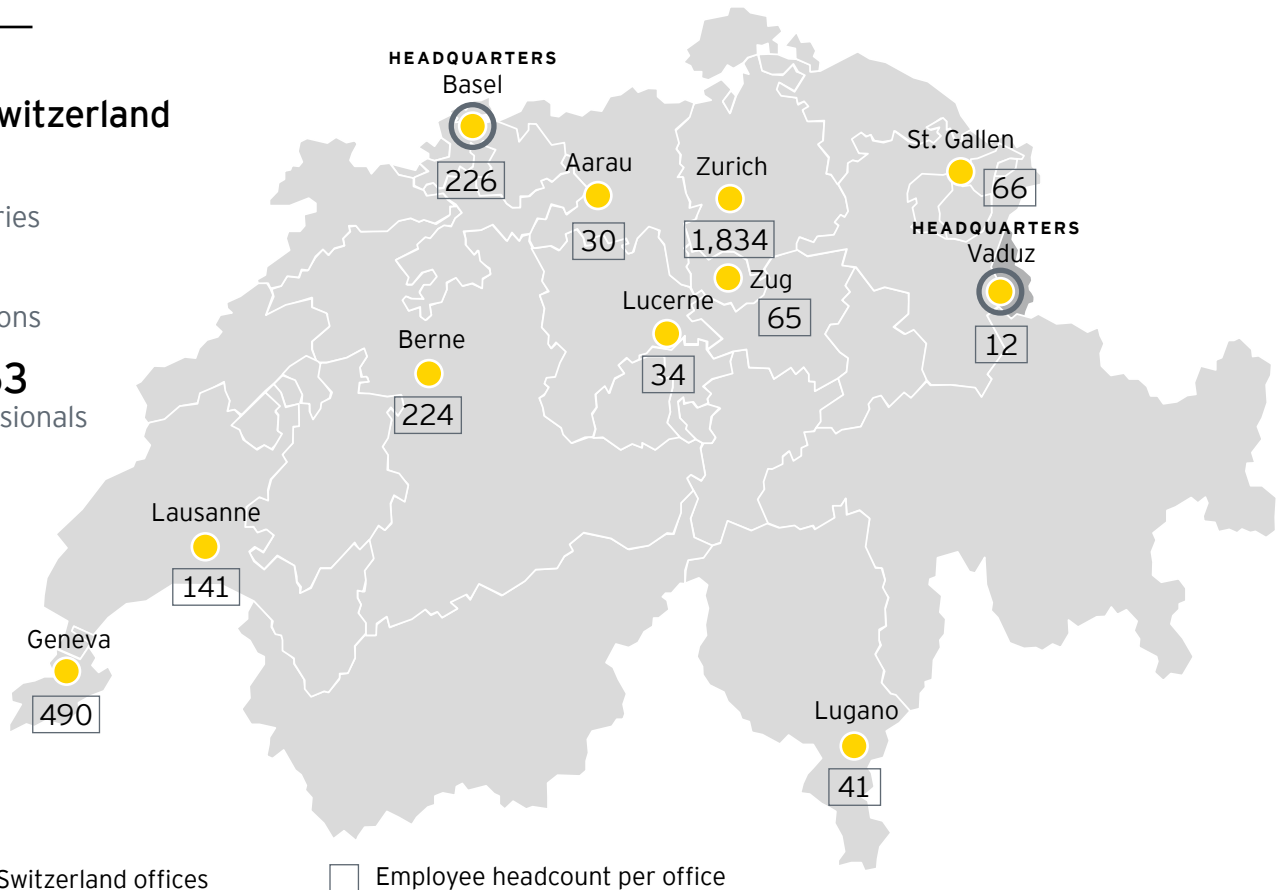
Figure 2

EY Switzerland

2
Countries

11
Locations

3,163
Professionals



- EY Switzerland offices
- Employee headcount per office

Our services and sectors

Through our five service lines – Assurance, Consulting, Strategy and Transactions, Tax, and People Advisory Services – we provide services and solutions across both industries (incl. public sector) and the financial service sector to help our clients capitalize on transformative opportunities. We also support them in fulfilling regulatory requirements, keeping investors informed and meeting the expectations of relevant stakeholders. In this fast-changing world, we provide them with the support they need to be effective today and create long-term value for tomorrow.

ASSURANCE

Our Assurance service line serves public interest by anticipating and independently assessing risks and identifying opportunities to enhance trust in business and capital markets in support of sustainable, long-term value creation. Our services extend across Audit, Financial Accounting Advisory Services, Climate Change and Sustainability Services and Forensic and Integrity Services. Our Assurance teams are responsible for delivering high-quality, analytics-driven audits with independence, integrity, objectivity and professional skepticism. This is accomplished by a data-first approach enabled by analytics and our digitally empowered teams.

CONSULTING

Our Consulting services focus on the power of our people, technology, skills, tools and innovation to meet our clients' demands for sustainable business transformation. The EY Consulting service line provides leading services in Decarbonization, Risk, Cybersecurity, Digital, Innovation, Robotic Process Automation, Finance and Supply Chain and Operations. Through our two sub-service lines – Business Consulting and Technology Consulting – we harness transformation throughout our clients' business and broader ecosystems. We realize our clients' transformation goals through implementation of agile frameworks that puts humans at the center, delivers technology at speed and enables innovation at scale.

STRATEGY AND TRANSACTIONS

Strategy and Transactions enables clients to reimagine their ecosystems, reshape portfolios and reinvent themselves for a sustainable and resilient future. Services range from Strategy Consulting

(EY Parthenon), Transactions and Corporate Finance, International Tax and Transaction services to Transaction Strategy. The service line offers a full spectrum of strategy and transactions capabilities that assist our clients in defining their strategic direction, driving actionable plans and transformation plans.

TAX

Our Tax and Law practices provide clients with end-to-end tax and legal solutions through information, insights, solutions and services that help them to avoid complexities and risks through better business decisions, improved assessment of global tax policies and understanding and complying with laws, regulations and responsibilities. Our services include Business Tax Services, Global Compliance and Reporting, Indirect Tax, International Tax Services, Global Law, Transaction Tax (jointly with Strategy and Transactions) and Tax Technology and Transformation.

PEOPLE ADVISORY SERVICES

An integral part of *Building a better working world* is managing people in business effectively. Our People Advisory Services helps our clients do exactly that through the implementation of our innovative services and solutions. Our end-to-end integrated people-related advisory and tax services solve the most complex people-related organizational, compliance and behavioral challenges of our clients' business. Those include Human Resources Transformation, Organization and Workforce Transformation, Integrated Workforce Mobility and Workforce Transition, and M&A and Change Management.

The service lines are enabled by our **Core Business Services** teams. EY's internal enablement functions, comprise Risk Management, Administration, Business Development, Facility Management, Finance, IT, Human Resources, General Council Office, Corporate Responsibility, Marketing and Communications and Real Estate. These functions develop initiatives that support the organization- and service line-level strategies, as well as market execution plans that help define and support points of synergy across multi-business activities.

Our focus sectors

Besides our service line approach, we also employ a sector-specific focus that enables our people to master the challenges specific to client activities. This network of expertise is deployed regardless of the nature of our services and allows us to offer our clients tailored support and a truly multidisciplinary approach.

We focus on clients in the following sectors:

- ▶ Automotive
- ▶ Banking and capital markets
- ▶ Consumer products
- ▶ Government and public sector
- ▶ Health
- ▶ Insurance
- ▶ Life sciences
- ▶ Media and entertainment
- ▶ Mining and metals
- ▶ Oil and gas
- ▶ Power and utilities
- ▶ Private equity
- ▶ Real estate
- ▶ Technology
- ▶ Telecommunications
- ▶ Wealth and asset management

Our alliances

The EY organization brings together business and technology ecosystems and alliances, domain experience, and diverse teams with complementary skills and capabilities with the ambition to create long-term value for entrepreneurs, companies and governments around the world. Through five service lines – Assurance, Consulting, Strategy and Transactions, Tax, and People Advisory Services – and broad sector knowledge, EY teams help clients to capitalize on new opportunities and manage risk to deliver responsible growth.

We have globally more than 70 technology and industry alliances and more than 100 innovation relationships. Within these strategic alliances with technology and industry leaders and a host of businesses with specialized capabilities, we co-develop powerful technology, distinctive capabilities and industry experience to address our clients' toughest business challenges.

We collaborate to create pioneering services powered by leading and emerging technologies, including AI, blockchain and cybersecurity. Our services respond to a broad range of client needs, such as turning insights into business breakthroughs, accelerating supply

chain strategies and modernizing the finance and accounting processes. Our ability to provide excellent service through our alliances builds our clients' trust and confidence in EY.

EY Switzerland is a founding member of digitalswitzerland, a Swiss-wide, cross-industry initiative that aims to transform Switzerland into a leading digital nation. Along with a network of 200+ association members and non-political partners, including more than 1,000 top executives, digitalswitzerland is engaged in over 25 projects to inspire, initiate, co-create and lead digital change in Switzerland. All aspects of digitalization are addressed. Generating impact in topics such as education, diversity, digital health and more are at the core of the initiative. We believe that digitalization plays a critical role in reshaping today's global marketplace. digitalswitzerland provides the platform to connect established businesses with the digital leaders of tomorrow. It is a place for new ideas to thrive and untapped potential for sustainable businesses to grow.

How we create long-term value

Our strategy: EY NextWave

In today's rapidly changing world, the needs of our stakeholders are continuously evolving. Innovation and agility have emerged as top priorities. The unprecedented business and societal challenges triggered by the global pandemic, geopolitical tensions, technological advancement and macroeconomic shifts have increased demand for effective new strategies to navigate a path to growth.

We are dedicated to helping our stakeholders solve their toughest challenges and realize their ambitions. At the core of our global EY NextWave strategy is our ambition to create long-term value for our clients, people and society as the world's most trusted, distinctive professional services organization.

The **EY NextWave ambition** is built on four strategic pillars:

- ▶ Client centricity
- ▶ Exceptional and diverse people
- ▶ Global integration and teaming
- ▶ Data and technology

Through these pillars, we build on existing strengths and invest in future capabilities to deliver exceptional client services and create long-term value across four dimensions:

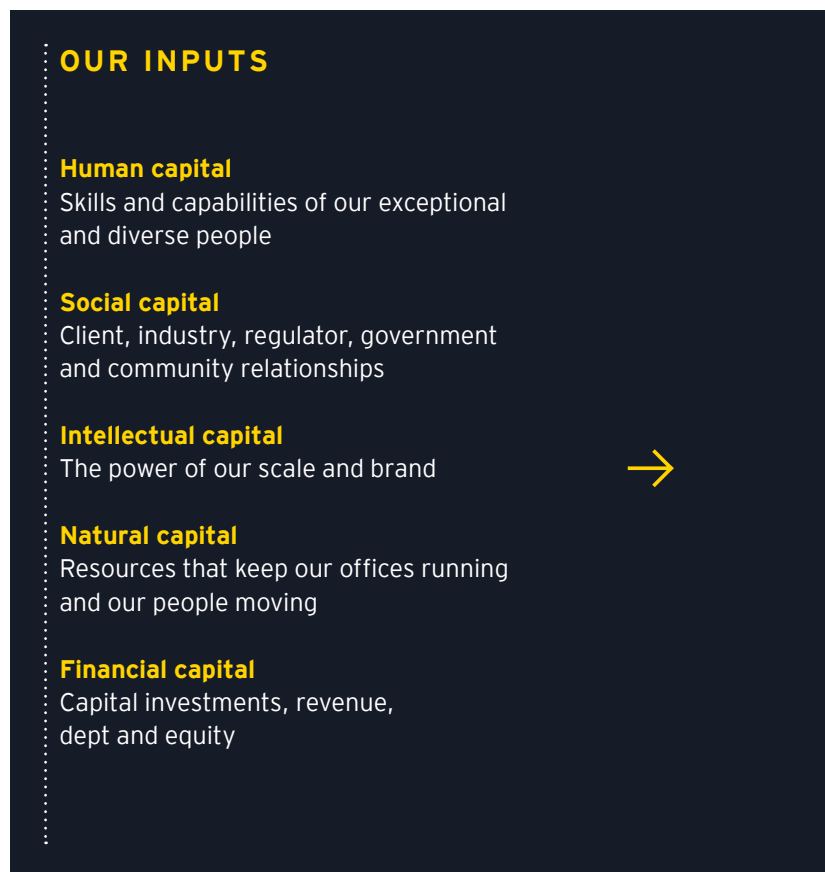
Figure 3

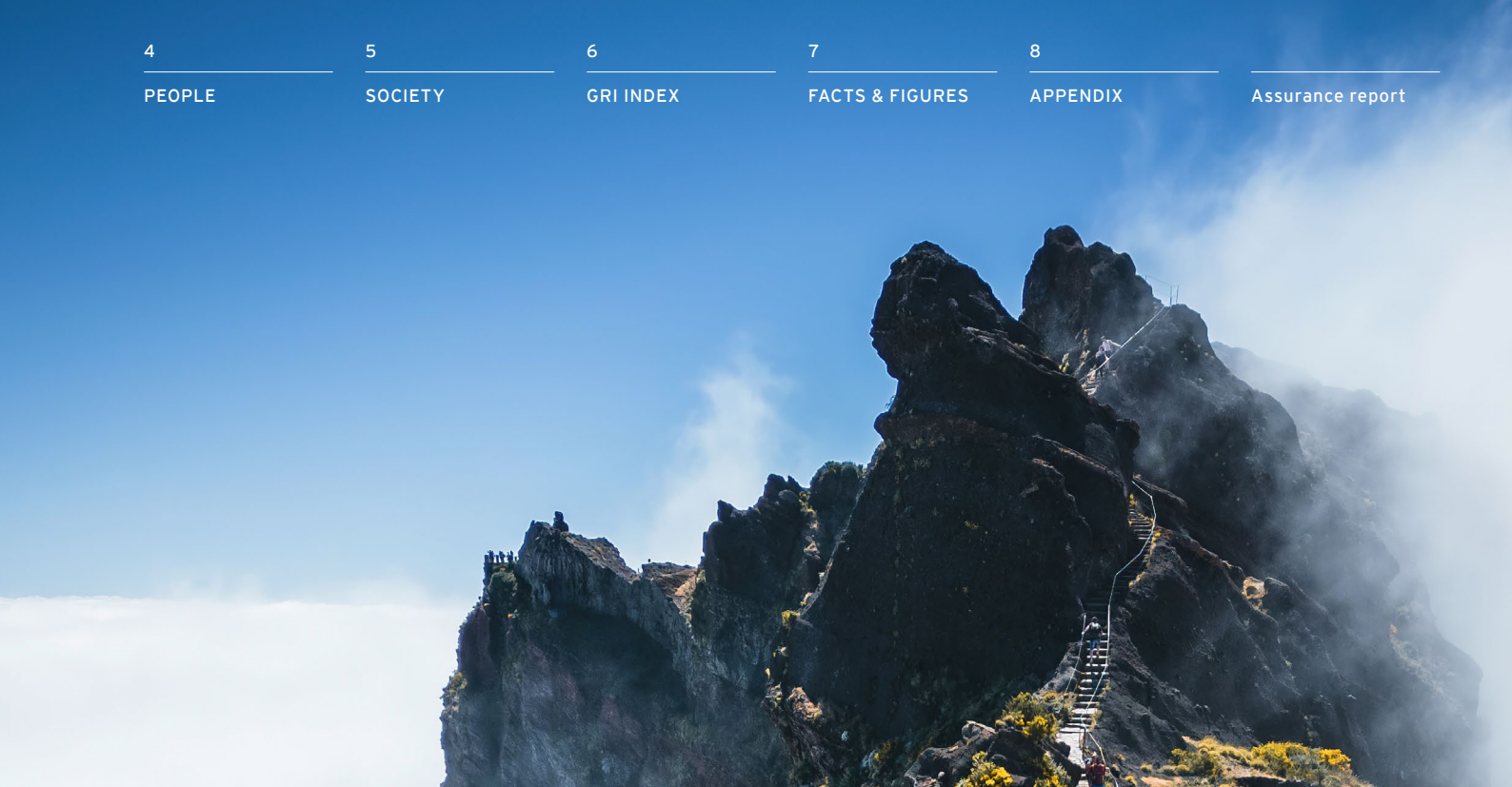


Value creation model

Our value creation model is based on making the best use of human, social, intellectual, financial and natural capital. We do this in each of our service lines and functions in alignment with our strategic pillars to create long-term client, people, societal and financial value.

Figure 4





OUR STRATEGY



OUR OUTPUTS

Long-term value created

People value

To create an exceptional experience for EY people

Client value

To help clients grow, optimize and protect value

Societal value

To build trust in capital markets and have a positive impact on communities and planet

Financial value

To be the long-term growth leader and contribute to a stable financial system

OUR IMPACTS

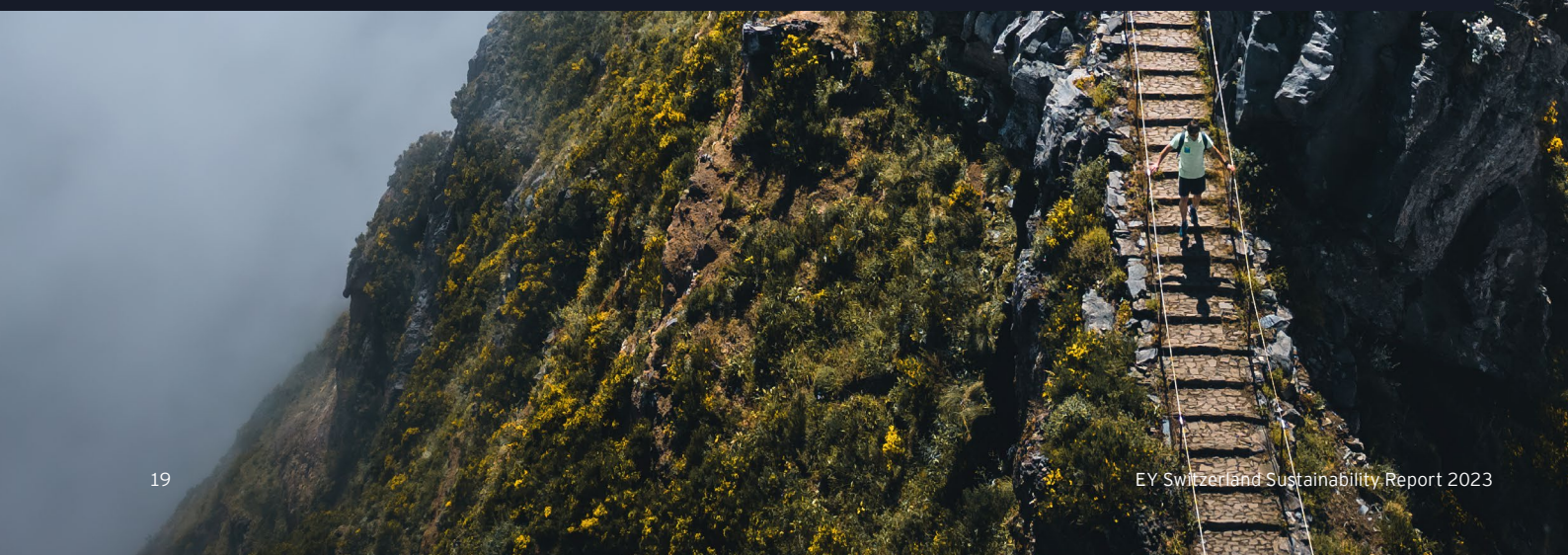
A better working world

Employment and contribution to inclusive economic growth

Sustainable development and innovation for our clients

Confidence in and credibility of capital markets

Economic and social value generated where we operate in



Our commitment to sustainable development

We believe that economic growth alone cannot help us in **building a better working world**. It must be combined with the positive impact created for people, clients, society and the planet. As we build a better future, everyone should have adequate opportunities to contribute to economic growth and long-term, inclusive value.

Besides helping our clients with their sustainability transformation, we have embarked a few years ago on a continuous journey of becoming more sustainable and responsible across our own business. By integrating sustainable practices in our operations, we commit to supporting sustainable growth that empowers everyone to contribute to and benefit from economic success, both today and tomorrow.

Our sustainability commitment is aligned with the EY NextWave strategy. Our purpose of **Building a better working world** serves as our North Star and

guides all our decisions and actions. The workstreams per strategic pillar encompass activities concerning business operations managed by EY functions and parts of our core business managed by our client-facing teams. The workstreams have articulated targets and respective action plans in place, aiming to create long-term value. Ultimately, we are seeking to contribute to the United Nation Sustainable Development Goals (SDGs). We assessed the material topics against the SDGs at target level and identified that we can especially contribute to the eight goals mentioned in the pictogram below. As we work toward achieving these goals, EY is collaborating with the Swiss Triples Impact (STI), a unique national program that allows Swiss companies to measure their contribution to the SDGs and thus improve their sustainability performance. By joining the STI program, EY Switzerland underlines its commitment to taking concrete sustainable actions. EY has the potential to

Figure 5



impact those SDGs through our client service delivery, sustainable economic growth, community investment and our role in informing public discourse.

To deliver on our ambition, we have defined specific targets and an execution roadmap for each of the strategic pillars. We believe that the action plans will help us to reach our targets, resulting in a better

working world for our people, our society, our clients and our environment. For the detailed roadmap, see section: **Appendix, page 146-149.**

The table below shows the targets we have set for each strategic pillar, and the performance in this reporting period against the identified baseline years.

Table 1

Strategic pillar	Targets	Baseline year performance	Metric	FY23 performance	FY23 performance against FY25 targets
Reducing our environmental footprint	1. Greenhouse gas emissions reduced by 40% (3,113 tCO2e) overall and business travel emissions by 35% (2,137 tCO2e) compared to 2019 levels, reaching net zero by 2025	FY19 FY19	7,783 tCO2e 6,108 tCO2e	6,068 4,149	● Delayed ● Delayed
	2. 100% renewable electricity purchased across all EY offices in Switzerland by financial year 2025	FY21	95	99.6*	● On track
	3. 60% of EY people trained in basic principles and issues of sustainability with a focus on EY's targets and decarbonization strategy by financial year 2025	FY22	10	74	● On track
Transforming our social impact	1. To speed up sustainable development EY will make Sustainability Services a core offering to clients and at least triple revenue by financial year 2025	FY22	100	32	● Progressing
	2. Investing in our communities: We positively impact (measured through standardized impact formula) 300,000 lives through the EY Ripples program with 800 EY volunteers per year by financial year 2025	FY19	57,000	319,785	● On track
			23	891	
	3. Diversity, Equity and Inclusiveness: ▶ 80% of EY employees say they feel included in anonymized employee surveys by financial year 2025 ▶ We ensure a better gender balance with a minimum of 30% women on our governance bodies by financial year 2025	FY19	73	85	● On track
		FY21	27.5	25	● Progressing
4. Corporate responsibility and sustainability: ▶ 75% of EY employees rate how EY is reducing its environmental impact as "good" or higher in anonymized yearly employee survey by financial year 2025 ▶ 75% of EY people say they feel motivated to participate in corporate volunteering projects in anonymized yearly employee survey by financial year 2025	FY19 FY19	30 40	61 66	● Progressing ● Progressing	
Governing transparently and fairly	1. Our sustainability performance reviewed and published: EcoVadis Platinum Medal in acknowledgement of our sustainability achievements obtained by financial year 2025	FY20	Bronze	Gold	● On track
	2. 100% of EY people sign annually the EY Code of Conduct and therefore uphold EY values and professional standards	FY21	100	99.9	● On track
	3. 75% of Swiss suppliers by spend have set a science-based target (SBT) by financial year 2025	FY21	38	23	● Progressing

* We procure renewable electricity for all our offices. The share of renewable energy is related only to the share of electricity we have control over. Electricity procured through landlords is not included.

Our governance

We operate in a demanding, complex and increasingly globalized business environment. With new challenges each day, the choices we make define our reputation as individuals and as an organization. EY strives to build a culture of quality and trust that emphasizes transparency, independence and accountability of all professionals. We rely on our values, our purpose and our professional standards – anchored in our sound governance structure – to guide us in our day-to-day choices and decisions.

Our governance structure

EY operates as a global business with one shared strategy, led and overseen by a common governance structure that coordinates the member firms, including EY Switzerland, and promotes cooperation among them. Each member firm is a legally distinct entity. The obligations and responsibilities as member firms of EY are governed by the regulations of EY and various other agreements. The member firms are grouped into three geographic areas: Americas and Asia-Pacific as well as Europe, Middle East, India and Africa (EMEIA). The areas comprise multiple regions.



EY Switzerland as part of the global network

EY Global Executive chaired by our Global CEO and Chair, Carmine Di Sibio, is the highest governance body of EY and focusing on strategy, execution and operations. Its membership brings together the elements of the EY global organization, including the leaders of EY geographic areas, service lines and functions.

The Global Governance Council consists of senior client-serving partner-ranked professionals drawn from EY Regions and currently two independent non-executive members. These senior EY professionals who otherwise do not hold senior management roles, are elected by their peers.

Also included in our global governance structure are various committees or groups, established by the EY Global Executive to bring together representatives from across the organization who are responsible for making recommendations to the EY Global Executive on various topics such as EY Global Practice, Sustainability, Corporate Responsibility, Diversity, Equity and Inclusiveness and Risk Management.

All **EY member firms** commit to pursuing the EY objectives. They undertake implementation of global strategies and plans to maintain the prescribed scope of service capability. All member firms adhere to applicable professional and ethical standards as well as applicable regulations, methodologies and policies, including those on audit, risk management, independence, knowledge sharing, talent and technology.

Further, each region elects a **Regional Partner Forum**, whose representatives advise and act as a sounding board to regional leadership. The partner elected as presiding partner of the Regional Partner Forum also serves as the region's representative on the Global Governance Council.

EY Switzerland is part of the EMEIA Area and comprises two separate regions – the Financial Services Organization (FSO) region and the Europe West (EW) region. Regional determination is driven by the clients served. FSO serves clients in the financial services sector, whereas EW serves all non-financial services clients.



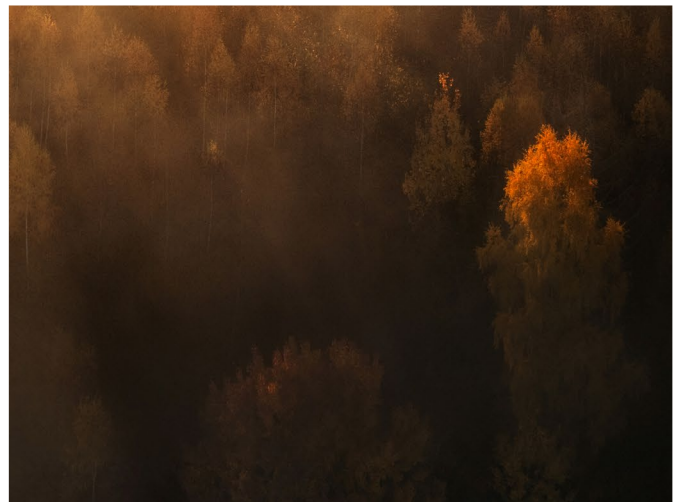
Driving the global strategy

The **Chatmust Ltd Board (the Board)** is the highest **governance body** responsible for providing the general operational direction for our Swiss entities, while aligning it with our global strategy and priorities. They act as a sounding board for the **Swiss Management Committee** by monitoring progress as we execute our strategy. The Board members proposed by Chair and/or Swiss Management Committee are formally elected at the Chatmust Ltd shareholders' meeting.

The Board of Directors of the Swiss holding company (Chatmust Ltd) and the Swiss Partner Pool Committee is composed of:

- ▶ **Andreas Blumer** (Chair)
- ▶ **Laurent André Bludzien** (Vice Chair)
- ▶ **Sabine Betz-Schwegler** (Member)

Ernst & Young Ltd is the operating company in Switzerland. Its Swiss Management Committee is responsible for strategy, execution and operations. This includes the responsibility to develop, approve and update the organization's purpose, value or mission statements, strategies, policies and goals related to economic, environmental and social topics, their impacts, risks and opportunities. Its members bring together all the elements of our Swiss organization, including our functions, service lines, geographic areas and committees.



All members of the Swiss Management Committee are executive members (not independent) and are appointed for a period of three years, which is extendable by subsequent three-year terms. The Management Committee of Ernst & Young Ltd as of 30 June 2023 is composed of the following members:

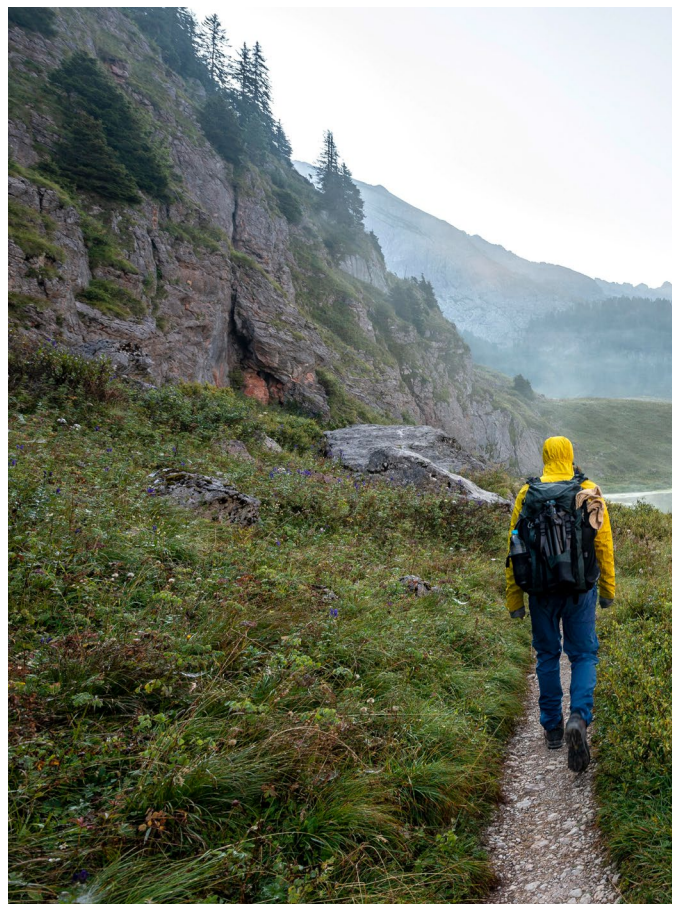
- ▶ **Stefan Rösch-Rütsche** (Country Managing Partner)
- ▶ **Robin Ann Errico** (Chief Risk Officer and Chair of the Corporate Responsibility Board)
- ▶ **Elizabeth Whitfield** (Chief Talent Officer)
- ▶ **Scott Mason** (Chief Operating Officer)
- ▶ **Bruno Patusi** (Financial Services Country Leader)
- ▶ **André Schaub** (Managing Partner, Assurance, Corporate Clients)
- ▶ **Patrick Schwaller** (Managing Partner, Assurance, Financial Services Clients)
- ▶ **Adrian Bruno Widmer** (Managing Partner, Consulting, Financial Services Clients)
- ▶ **Christian Röthlin** (Managing Partner, Tax & Legal, Financial Services Clients)
- ▶ **Roger Krapf** (Managing Partner, Tax & Legal, Corporate Clients)
- ▶ **Moritz Oberli** (Managing Partner, Consulting, Corporate Clients)
- ▶ **Michael Messerli** (Managing Partner, Strategy and Transactions, Corporate Clients)

The functions and dedicated committees that enable implementation of economic, environmental and social topics at EY Switzerland include:

- ▶ **Europe West Leadership and Markets Board** is responsible for the strategy and operations of the non-Financial Services business.
- ▶ **Financial Services Organization Executive Committee** sets the strategy in accordance with EMEIA FSO and manages day-to-day operations for the Financial Services business.
- ▶ **Corporate Responsibility Board** is responsible for driving strategy and initiatives, including communication, around corporate responsibility and sustainability for EY Switzerland and managing environmental and social concerns.

- ▶ **Talent Organization** comprises the Chief Talent Officer and talent partners from each service line and is responsible for driving the talent strategy and initiatives. The execution of the strategy is led by the Head of Talent and the Talent team.
- ▶ **Risk Management function (RM)** is responsible for the application of the compliance frame-work, risk identification, mitigation and monitoring as well as the implementation of an enterprise risk management system. The Chief Risk Officer is responsible for leading the RM function.
- ▶ **Diversity, Equity and Inclusiveness (DE&I) Council's** role is to set and drive the DE&I strategy for EY Switzerland.

The Chair of the Corporate Responsibility Board, the Chief Risk Officer, DE&I Council Leader and the Chief Talent Officer are all part of the Swiss Management Committee.



Diversity in governance

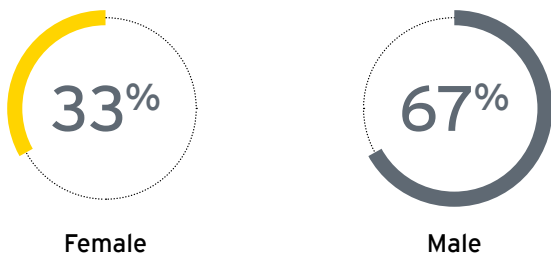
Diversity is a key consideration in the appointment of members of the Board and the Swiss Management Committee (SMC). Members are appointed considering factors such as their subject matter expertise, skills, achievements and competencies. Overarching these key attributes is diversity (i.e., gender, nationality, etc.). Diversity in governance enables us to generate valuable insights while developing our effective strategies, policies and procedures. Our gender diversity as of the date of this report is as follows:

Figure 6

Gender diversity in the SMC



Gender diversity in the Board



Remuneration of the Board and Swiss Management Committee

The same remuneration system applies to all partners of the firm, including the Swiss Management Committee and Board members. We follow the EMEIA Partner Reward System, which is a retrospective cash-based variation system that is managed at EMEIA level but monitored and approved by the Regional Partner Forums through delegates to the EMEIA process. The EMEIA Partner Reward System takes into consideration feedback from stakeholders as well as EY colleagues through our internal performance evaluation system.

Annually, the EMEIA Partner Reward System determines the portion of the distributable income of the firm to be allocated to each partner. Variable compensation to the Swiss Management Committee and the Board are linked to organization level goals, including but not limited to service quality, increasing diversity, equity and inclusiveness in the workforce and contributing to prosperity in the communities. The performance outcome has a direct impact on variable component of each partner's income. The performance evaluation and final remuneration is reviewed and approved outside of Switzerland.



Driving sustainability at EY

The EY Global Sustainability Executive, comprising EY leaders across EY service lines, sectors, industries and geographies, oversees the value-led sustainability work that EY teams deliver to EY clients, as well as progress to deliver on EY’s sustainability ambitions. It is chaired by the Global Vice Chair – Sustainability, with representatives from across the global EY organization including EY Global Deputy Vice Chair – Sustainability, and EY Global Climate Change and Sustainability Services Leader.

Aligning our sustainability practices with EY Global

Aligned with our global sustainability targets, the Swiss Management Committee defines the sustainability strategy and targets for EY Switzerland. Our Chief Risk Officer is a member of the Swiss Management Committee and leads the Corporate Responsibility (CR) Board, which has oversight and responsibility for the sustainability strategy execution as well as the sustainability report. Various functions and service lines are represented on the CR Board; they represent the sustainability aspects of their business area and ensure alignment with the sustainability strategy.

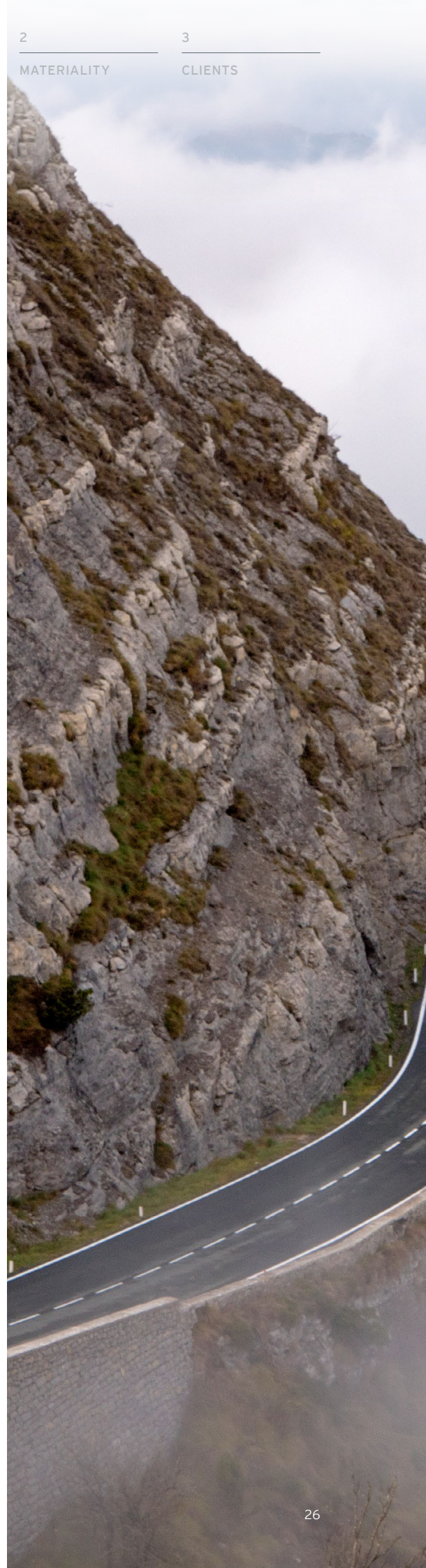
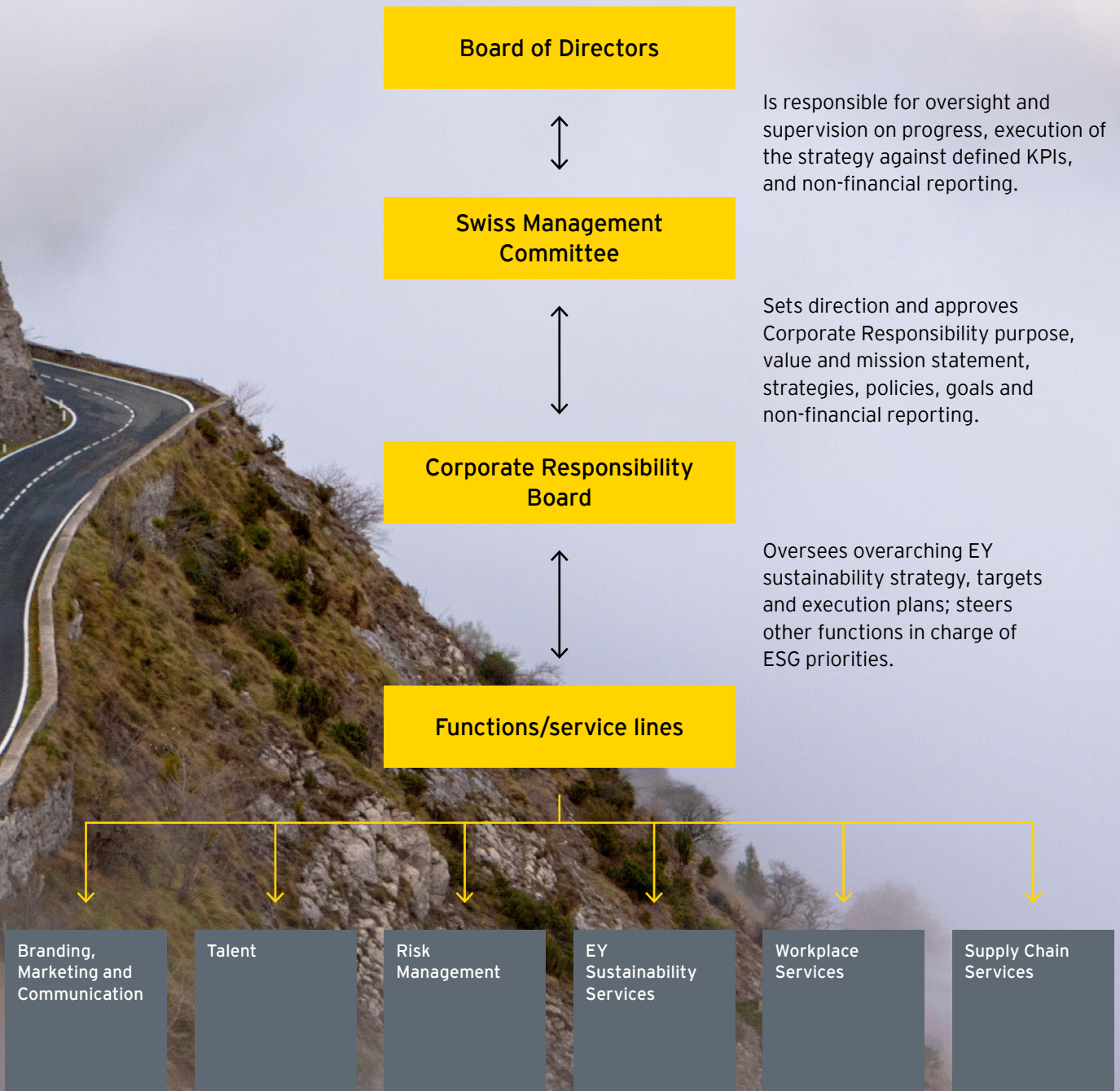


Figure 7

Corporate Responsibility Governance to drive sustainability priorities across the organization



Functions/service lines with direct responsibility for their sustainability-related strategy execution; reporting progress against the ESG scorecard for respective area of responsibility.



2

ABOUT US
MATERIALITY
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Our sustainability strategy is based on our materiality analysis, risk and opportunity monitoring and commitment to the SDGs

About this report

Ernst & Young Ltd has reported with reference to the Global Reporting Initiative (GRI) Standards 2021 for the period 1 July 2022 to 30 June 2023. This is EY Switzerland's sustainability report (called "report" hereinafter) covering the financial year 2023.

The report has been published on 20 December 2023. Where relevant, appropriate and helpful for comparison, we also provide information on the last three financial years. In this report, we refer to ourselves as "EY Switzerland," "we," "us" or "our." EY refers collectively to the global organization of the member firms of Ernst & Young Global Limited (EY Global).

EY Switzerland discloses its progress on an annual basis as part of its commitment to the Ten Principles of the United Nations Global Compact (UNGC) and the UN Sustainable Development Goals (SDGs). EY Global will submit on behalf of all EY member firms the annual UNGC Communications on Progress (CoP) report.

This report provides a consistent, balanced and accurate representation of the material topics, key actions taken and achievements over the reporting period. On an annual basis, we run a consultation process with various business functions and service line to extract the needed data and information. In this year's report we adapted the material topics according to the latest materiality analysis conducted by EY Global in FY22, taking into account what is most important to EY business performance and where EY teams can have the greatest impact on stakeholders.

This report covers all offices and activities of Ernst & Young Ltd, Basel, and Ernst & Young AG, Vaduz (a 100% subsidiary of Ernst & Young Ltd, Basel).

The authenticity of the data and processes disclosed in the report has been assured by Treureva Ltd, an independent third-party assurance provider. Treureva Ltd provided limited assurance in accordance with the International Standard for Assurance Engagements (ISAE) 3000. The assurance statement provided in the report covers the scope of work undertaken, the engagement methodology and the extent to which EY Switzerland has applied the GRI Standards and includes the opinion on the report. The Swiss Management Committee oversees the assurance mandate. The Country Managing Partner and the Chief Risk Officer acknowledge responsibility for the preparation of the report and the information contained therein in accordance with the GRI Standards. The report on the limited assurance can be found in section: **Assurance report, page 162-163.**

Stakeholders can contact cr@ch.ey for any questions.



Key trends and issues Swiss businesses and society face today

Macroeconomic environment

Today's global macroeconomic environment is characterized by an extended period of volatility, where new economic shocks, such as inflation, rapidly rising interest rates, and geopolitical tensions are layered on top of older ones. The latter include the post-COVID-19 implications of decreasing globalization in supply chains as well as longer-term disruptive trends like the sustainability imperative or digital transformation, which the economy has been dealing with for years.

Further increasing geopolitical tensions between China and Western countries, as well as the ongoing crises in Eastern Europe and recently the Middle East are increasing political uncertainty and creating turbulences especially in energy and commodity markets, which both add to the already challenging environment in which businesses operate.

While not being highly impacted by global political tensions, the Swiss export-oriented economy is particularly exposed to trade fluctuations, which materially impact several key industries such as life sciences, consumer goods and products, manufacturing, and pharmaceuticals. Businesses need to adapt to this world of multilayered volatility combined with an exceptionally strong Swiss currency and think about the opportunities and risks that come with economic paradigm shifts and a corresponding realignment of industrial and economic policies.

Sustainability and environmental concerns affect all sectors of the economy and have become a key priority of top management at leading companies in Switzerland and around the world, with growing emphasis on renewable energy sources, carbon reduction targets and sustainable business and operating models.

Adapting to a rapidly changing global environment will be vital for the economic resilience and competitiveness of Swiss businesses. Creating opportunities through innovation, technology advancements, and sustainable business models will be a key success factor for Switzerland's knowledge-based economy.

Policymakers will also have to play a vital role in creating an enabling environment, supporting investments in research and development, and fostering collaboration

between the public and private sectors. Maintaining a focus on innovation at all levels is key to sustaining economic growth because resilience shall not lead to rigidity.

Sustainability trends

What started already a couple of years ago is now accelerating at full speed; sustainability is omnipresent. Businesses are not only confronted with significantly increased national and international ESG regulations, reporting obligations and due diligence provisions, but also enhanced stakeholder expectations and market pressure to integrate sustainability into their business strategies, consider non-financial aspects in risk management and financial accounting, and avoid greenwashing risks in their communications and marketing campaigns. Sustainability has become a business imperative.

Switzerland has seen major developments in the legal landscape. With the entry into force of Art. 964 of the Swiss Code of Obligations, large Swiss listed companies are required from the reporting year 2023 onwards to publish a non-financial report subject to shareholder approval. This reporting obligation will be extended further one year later in accordance with the provisions of the Swiss Climate Ordinance on reporting in line with the Taskforce on Climate-Related Financial Disclosures (TCFD) Recommendations. In addition, due diligence requirements related to conflict minerals and metals and child labor in the supply chain have been applicable since 1 January 2023.

The European Union has also moved forward with the entry into force of the Corporate Sustainability Reporting Directive (CSRD) and adoption of the European Sustainability Reporting Standards (ESRS) applicable from the financial year 2024 onwards and subject to mandatory limited assurance. Alongside EU entities and companies operating internationally, Swiss companies may be affected through their exposure to the European market. Companies subject to CSRD will also have to report how "green" they are in line with EU Taxonomy. Approximately 50,000 companies will have to disclose transparently their sustainability efforts in terms of how they impact society and the environment but also how they as a business are affected by sustainability topics.

Despite international efforts to consolidate and harmonize the sustainability reporting landscape, the trend towards increased regulation and accountability of companies is set to grow over the next couple of years. Swiss regulation is likely to be aligned with the EU context, where negotiations are already underway for a far-reaching Corporate Sustainability Due Diligence Directive (CS3D).

Artificial intelligence (AI)

We are experiencing a significant AI trend that is reshaping both businesses and society. Generative AI (GenAI), exemplified by ChatGPT, is a recent advancement in AI that can contextually understand, generate and interact with human language. The technology's broad versatility, analytical capability and user-friendly accessibility has triggered a strong, global innovation impulse. While AI has seen many different advances in recent years, many experts in the field believe we are at a tipping point for what will be possible in the near future as various factors come together: today's raw hardware computing power, the existence of and access to high-quality data and potential of Generative AI in a wide array of business use cases.

Swiss businesses are exploring and leveraging new AI technologies to automate tasks, streamline processes and gain valuable insights from large volumes of data, helping them make data-driven decisions and improve the customer experience. Alongside new automation possibilities and service delivery enhancements, there will also be a substantial impact on the working world, including the employees and skills required to execute tasks in this new environment. As AI gets integrated in many of today's operative functions, it will be all the more important to have skills related to using new AI technologies; understanding their risks and limitations; and being able to acquire new knowhow or necessary information quickly.

The wealth of opportunities also come with a significant number of risks and these are part of a lively public discourse in Switzerland. There is still a risk that generative AI and similar technologies will produce inaccurate or biased information.

The prioritization of ethical application, governance and accountability, fairness and data privacy is key in order to foster and maintain public trust in AI technologies. Switzerland is well positioned to deal with these risks and opportunities thanks to its strong academic and research institutions. The country also invests in AI education and nurtures the ongoing learning and development of its skilled workforce, fostering an innovative ecosystem that promotes knowledge sharing, collaboration and acceleration of AI technology adaption. This is all backed up by the Swiss government's efforts to create the necessary regulatory frameworks, support research and provide timely access to funding.



Risks and opportunities

Global megatrends and stakeholder analyses are important factors in assessing EY's potential risks and opportunities. Our risk management team evaluates and analyzes risks and opportunities on an ongoing basis. The Swiss Management Committee reviews the inventory of risks and evaluates potential risk mitigation or potential opportunities at least quarterly.

The key sustainability-related risks and opportunities identified for EY Switzerland's operations are as follows:

► **Climate change risk**

Our climate ambition (for more details, see section: **Creating long-term value for society, page 89**) is instrumental in managing physical and transition risks:

- **Physical risk:** EY Switzerland's offices and people face potential risk of high-intensity weather-related events. For two of our offices we have conducted physical climate risk assessments applying four different rising temperature scenarios.
- **Transition risk:** We anticipate our operating expenses to increase due to changes in local regulations and implementation of financial instruments such as carbon tax. This could negatively impact the travel expenses.

► **Regulatory risk/public policy**

We adhere to the laws and regulations associated with ethics and independence and embrace transparency to protect ourselves from reputational risks.

► **Market risks**

We build our capabilities and innovate cutting-edge solutions to become the market leader and outpace our competitors. A key enabler of innovation is attracting and retaining the best talent, which we ensure by empowering our people to have an exceptional EY experience.

► **Third-party/supply chain risks**

We undertake due diligence procedures in relation to third parties. This helps us to avoid any reputational damage or other risks that may arise from third parties' non-compliance with relevant regulations such as labor laws or from inappropriate employee working conditions.

The Swiss Management Committee also defines strategy and initiatives to capitalize on the sustainability-related opportunities:

► **Expansion of EY Sustainability Services**

In light of increasing regulatory requirements in Switzerland, the EU and globally, as well as growing investor pressure, we have an opportunity to expand our client service offerings. We want to help clients transform their business models, develop and implement their sustainability strategies and understand sustainability disclosures. We have been working on the integration of various sustainability aspects across our capabilities, investing in service offering development and setting up interdisciplinary teams to support our clients with the solutions they need (for more details, see section: **Creating long-term value for clients, page 51**).

► **Energy and resource efficiency**

A potential energy crisis, triggering a shortage in supply and increasing costs, poses risks for companies and individuals. Nonetheless, there is a window of opportunity that can be leveraged to accelerate changing behaviors and consumption habits of governments, clients, people and organizations.

► **Trust in our brand**

By transforming ourselves to a more sustainable and inclusive company, we build trust with our clients and position ourselves as a credible sounding board to their sustainability transformation journey. Transparent disclosure of our sustainability performance through reporting and external ratings further underpins our commitment to our internal as well as external stakeholders.

► **Talent attraction and retention**

Evolving demands and the integration of sustainability into all our services requires new talent and upskilling of our current workforce – at scale. By transforming ourselves into a more sustainable company and expanding our Sustainability Services, we position ourselves as an attractive employer in the talent market. We are further creating many opportunities for our talent to engage in purposeful client projects.

Understanding what matters to EY stakeholders

Understanding the needs and interests of all stakeholders is fundamental to executing the EY NextWave strategy and meeting our ambition to deliver long-term value to EY people, clients and society. To conclude on the most relevant stakeholders, we have screened the stakeholder groups suggested by the GRI Standard. Our key stakeholders are: current and future EY people, our clients, our society, our suppliers and our regulators.

We regularly engage with our stakeholders and assess their feedback to ensure we are addressing relevant concerns and expectations as we strive toward excellence. Feedback may be directly connected to stakeholders' business or related to the evolving political, socio-economic and environmental trends worldwide. We conduct formal materiality assessments to prioritize topics that are both most important to EY business performance and where EY teams can have the greatest impact on stakeholders. We are then able to act on our findings by

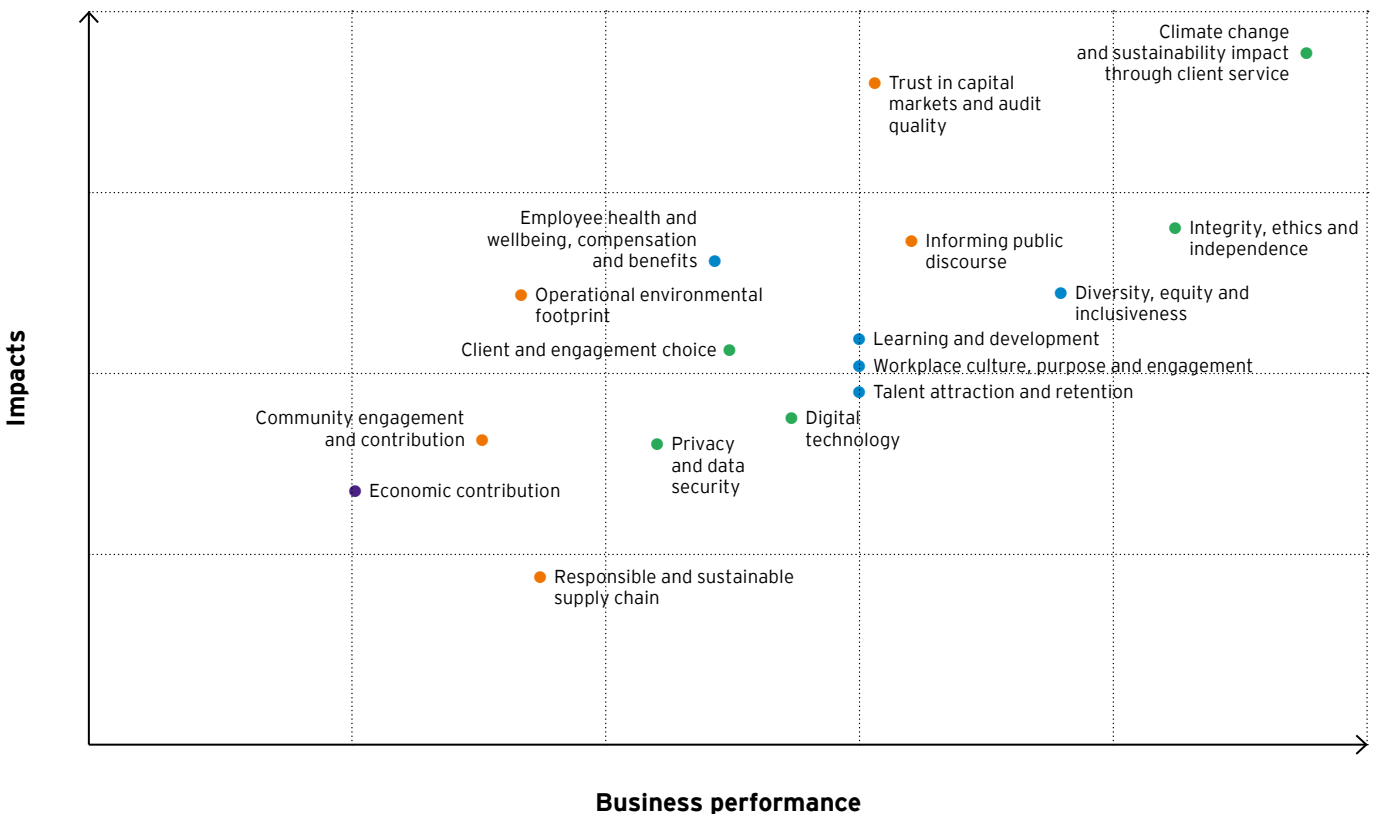
embedding these topics even more deeply into the EY business strategy in response to stakeholders' needs. We have conducted materiality assessments in the past and are committed to updating them on a regular basis to reflect changes in business and stakeholder priorities, along with global and local trends. We continue to be guided by the most recent materiality assessment that was conducted in FY22 by EY professionals in the EY Climate Change and Sustainability Services (CCaSS) team and informed by the Global Reporting Initiative (GRI) framework. This robust process included senior leadership input; external stakeholder interviews with clients, regulators and academics; industry and peer analyses; employee focus groups; internal and external media and communication reviews; and impact analysis.

From previous materiality assessments and looking ahead, we continue to further integrate these topics into the EY governance model and enterprise risk processes – this

Figure 8

Materiality Matrix

Material Theme: ● People value ● Societal value ● Client value ● Financial value





allows us to fully integrate sustainability into EY strategic priorities. The results of the most recent assessment are indicated in the following materiality matrix. All EY material topics are included, with the topics in the upper-right quadrant being the most material to EY stakeholders and EY business performance, and having the greatest potential for impact. As we have prioritized the most material topics, we acknowledge the interconnected nature of environmental, social and governance (ESG) topics and consider all topics listed on the matrix as areas of importance – understanding the progress made in one

area may have impact on others. We also recognize that these topics are dynamic. Employee health and wellbeing, and privacy and data security are increasingly important and a focus for EY strategic priorities.

You will find a description and changes compared to the prior list of material topics in the **appendix, page 150** and the following connectivity table that shows how the material topics relate to our strategy and where they are covered in this report.

Table 2

Long-term value	Material topic	GRI disclosure reference	Sustainability report chapter/ paragraph reference	
Client Value	Climate change and sustainability impact through client service	▶ Economic Performance (201)	▶ Helping clients accelerate their sustainability transformation journey	
	Digital technology	▶ Economic Performance (201)	▶ Our services and solutions ▶ Investing in innovation, technology and sustainability	
	Trust in capital markets and audit quality	▶ Economic Performance (201)	▶ Internal controls and quality management standard ▶ Ensuring service quality and client satisfaction ▶ Trust and transparency ▶ Independence practices ▶ Internal quality controls and key buyer-based fields of play	
	Privacy and data security	▶ Customer Privacy (418)	▶ Protecting client data and privacy	
	Integrity, ethics and independence	▶ Anti-Corruption (205) ▶ Anti-Competitive Behavior (206) ▶ Child Labor (408) ▶ Forced or Compulsory Labor (409) ▶ Socioeconomic Compliance (419)	▶ Business ethics ▶ Risk management ▶ Supply chain management ▶ Human rights	
	Client and engagement choice	▶ Anti-Corruption (205) ▶ Anti-Competitive Behavior (206) ▶ Economic Performance (201)	▶ Client and engagement acceptance	
	Responsible and sustainable supply chain	▶ Procurement Practices (204) ▶ Child Labor (408) ▶ Forced or Compulsory Labor (409)	▶ Supply chain management ▶ Human rights	
	People Value	Talent attraction and retention	▶ Employment (401) ▶ Training and Education (404)	▶ Attracting, developing and retaining diverse talent ▶ Our people's health and wellbeing
		Learning and development	▶ Training and Education (404)	▶ Lifelong learning
		Employee health and wellbeing, compensation and benefits	▶ Freedom of Association and Collective Bargaining (407) ▶ Occupational Health and Safety (403)	▶ Listening to EY people ▶ Our people's health and wellbeing
Diversity, equity and inclusiveness		▶ Diversity and Equal Opportunity (405) ▶ Non-Discrimination (406)	▶ A more diverse, equitable and inclusive workplace	
Workplace culture, purpose and engagement		▶ Diversity and Equal Opportunity (405) ▶ Non-Discrimination (406)	▶ Listening to EY people ▶ A more diverse, equitable and inclusive workplace	

Long-term value	Material topic	GRI disclosure reference	Sustainability report chapter/ paragraph reference
Societal Value 	Community engagement and contribution	<ul style="list-style-type: none"> ▶ Economic Performance (201) ▶ Socioeconomic Compliance (419) 	<ul style="list-style-type: none"> ▶ Creating long-term value for our society
	Operational environmental footprint	<ul style="list-style-type: none"> ▶ Materials (301) ▶ Energy (302) ▶ Emissions (305) ▶ Waste (306) ▶ Child Labor (408) ▶ Forced or Compulsory Labor (409) ▶ Environmental Compliance (307) 	<ul style="list-style-type: none"> ▶ Our governance ▶ Ensuring responsible business operations ▶ Reducing our carbon emissions ▶ Human rights ▶ Supply chain management
	Informing public disclosure	<ul style="list-style-type: none"> ▶ Economic Performance (201) 	<ul style="list-style-type: none"> ▶ Minimizing our environmental impact ▶ Our total community investments
Financial Value 	Economic contribution	<ul style="list-style-type: none"> ▶ Economic Performance (201) 	<ul style="list-style-type: none"> ▶ A note from the leadership ▶ EY facts and figures – financial value

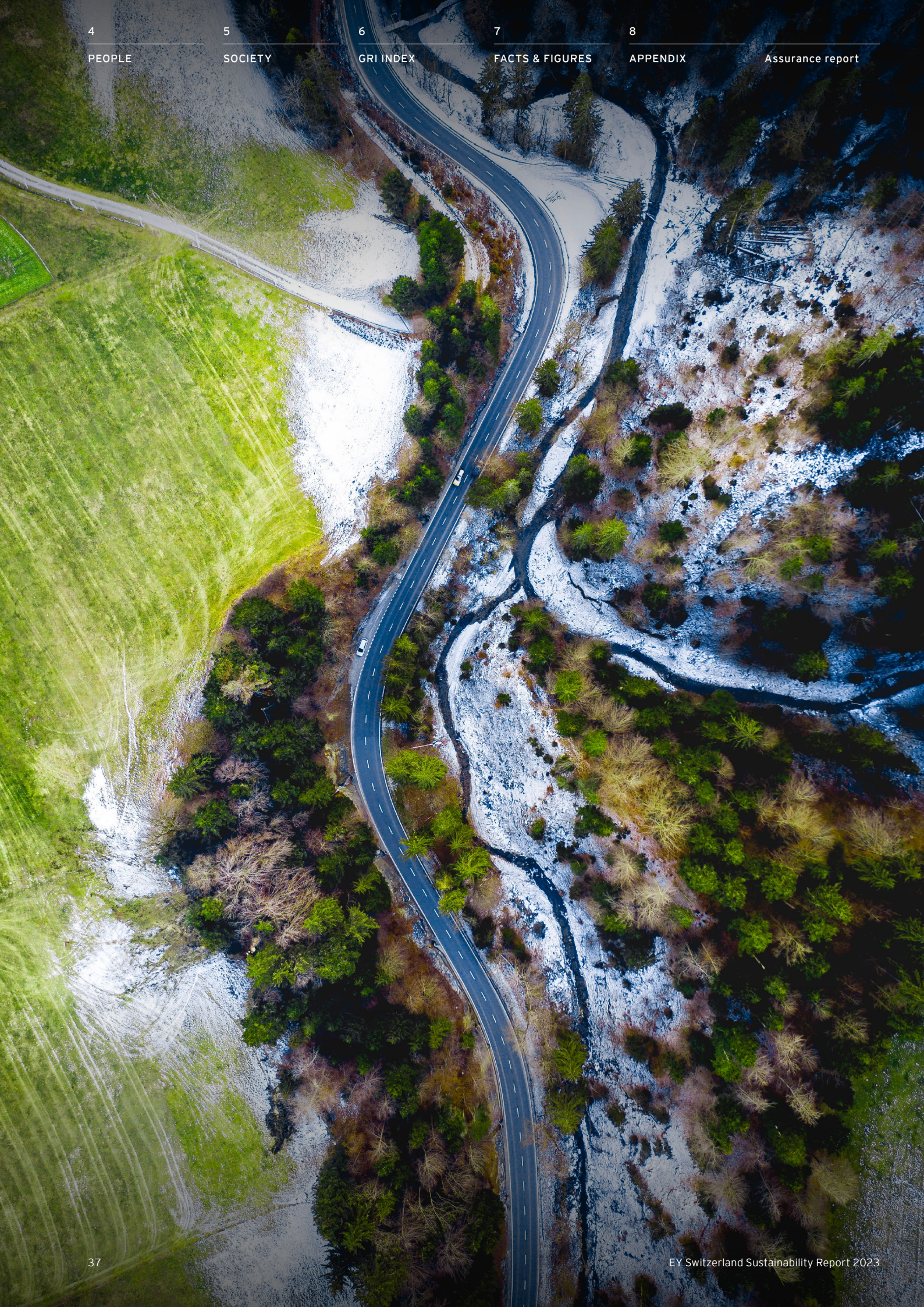
Alignment of our material topics with the principles of the UN Global Compact and UN Sustainable Development Goals

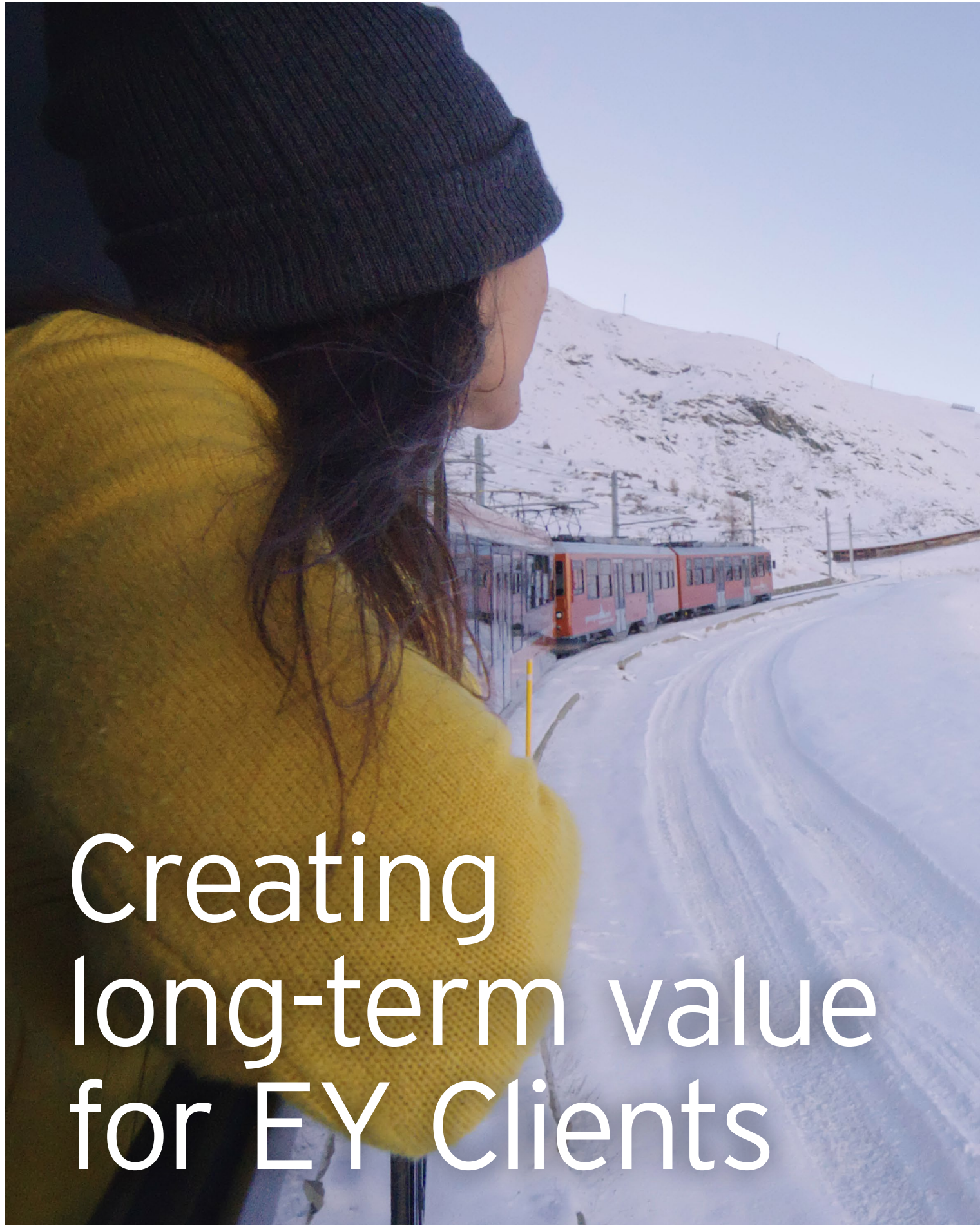
EY has committed to the UN Global Compact and UN Sustainable Development Goals (SDGs) to accelerate the progress of the EY NextWave strategy and our ambition to create long-term value for clients, people and society as the world's most trusted, distinctive professional services organization. Adhering to this commitment, **EY reports** its progress on the Ten Principles of the UN Global Compact and the SDGs.

Aligning ourselves with EY's global commitment, EY Switzerland maps the UN Principles and SDGs that are most relevant for our business and stakeholders to the

material topics identified in our materiality analysis. The outcomes are integrated into our sustainability strategy and business decision making. This sustainability report also serves to meet the requirements of a progress report on EY Switzerland's UN Global Compact commitment.

For more details on the alignment of the UN Principles and the UN SDGs to this sustainability report, see section: **Appendix, page 152.**





Creating long-term value for EY Clients



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Helping clients grow, optimize and protect value

Transformational vision fuels exceptional client experiences

We create and share long-term value with our clients by helping them grow, optimize, work better and protect and create value. This helps them address today's challenges, capitalize on opportunities and move forward in the next wave of technological, social and environmental changes. To do so, we provide high-quality services and capabilities that are developed through a client-centric approach.

This client-centric approach helps us to meet the diverse needs of our clients and create positive brand experiences. It is also pivotal in building clients' trust and confidence in us, which is a leading indicator of our future performance. Trust is what enables us to create value and gives us the confidence to make bolder strategic moves to maintain a competitive advantage in our business. We do this by meeting our clients' expectations and creating long-term value through:

- ▶ Our value-led services and solutions that help our clients build and run successful businesses
- ▶ Our efforts to ensure service quality and client satisfaction
- ▶ Our robust business ethics and risk management framework
- ▶ Our approach to protect client data and privacy
- ▶ Our efforts for transparent communication on our performance and progress
- ▶ Our integrated value proposition to clients on their sustainability transformation journey
- ▶ Our investments in digital transformation, innovation and sustainability that help clients mitigate the risks and capture the opportunities arising from the evolving market landscape
- ▶ Our culture of continuously engaging with clients and other business community members to keep them up to date with the latest business developments and support their business growth

Business ethics

Through our commitment to audit quality, coupled with our focus on continuous improvement, we build trust and confidence in the capital markets, which drives investment and economic growth and creates long-term value for society as a whole. To be a trusted business partner, EY is committed to acting with the highest business ethics and professional standards. Ensuring that we and our clients comply with applicable regulations and industry standards is a top management priority. Any ethical lapse could damage our reputation and trust in the markets and result in severe consequences.

Our leadership is responsible for setting the right tone at the top and demonstrating EY's commitment to **building a better working world** through our behavior and actions. Our people understand that quality and professional responsibility starts with them. Our shared values guide our people to do the right thing and our commitment to quality and professional standards are embedded in who we are and in everything we do.

The EY approach to business ethics and integrity is contained in the EY Global Code of Conduct and other relevant policies and is embedded in the EY culture of consultation, training programs and communication

campaigns. Our Chief Risk Officer oversees Ethics and Compliance as part of the Risk Management function. The Risk Management function and the General Counsel Office are also responsible for communicating with and educating all EY people on their expected behavior and actions in line with the EY Global Code of Conduct as well as monitoring our people's continuous adherence to this Code.

Additionally, we have a Financial Crime Compliance Leader responsible for the design and implementation of EY's first line of defense anti-corruption policies and procedures and for monitoring compliance. The Chief Risk Officer reports to the Country Managing Partner, Region and Area Global Risk Management Leader and the Financial Crime Compliance Leader reports to the Swiss General Counsel.

To further ensure that the Code of Conduct is embedded into the organization's culture, all EY people, regardless of individual role, position or service line, provide an annual confirmation affirming that they have read, understood and will act in accordance with the Global Code of Conduct. Both the Global Code of Conduct and the annual confirmation highlight the responsibility of EY people to speak up when they observe behavior that does not live up to the principles contained in the Global Code of Conduct.



Our Global Code of Conduct sets out a clear set of standards for the way we conduct business. It provides each of us with an ethical framework to guide us when we are faced with complex and challenging choices. We strive for a culture that emphasized the responsibility and accountability for all professionals for quality and trust.

Carmine Di Sibio
Global Chairman and CEO

Our people can report any concerns through the EY/Ethics Hotline, which is operated by NAVEX Global, an externally contracted provider. The EY/Ethics Hotline provides EY people, clients and others outside of the organization a means to report confidentially any activity that may involve unethical or improper behavior, as well as any behavior that may be in violation of professional standards or otherwise inconsistent with the EY shared values or Global Code of Conduct. With an option for anonymous reporting, the hotline creates an environment that encourages everyone to act responsibly and report misconduct without fear of retaliation. The hotline is also a channel for our people to engage and communicate with us about any other concerns that may be beyond this specified scope.

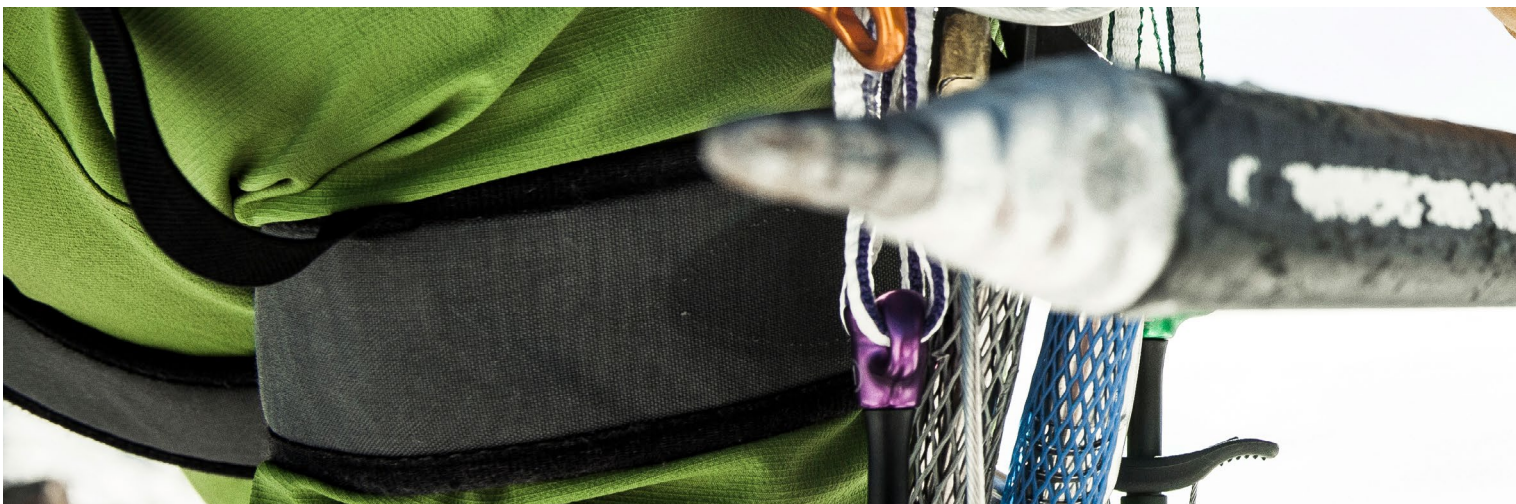
Every report submitted through the EY/Ethics Hotline, either by phone or through the **website**, receives prompt attention with oversight from the Chief Risk Officer. Depending on the content of the report, appropriate individuals from Risk Management, Talent, General Counsel Office or other functions are involved in addressing the issue following the ethics protocols in place. The same procedures are followed for matters that are reported outside of the EY/Ethics Hotline.

The EY/Ethics Hotline also provides for an escalation process in case of significant matters. Depending on the severity and nature of the complaint, matters could be cascaded from the Swiss Ethics Oversight Committee to the region (Europe West or EMEIA Financial Service Organization), Area (EMEIA) or Global Ethics Oversight Committees. The grievance mechanism and

remediation procedure are outlined in the minimum required standards and protocols for EY Ethics hotline reporting and escalation as well as performance and documentation of internal investigations. The Sanctions Framework for Personal Independence and Other Breaches sets out the key principles for consequence management considering local mandatory legal provisions. It further provides that every reporting individual shall be protected against retaliation and be treated with confidentiality.

In FY23, 15 cases were registered through the EY/Ethics Hotline. Of these, 10 related to workplace concerns and five to other concerns. The majority of cases (13) have been resolved and closed. In FY22, there were nine registered cases, all of which were resolved and closed.

To further ensure adherence to ethical standards and behavior across the organization, we have our Global Policy for reporting Non-Compliance with Laws, Regulations and EY's Code of Conduct (NOCLAR), aligned with the International Ethics Standards Board for Accountants (IESBA). The policy sets out a framework to guide actions of professional accountants in deciding how best to act in public interest when they become aware of actual or suspected non-compliance with laws and regulations. This policy also reinforces the general principles of our Global Code of Conduct by rejecting unethical or illegal business practices, supporting compliance with laws, regulations and standards and upholding our commitment to ethical behavior and quality.



Risk management

Geopolitical instability, rapid technological advances, emerging markets and new clients are driving business disruption. Against this background, regulators are increasingly keen to understand the way organizations identify and manage their risks. Like other businesses, we deal with a variety of risks in our day-to-day operations. Therefore, managing risks is integral to ensuring that our teams comply with the relevant regulations while delivering quality and exceptional services to our clients.

EY Switzerland operates in accordance with applicable law and regulations, with our compliance framework, comprising numerous company-wide policies, Enterprise Risk Management, procedures and controls in place. Compliance with legal requirements and ethics standards is our top priority and is ensured by our Risk Management and General Counsel function.

Our Risk Management is guided by our values, as outlined in the EY Global Code of Conduct and implements required internal controls based on key policies. An annual risk assessment helps us to identify, monitor and mitigate risks and summarizes major risks in a register. EY utilizes Archer, a tech-enabled risks management solution, to manage the planning, monitoring and mitigation of each of the 15 listed key risk categories for both EY Switzerland and the Liechtenstein subsidiary. These assessments cover all offices in Switzerland and Liechtenstein.

1. **Financial crime (anti-bribery and corruption, anti-money laundering, trading sanctions etc.)**
2. **Business continuity and crisis response**
3. **Insider threat, culture and business conduct**
4. **Regulatory and public policy**
5. **Data protection and data ethics**
6. **Cybersecurity**
7. **Information technology**
8. **Program governance and execution**
9. **Third party**
10. **Talent management**
11. **Service innovation**
12. **Macroeconomic and geopolitical**
13. **Client and engagement acceptance and continuance, and service delivery and quality**
14. **Independence**
15. **Environmental, social and governance**



Our risk management policies and practices

As an integral part of fulfilling our commitment to **building a better working world**, we serve the public interest by delivering high-quality audit and consulting services with independence, integrity, objectivity and professional skepticism. EY professionals focus on not only enhancing service quality and upholding independence, but also ensuring compliance with the applicable laws pertaining to environmental and social integrity. The foundation of our compliance framework is the EY Global Code of Conduct and the underlying policies and guidelines defining our values and ensuring compliance with applicable laws and regulations.

Internal controls and quality management standard

In FY23, we finalized the implementation of the International Standard on Quality Management 1 (ISQM 1), which became effective 15 December 2022, and completed transition from our Internal Quality Control System to our System of Quality Management designed and implemented at this date. ISQM 1 provides a focus on audit quality and a process of risk management with respect to quality that aims to ensure all firms have quality as a priority when performing audits and other assurance engagements. The standard is principles driven with a focus on scalability, flexibility and continuous improvement. Further information on the System of Quality Management annual evaluation consultation for EY Switzerland and Liechtenstein as of 30 June 2023 has been published in the **[Transparency Report 2023](#)**.

Client and engagement acceptance

The EY Global Policy on Client and Engagement Acceptance sets out principles for member firms to determine whether to accept a new client or a new engagement, or to continue with an existing client or engagement. These principles are fundamental to maintaining quality, managing risk, protecting EY people and meeting regulatory requirements. The objectives of the policy are to:

- ▶ Establish a rigorous process for evaluating risk and making decisions to accept or continue clients or engagements.
- ▶ Identify and deal appropriately with any conflicts of interest.
- ▶ Identify and decline clients or engagements that pose excessive risk.
- ▶ Require consultation with designated professionals to identify additional risk management procedures for specific high-risk factors.
- ▶ Comply with legal, regulatory and professional requirements, including independence.

In addition, the EY Global Policy on Conflicts of Interest defines global standards for addressing categories of potential conflicts of interest and a process for identifying them. It also includes provisions for managing potential conflicts of interest as quickly and efficiently as possible, using appropriate safeguards.

We use the Acceptance of Clients and Engagements, an intranet-based system for efficiently coordinating client and engagement acceptance and continuance activities. As part of this process, we carefully consider the risk characteristics of a prospective client or engagement and the results of our internal checks and due diligence procedures. Before taking on a new engagement or client, we determine whether we can commit sufficient resources to deliver quality services, especially in highly technical areas and if the services the client wants are appropriate for us to provide.

It is important to EY that we remain aware of the ever-changing situation with respect to international economic and trade sanctions. EY monitors sanctions issued in multiple geographies both at the point when business relationships are accepted and as they continue. Guidance is provided to EY people on impacted relationships and activities. With respect to the war in Ukraine, and related sanctions on Russia and Belarus, we have issued accounting and auditing considerations to take into account when auditing entities that are exposed to risk due to events in these countries.

Anti-bribery and anti-corruption

The EY Global Anti-bribery Policy supports the EY Global Code of Conduct by prohibiting bribery in all forms, including facilitation payments. It provides EY people with direction on certain unethical and illegal activities. It emphasizes the obligation to comply with anti-bribery laws and provides a definition of what constitutes bribery. It also identifies reporting responsibilities when bribery is discovered with respect to bribery of or by EY personnel, as well as when we discover bribery at our clients. In recognition of the growing global impact of bribery and corruption, efforts have been increased to embed anti-bribery measures across EY.

EY Switzerland has deployed the EY Global Anti-bribery Policy and adopted a Swiss addendum accompanied by an anti-corruption compliance program. This has been communicated to all EY people in Switzerland. Anti-bribery and corruption are part of the risk category "Financial Crime" and "Client Acceptance and Continuance". EY Switzerland and Liechtenstein are subject to an annual country-based risk assessment covering all EY operations.

To ensure that no corrupt activities exist across the organization's value chain, EY people are also expected to comply with the Global Procurement Policy, the Global Independence Policy and the Global Hospitality and Gifts Policy. The Global Hospitality and Gifts Policy may be helpful in identifying circumstances where corporate hospitality or a gift to and from a client may be acceptable and not characterized as bribery. The Swiss addendum to the Global policy defines local thresholds and approval procedures.

To prevent corruption and at the same time raise the awareness of our people for corruption risks, EY relies on a comprehensive training and communication approach. All EY Switzerland partners and employees are required to complete the "Financial Crime Fundamentals" training. All people joining EY undertake this training and affirm their understanding of the policy to confirm their compliance.

EY people are empowered to bring to the attention of our Risk Management function any concerns about suspected fraud, bribery and corruption or any violation, without fear of punishment or unfair treatment through either the EY/Ethics Hotline, by directly approaching an internal person of trust or consulting the Employee Assistance Program. As of 30 June 2023, we confirm that EY Switzerland has not identified any incidents of corruption.



Independence practices

Independence is a concept fundamental to the audit profession and is pervasive in all dealings between EY member firms and their audit and assurance clients. Each EY employee is responsible for their own personal independence and the independence of EY.

We consider and evaluate independence regarding various aspects, including our financial relationships and those of our people; employment relationships; business relationships; the permissibility of services we provide to audit clients; applicable firm and partner rotation requirements; fee arrangements; audit committee preapprovals, where applicable; and partner remuneration and compensation.

The EY Global Independence Policy requires EY Switzerland and Liechtenstein and our people to comply with the independence standards applicable to specific engagements, e.g., the IESBA Code of Ethics and the Swiss or Liechtenstein country independence standards, respectively and where required, e.g., SEC independence standards.

We have implemented EY's global applications, tools, and processes to support us, our professionals, and other employees in complying with independence policies. For a comprehensive overview please refer to our [Transparency Report](#).

Annually, EY Switzerland is included in a process to confirm compliance with the EY Global Independence Policy and process requirements and to report identified exceptions, if any. All EY professionals and certain others, based on their role or function, are required to confirm compliance with independence policies and procedures at least once a year to help maintain independence from companies we audit. The timely completion of annual independence learning is required and closely monitored.

Global Competition and Anti-trust Law Compliance Policy

EY Switzerland is fully committed to compliance with competition and anti-trust laws. This compliance is essential to avoid reputational damage, fines and criminal penalties.

The provisions of our Global Competition and Anti-trust Law Compliance Policy reaffirm that we shall not exchange competitively sensitive or strategic information with competitors, or take other steps intending to impede, or that could have the effect of impeding, competition in the markets in which we operate. The policy encompasses the legal principles underlying competition and anti-trust law, the types of behaviors that might raise anti-competition questions and whom to consult in the event of questions regarding the application of this policy to particular situations.

Any non-compliance with this policy is a breach of the EY Global Code of Conduct and may result in disciplinary actions, including dismissal. Risk Management, in conjunction with General Council Office, is responsible for implementation of this policy, as well as training, compliance monitoring and internal reporting of violations.

There are no pending or completed court actions or out-of-court-proceedings, monetary fines or penalties for non-compliance with laws or regulations, nor were there any anti-competitive conduct or breaches of anti-trust laws issued against EY Switzerland as of 30 June 2023.

Global Anti-money Laundering Guidance

At EY, we are committed toward complying with applicable anti-money laundering and counter-terrorism financing laws and regulations and are intolerant of the involvement of money laundering and/or terrorism financing by our people and all persons acting for or on behalf of our organization, such as consultants and third-party subcontractors. The Global Anti-money Laundering Guidance identifies practices based on the Financial Action Task Force recommendations to mitigate the risk.

Global Insider Trading Policy

The EY Global Insider Trading Policy reaffirms the obligation of our people not to trade in securities when in possession of insider information, provides detail on what constitutes insider information and identifies whom our people should consult if they have questions regarding their responsibilities.

The Global Policy on reporting fraud, illegal acts and other non-compliance with laws and regulations or EY's Global Code of Conduct requires EY professionals to speak up on observing such behavior or acts.

Global Data Protection and Confidentiality Policy

The Global Data Protection and Confidentiality Policy supports and builds upon provisions within the EY Global Code of Conduct regarding how we respect and protect personal information in accordance with applicable law, regulatory frameworks and professional standards.

This has been updated to be consistent with the EU General Data Protection Regulation (GDPR) and other local regulations across the globe.

Protecting confidential information is ingrained in the everyday activities of EY member firms. Respect for intellectual capital and all other sensitive and restricted information is required by the EY Global Code of Conduct, which provides a clear set of principles to guide the behaviors expected of all those who work with EY. The Global Data Protection and Confidentiality Policy further details this approach to protect information and reflect ever-changing restrictions on the use of data. This policy provides added clarity for those who work with EY member firms and forms the fundamental broader guidance that includes key policies on conflicts of interest, personal data privacy and records retention. Other guidance covers social media and information-handling requirements.

The Global Guidance on Reporting Loss, Theft or Inappropriate Disclosure of Confidential Information identifies the steps EY personnel should take in response to a loss/theft of EY, client or third-party confidential information. It supplements the requirements set out in the Global Acceptable Use of Technology Policy and the Global Data Protection and Confidentiality Policy.



Education and training

Our compliance framework is underpinned and consolidated by continuous and systematic training and development to promote and increase the awareness of EY employees on relevant risks. We have various global and local awareness and training programs including new-hire trainings, milestone trainings, rank-specific trainings and core service line curricula to sensitize relevant EY employee groups to policies, tools and procedures. The Global Code of Conduct and the Independence Update trainings must be completed each year by most employees, depending on rank and services they provide. There are exceptions for paid or unpaid leave such as parental leave, long-term leave or contract type (such as contract workers). Further, the assignment of some trainings is dependent on rank and client exposure.



Table 3

Name of mandatory training	Number of employees required to undertake training in FY23	Number of employees who have completed the training	% of employees trained in the respective business ethics topic*
Independence Policy (new hires)	668	665	99.55%
Independence Policy Update (annual)	1,992	1,986	99.7%
Conflicts of Interest	710	698	98.31%
Global Code of Conduct (new hires)	867	849	99.92%
Code of Conduct Learning Update FY23 (annual)	2,628	2,247	96.92%
Annual Data Protection and Information Security Update FY23	2,772	2,605	94.08%
Data Protection Fundamentals	3,122	2,983	95.55%
Financial Crime Fundamentals**	2,858	2,691	94.16%

Note: We had a total headcount of 3,163 as of 30 June 2023.

* The ratio depicts the completion ratio, i.e., the percentage of employees of the workforce required to undertake the training that have completed the training. Non-completion of trainings by some employees is either due to long-term leave, parental leave, status as contract workers or the training deadline being outside of the reporting period.

** The training covers topics around anti-bribery and corruption, anti-money laundering and trade sanctions.



Protecting client data and privacy

The EY organization believes that a strong business reputation depends on a robust data protection and information security program. We view data protection and information security as fundamental components of doing business. We are committed to protecting information assets, personal data and client information.

Our data protection and information security programs and practices are focused on sharing information appropriately and lawfully while preserving confidentiality, integrity and availability.

The EY team's ability to provide seamless, consistent, high-quality client service worldwide is supported by a well-articulated data protection and information security strategy. We protect information assets, personal data and client information whenever and wherever created, processed, transmitted or stored. We maintain effective governance and ongoing compliance with applicable domestic and international regulatory standards.

The implementation of our data protection and information security programs and practices is managed by two distinct yet aligned groups: the Global Data Protection network and the Global Information Security organization. Their mission is to protect the information assets of our organization and EY clients from unauthorized collection, retention, use, disclosure, modification or destruction. This is accomplished through appropriate policies, standards, procedures, guidelines, technological and administrative controls, and ongoing training and awareness efforts. Our data protection and privacy matters are governed by the EY Global Information Security Policy and EY data protection framework, which is based on the stated principles of the EU General Data Protection Regulation (GDPR).

■ Security strategy and mindset

Our multifaceted security program is anchored by our global information security and personal conduct policies. It is designed to drive and promote the confidentiality, integrity and availability of our personal and client information assets. We support this effort through data protection technologies applied in accordance with applicable privacy laws and regulatory requirements, as well as the ISO 27001/2 internationally accepted standards for security program management. Our

organization is proactive in securing and properly managing confidential and personal information through our ISO 27001/2-based information security program.

■ Information security audits

To provide us with a more complete view of our information security compliance, our global technology products, services and data centers are subject to audits. We conduct several types of audit such as independent third-party compliance audits according to ISO 27001:2013 to certify the Information Security Management System employed within our three global data centers in the US, Germany and Singapore as well as all Swiss data rooms.

Find out more about how we protect client data [here](#).

Along with our robust personal data management framework, we are pioneers in providing and implementing data protection and privacy services and solutions for our clients. Our cybersecurity teams help our clients:

- ▶ Protect their information over the full data lifecycle from acquisition to disposal.
- ▶ Stay up to date with leading services in data security and data privacy.
- ▶ Observe regulatory compliance in a constantly evolving regulatory landscape.
- ▶ Forensically identify the scope and nature in the event of misuse or breach of personal information and help companies take steps to remediate and report the event.
- ▶ Sustain an effective data protection and compliance management posture, which helps in reducing associated costs.
- ▶ Protect their brand reputation through the protection of business, customer and other sensitive and regulated information.

Our services aim to help companies avert costly data breaches and reduce risks of non-compliance that could result in fines from the regulator. When a breach happens, our services help clients to remediate the breach and meet their reporting obligations in a timely manner.

We disclose that there have been no complaints received from outside parties or regulatory bodies in the last three financial years with regard to breaches of customer privacy and losses of customer data.

Trust and transparency

At EY, we maintain trust and transparency by regularly communicating with relevant stakeholders on how we manage risk, by maintaining independence as auditors and by ensuring sustainable service quality.

We are increasingly integrating sustainability practices into our operations and making long-term commitments such as achieving net zero carbon emissions, increasing diversity, equity and inclusiveness in the workforce and contributing to prosperity in the communities we operate in. To maintain trust and transparency with our relevant stakeholders, it is critical for us to measure and disclose progress against our commitments and action plans.

We foster trust and transparency with relevant stakeholders through the following disclosure mechanisms and assessments:

■ Transparency Report

We embrace the transparency objectives of the European Union's Regulation 537/2014, which require statutory auditors of public interest entities (PIEs) to publish annual **transparency reports**.

■ Sustainability reporting

This is our seventh sustainability report developed in alignment with the GRI Standards and follows our last edition for the financial year 2022. Through this report, we communicate to our stakeholders on the identified material topics, our sustainability-integrated business strategy and the policies, actions and reporting we have in place.

■ EcoVadis Rating

The EcoVadis Business Sustainability Rating reviews the extent to which we introduce sustainability policies, practices and reporting in our business and helps us to understand the gaps to further improve our performance.



In FY23, EY Switzerland was ranked among the top 2% of companies assessed by EcoVadis in the legal and accounting industry, resulting in a gold medal for our third assessment. Our overall score increased by four points to 73 out of 100 compared to FY22. Our scores per category are as follows:

- ▶ Environment – 80/100
- ▶ Labor & Human rights – 70/100
- ▶ Sustainable procurement – 60/100
- ▶ Ethics – 80/100

As a supplier of services and solutions to clients, EY needs to meet the sustainability criteria defined by our clients for their supplier onboarding. We provide sustainability-related information in the pursuit process. Clients can also access our EcoVadis Business Sustainability Rating on the EcoVadis platform.

■ Swiss Triple Impact Directory

EY Switzerland is a proud partner of the Swiss Triple Impact (STI), a unique program that enables Swiss companies to measure their contribution to the UN Sustainable Development Goals (SDGs) and thereby enhance their sustainability performance. By joining the STI program, EY Switzerland further commits to taking concrete sustainable actions and recognizing the crucial role the business community can play in achieving the SDGs and protecting the health and wellbeing of present and future generations.

■ United Nations Global Compact (UNGC)

EY has been a participant of the United Nations Global Compact (UNGC) since 2009. This sees all EY member firms, including EY Switzerland, commit to integrating the relevant principles of the UNGC and the UN Sustainable Development Goals (SDGs) into our strategy, culture and operations. Globally, we communicate our progress on the same through the formal **Communication on Progress** reporting. Since 2021 EY Switzerland has been a participant of the UNGC Switzerland & Liechtenstein Network, which supports companies who are striving to implement responsible business conduct and corporate responsibility within their sphere of influence.

Helping clients accelerate their sustainability transformation journey

Topics such as digital transformation, geopolitical instability, the instable macroeconomic environment, distorted value chains, climate change, biodiversity, human rights matters and sustainability overall are some of the biggest challenges companies and society face today. Purpose-oriented value creation brings the collective power of our organization's services and solutions to support clients as they implement and accelerate sustainability strategies and transformation. It also serves the basis for communicating and reporting impact.

With legacy in sustainability services spanning more than 20 years, **EY Sustainability** combines deep technical skills across a breadth of business issues to help businesses create value for sustainability – and help sustainability create value for businesses. Working this way ensures we help protect and create value for business, people, society and the world as a whole. It's part of how we build a better, more sustainable working world. We call this value-led sustainability, and it's everybody's business.

A significant proportion of our intellectual potential is invested in developing our sustainability solutions and services. At the core is the EY Climate Change and Sustainability Services (CCaSS) practice and its people, who bring experience in sustainability, strategy, non-financial reporting, regulations, assurance and advisory. Sustainability is also embedded in many other of our service lines and functions across EY due to its interdisciplinary nature. Together, we utilize deep technical skills across a breadth of issues to help businesses protect and create value for sustainability. This includes delivering technology-based solutions through alliances with leading solution providers like Enablon, IBM, Microsoft and SAP. We deliver end-to-end solutions, reframing strategies, accelerating transitions and implementing the right governance, reporting and operations processes to build trust and recognition with our clients' stakeholders. Our teams provide sector-specific solutions in areas such as sustainability strategy (EY Parthenon), decarbonization (EYCarbon), sustainable supply chains and products, circularity, ESG reporting and technology, ESG risk and opportunity management, energy transition and renewables, green infrastructure, green tax, mobility, cultural transformation and sustainable finance. We continue to develop technology, products and services to help EY clients further embed sustainability into their strategies.

In 2023, EY globally was recognized for the second time in a row as a sustainability leader for climate change consulting by the analyst Verdantix and named an ESG & Sustainability Leader consulting firm by analyst IDC. Both reinforce EY's position as market leader among the professional sustainability service providers.

EYCarbon is EY's dedicated service brand that combines capabilities from various service lines to offer end-to-end decarbonization solutions for our clients. To address challenges across business types and navigate the transformation, we provide our clients with comprehensive advice – from planning to realization. EYCarbon covers:

- ▶ Individual CO2 reduction goals, approaches and strategies,
- ▶ Climate-neutral operations, supply chain and added value networks,
- ▶ Stakeholder-oriented communication, argumentation and dialogue.





USE CASE

ESG regulatory compliance for a Liechtenstein-based private bank

Client need

We were engaged to run comprehensive gap assessments across different applicable ESG regulations, including the EU CSRD, EU Taxonomy, Art. 964 Swiss Code of Obligations, TCFD Recommendations in line with the Swiss Climate Ordinance, due diligence requirements in line with the EU CS3D, and to support the client toward future compliance with enhanced regulatory requirements.

Value delivered

We developed a clear roadmap based on the identified gaps, helping the client prioritize and set up a proper action plan to organize the necessary resources, processes and operating model. We continue to accompany the client in the implementation phase toward compliance through close support as their trusted partner for any questions along the way. With our support, the client is preparing already for future assurance readiness.

Special features

We organized ourselves with an interdisciplinary cross-service-line setup spanning Climate Change and Sustainability Services, Consulting and Tax to bring the best of our specialists to the client and serve its needs.

USE CASE

End-to-end support for a global Swiss-based pharma company

Client need

What started as a simple CSRD gap assessment turned into a major strategic engagement integrating different needs into a holistic set of value-led solutions. These ranged from establishing a biodiversity strategy, identifying technical possibilities to make operations more sustainable and supporting with CSRD and EU Taxonomy reporting compliance with dedicated support by EY staff on loan who helped in setting up processes and controls.

Value delivered

We were able to leverage the benefits of our international and interdisciplinary setup at EY to bring a tailor-made, integrated solution to the client. Our end-to-end support addressed the different interrelated ESG needs, from strategy to reporting.

Special features

Besides a cross-service-line setup between Climate Change and Sustainability Services and Consulting as well as international involvement of EY France, we were able to bring additional value by leveraging the synergies between different, interlinked projects and workstreams.

Within EY Sustainability, our People Advisory Services practice specializes in supporting clients with their Diversity, Equity & Inclusiveness (DE&I) strategy, leadership development programs and corporate culture. Our specialists assess the DE&I practices of our clients with EY's comprehensive Global Equity Standards framework, which examines DE&I from every angle, providing a robust standardized certification. Further, we help our clients to assess and enhance their equal pay practices in adherence with Swiss regulations.

Successful organizations depend on their reputation for keeping promises, respecting laws and behaving ethically to maintain stakeholder trust. Interdisciplinary EY teams help our clients to strengthen their governance through advisory on their corporate governance and governing body structures, along their supply chain as well as their business ethics practices. Our Tax and Legal teams together with the Governance, Risk and Compliance team provide a number of services to improve or consolidate the governance of our clients. For example, they support boards in developing effective corporate governance and navigating the compliance journey.

Our Supply Chain teams undertake assessments of supply chain risks such as human rights issues while the Forensic & Integrity services assist companies and their legal counsel as they investigate facts, resolve disputes, manage regulatory challenges and prepare for ESG due diligence. Our IT Consulting and data specialist teams support clients with end-to-end solutions to automate data handling and reporting processes and implement technical solutions and applications for efficient and future-fit non-financial reporting. Our integrated approach ranges from enhancements in areas of perceived weakness or issues – including governance, controls, culture and data insights – to full organizational design and structural implementation.

Governments around the world are increasingly using taxation to achieve their environmental targets. Many countries now offer tax incentives to promote "green" behavior and impose specific levies, duties or energy and environmental taxes to discourage undesirable behavior and to raise revenues. Our clients will need to factor the growing role of environmental taxes, resource efficiency and low-carbon activity incentives into their thinking and modeling when making investment decisions.

To keep our clients updated on the key trends and developments in sustainability, we regularly publish articles, blogs and thought leadership content. We organize multiple virtual and in-person events and discussions on key sustainability topics with our clients and ecosystem partners.



Investing in innovation, technology and sustainability

Unlike pure play technology service providers, EY creates long-term value by bringing together deep business insights, multidisciplinary teams and powerful ecosystems to harness technology for positive human impact. This includes delivering technology-based solutions with our alliance partners, and developing technology products, assets and services to help EY clients. In 2021, EY globally introduced our US\$10 billion three-year technology investment plan. As part of this, we continue to expand our data, technology and digital transformation capabilities, and embed them into everything we do. Not only is this helping further build trust in the capital markets by strengthening audit quality, including technology-driven innovations in risk and audit procedures to detect and prevent fraud, but it enhances our focus on AI, data and other disruptive technologies to accelerate work efficiency and quality, and provide innovative value propositions and solutions to our clients in a range of different application fields.

Throughout the last year we have invested and developed new AI capabilities and offerings that are improving how we work with clients. We have embedded AI into the EY Canvas audit platform to support risk assessment, and a broader use of AI helping EY teams challenge the effectiveness of their audit strategy and bring greater confidence and trust to the audit. We recently brought together all our AI innovation and development efforts under one platform, EY.ai. This unified platform will help enable clients to efficiently access the benefits of AI. It is also intended to increase transparency, trust and confidence in AI as EY seeks to use these new capabilities to serve the broader interests of society.

EY has globally been recognized as Leader in The Forrester Wave: AI Service Providers; as Market leader in the HFS Metaverse Horizons Report 2023; as Leader in the IDC MarketScape: Worldwide AI Services 2023; and was the AI Excellence Award Winner – Best in Machine Learning, and Intelligent Agent 2023.

Whatever the scale of the challenge, we help businesses realize business transformation by putting humans at the center, deploying technology at speed and innovating at scale – this is the core of the **EY Transformation Realized™** approach. EY has the experience, technologies, proven track record and breadth of capabilities – through strategists, designers, engineers, data scientists, technologists, people advisory, risk, cyber and tax – to turn transformation ambitions into reality.



Ensuring service quality and client satisfaction

To achieve our ambition of being recognized as the world's most trusted, distinctive professional services organization, we must provide exceptional client experience at every interaction.

Internal quality controls and key buyer-based fields of play

Exceptional client experience comes not only from ensuring the quality of our services but also through regular client experience reviews. A "good enough experience" is no longer adequate. Today, clients expect to be served by the best mix of people offering the most relevant and innovative services, but also seek an interesting, memorable and value-enhancing experience

from the organizations they work with. We need to be conscious of both our service quality and the level of client satisfaction attained through the EY experience.

In order to ensure the quality of our services, we have introduced a quality control system based on the policies, tools and procedures detailed in our **Transparency Report**. For each of our service lines and functional areas, we have a partner in charge of the quality and risk management along with a dedicated team. In addition, our Global Code of Conduct sets out the guiding principles we follow to uphold our quality, independence, professional integrity and conduct while working with our clients. These principles also inspire us to deliver exceptional client service.

Two types of controls ensure the quality of our services: controls embedded within service delivery and annual on-the-spot controls of the services.

To further ensure that the nature, quality and accessibility of our services meet our clients' expectations and demands, we have established our Brand, Marketing and Communication (BMC) key buyer-based fields of play. Our brand impact is driven by eight principles based on strengthening the EY brand, adopting client centricity, leading by issues and enhancing and promoting EY's technical capabilities.

The BMC team's approach is to introduce agile, innovative, measurable and high-quality services for our client facing teams. We leverage the BMC buyer-based fields of play to assess client issues and expectations, goals and targets and the existing global trends, risks and opportunities. Assessment outcomes are compared with EY's existing service database to help us to understand the nature of new services we need to develop and how to customize existing ones. This process allows us to meet the client's demands and expectations in every respect, especially in terms of service quality.

We can confirm that we had no incidents of non-compliance with regulations or laws resulting in fines or warnings in the last three financial years with respect to services information and labeling and marketing communication.



Assessing client satisfaction through external feedback mechanisms

EY's Global Client Satisfaction Program helps us anticipate client needs, assess our performance against expectations and provide our point of view on areas of opportunity and improvement. Under the program, all EY member firms carry out client satisfaction surveys through questionnaires or individual interviews.

To ensure independent feedback, interviews are carried out by someone not involved in any engagements for the respective client. We undertake the following interviews and questionnaire-based surveys: Assessment of Service Quality (ASQ), Expectation of Service Quality (ESQ), Win-Loss and Relationship surveys and interviews.

In FY23, we requested 864 client feedbacks comprising 232 ASQ interviews, 273 ASQ surveys, 50 ESQ surveys and interviews, 39 Win-Loss interviews, and 270 Relationship surveys. The return rate of the surveys and interviews was 54% with 467 complete responses received.

EY Switzerland's average client recommendation score for FY23

8.14/10



Continuous engagement with clients and business communities

As a part of our efforts to drive the NextWave strategy's first pillar "Client centricity", we emphasize regular focused discussions, awareness generation and feedback sessions with our clients. This ensures continuous reassessment and realignment of our services and solutions with our clients' current expectations and requirements. This practice helps us to proactively assess any challenges that arise from the evolving market landscape and to address them in a timely manner. We bring together business and technology ecosystems and alliances, domain experience, and diverse teams with complementary skills and capabilities to create new business value for entrepreneurs, companies and governments.

Engaging with business community members on latest market developments and trends

As a keen market observer with links to many stakeholders in the wider economy, EY is well placed to share knowledge of emerging business topics. Besides hosting conferences, webcasts and panel discussions for our clients and business communities, we also have various programs to keep them up to date on current issues and upcoming trends. We also recognize business achievement through programs such as the EY Entrepreneur Of The Year™ or EY Entrepreneurial Winning Women™. We want the business community around us to benefit from our knowledge, expertise and skills. That is why we conduct a wide range of presentations at public forums, platforms, universities and accessible to the public. You can sign up for future events [here](#). We keep asking better questions in order to find better answers. EY professionals across all service lines regularly conduct and publish studies, write articles on the latest trends and our point of views.

EY Entrepreneur Of The Year™

The EY Entrepreneur Of The Year™ is highly respected across the globe as an award, as a program and more importantly, as a mindset. Since 1986, EY has been committed to the unique Entrepreneur Of The Year program, which specifically recognizes the achievements of entrepreneurs. The program, which was launched in the US, has spread to over 70 countries, including Switzerland. The associated Entrepreneur Of The Year competition is the world's biggest and most prestigious business award for entrepreneurs. The global network of 50,000 entrepreneurs continues to grow, with 5,000 nominees and 1,200 finalists added each year.

In Switzerland, the EY Entrepreneur Of The Year success story began in 1998. Since then, up to 50 entrepreneurs have applied for the competition every year. The independent jury selects one award winner from a shortlist of three finalists in each of the categories: Industry, Hi-Tech and Life Sciences, Services and Trade, Family Business and Emerging Entrepreneur. We conducted our 26th Swiss edition of the EY Entrepreneur Of The Year in October 2023. Find out about the latest winners [here](#).



Creating long-term value for EY People



4

ABOUT US
 MATERIALITY
 CLIENTS
PEOPLE
 SOCIETY
 GRI INDEX
 FACTS & FIGURES
 APPENDIX

“

The exceptional EY experience –
it's yours to build

Builders of a better working world

At EY, we empower our people with the right mindsets and skills to navigate what's next, become the transformative leaders the world needs, pursue careers as unique as they are and build their own exceptional EY experience.

Our people are at the heart of our business and bring our purpose – **Building a better working world** – to life. Together, we aim to deliver exceptional service to our clients and strengthen trusted relationship with our stakeholders. It's how we generate sustainable value.

At EY Switzerland, our commitment is to empower our people to shape their exceptional EY experience: It's yours to build. We are dedicated to the wellbeing of our people and to promoting a diverse and inclusive work environment where every individual receives support and equal opportunities to grow.

Our governance structure for talent management

Our Global Code of Conduct guides the behavior and actions of our people when working in teams and with our clients and stakeholders. The Chief Talent Officer – part of our Swiss Management Committee – is responsible for our organization's talent strategy and activities. In executing the strategy, our Chief Talent Officer is supported by the Talent Team (including HR Business Partners), which is led by the Head of Human Resources and the Talent Partners in all our service lines. To continuously refine and enhance the talent strategy, focus areas and working conditions, we consider feedback from various employee listening channels – including quarterly EY People Pulse surveys, ongoing surveys such as the onboarding and exit surveys – as well as People Sounding Board consultations.



Attracting, developing and retaining diverse talent

The ambition of our NextWave strategy is to engage and retain exceptional and diverse people. As a professional services organization, attracting the best talent is key to delivering exceptional client services and growing our business.

Globally, EY was once again named among the world's top 10 most attractive employers in a survey conducted by employer branding specialist Universum in 2023. The survey included more than 172,000 business, IT and engineering students worldwide. On a country level, EY's overall ranking in Switzerland has improved from number 53 in 2022 to 47 in 2023. When it comes to business students, EY improved from number 21 to 20. Among the Big Four firms in Switzerland, EY is ranked second.



Figure 9

Breakdown of total employees at EY Switzerland by gender (no.)

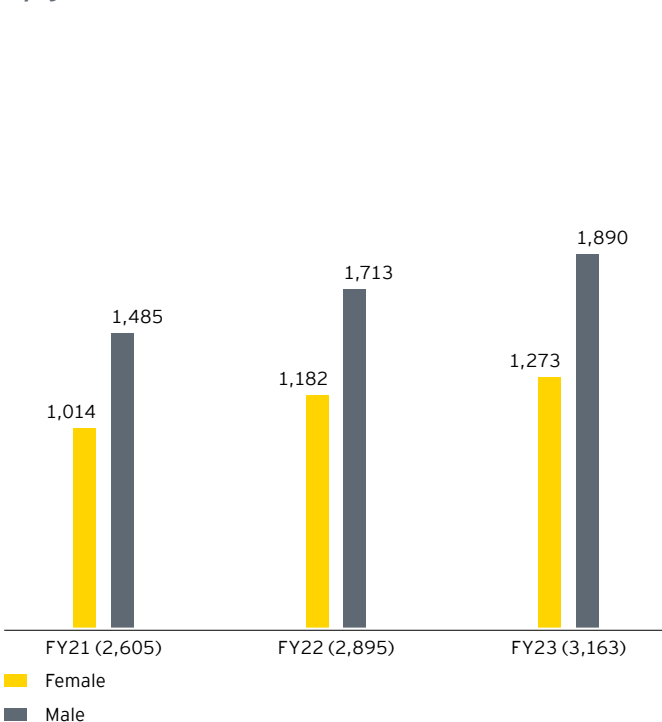
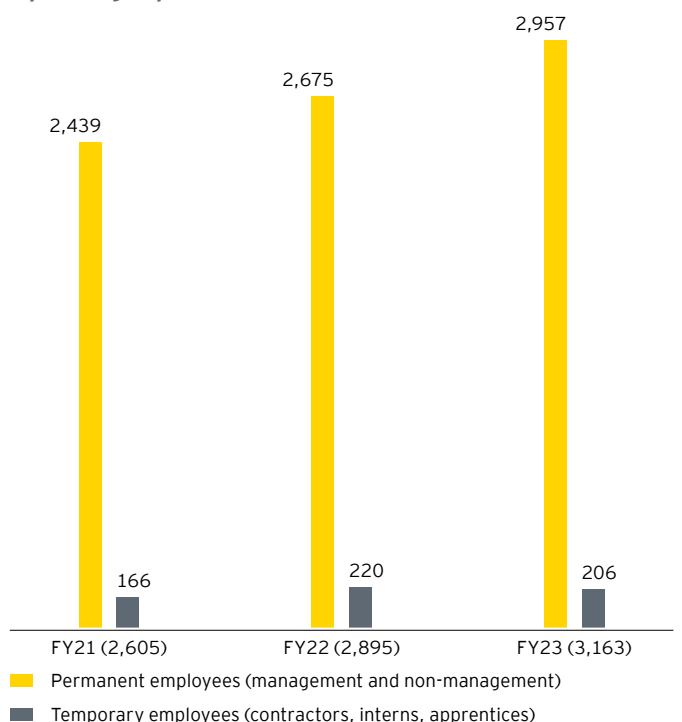


Figure 10

Breakdown of employees at EY Switzerland by category (no.)



Talent attraction and acquisition

EY's attractive global employee value proposition for talent promotes diverse career opportunities. We continuously screen the market to identify people who have the potential and skills to provide exceptional services to our clients – and become experts in their field and future leaders in the organization.

Our recruitment process focuses on both talented graduate and post-graduate hires as well as experienced professionals. We source people from diverse educational backgrounds and sectors to bring a versatile range of skills and capabilities into the organization.

To attract the next generation of talent, we actively reach out to young minds on university campuses as part of our recruitment strategy. Campus ambassadors from each service line engage directly with students. They promote our employer branding activities at selected universities and position EY as an employer of choice.

EY has highlighted 11 target universities, eight focus universities and is still evaluating the expansion to other universities, in order to access more diverse talents. Our work is supported by interns, working students or EY consultants – who interact directly with peers at their universities. With several EY people serving as guest lecturers, we are represented at over 20 campus lectures each year. We undertake a minimum of 70 campus activities in a typical year.

Formal and informal events are another opportunity to meet talented individuals. We collaborate with universities and are involved in about 130 different events, workshops and fairs, which are typically held during two seasons (spring and fall). These platforms and channels enable us to network and build our professional relationships, exchange thoughts on multiple topics and promote our employer brand. These diverse employer branding and recruitment formats enable us to get to know potential candidates in a different environment, beyond our traditional recruitment setup.

The Next Generation Women's Event is a two-day event aimed at female students studying at bachelor or master level in the field of business, finance, science or technology. The event is offered both physically and virtually and aims to increase female applicants and reduce the gender gap in EY teams, creating a more diverse working environment and building a pipeline of graduate-level female talent. The event provides an opportunity for students to receive first-hand information from our experienced female EY colleagues, who share personal and professional insights about their individual career paths. The candidates participate in a case study workshop and are assessed through interviews. Out of 10 participants, one will be selected as the Swiss winner and will go on to represent us at the global final event. The top three candidates will be offered an internship in our Consulting or Strategy and Transactions service lines at one of our offices in Switzerland.

The EY Start Up Challenge is a two-day flagship recruiting event for our Consulting service lines aimed at giving students a unique and attractive hands-on experience and providing insights into our business. Together with a local startup from Zurich, we present an engaging, real-life business case to the students and present them with the challenge of developing a solution while deep diving into the consulting world at EY. Through this case study and competition, participants learn about how we work with clients and what kind of skills and mindset we foster at EY. We had a total of 21 students participating this year. Of those, 12 students received an offer for an internship or a full-time position.



In addition to the recruiting events described above, we use various other channels to reach and meet experienced candidates (e.g., our EY career site, external job boards, EY employee referrals, the EY Alumni Network, employment networks and agencies). Approximately 14% of our new hires came from employee referrals in FY23.

Hiring process and onboarding

At EY, our people work together to deliver high-quality services to our clients. The individuals we employ must meet the needs of our business, e.g., bringing certain competencies, skillsets and mindsets required by the hiring service line and our clients. In addition to assessing the skills and qualifications of candidates during the interview process, the hiring service line also considers factors such as existing client engagements, service offerings and solutions, market demand and requirements and future trends.

We hire two types of employees – permanent and temporary. Permanent employees are hired at both management and non-management levels. Temporary employees generally refer to contractors, interns and trainees or apprentices. We offer internships of four to six months' duration to students in the course of, or just after, their bachelor's or master's studies. More than one-third of our interns stay with us after this experience and become working students or receive a permanent contract.

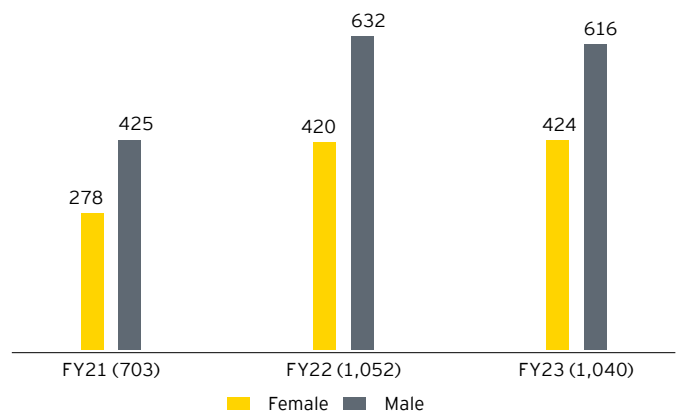
We are also a proud employer of commercial apprentices. A dual program of vocational education and training of three years duration is offered to young individuals. During the three-year period, apprentices rotate into different departments. We have certified practical trainers across the various functional areas: General Counsel Office, Facility Management, Talent, Finance, Business Development and selected service lines, e.g., Assurance. During the reporting period, we hired five new apprentices, bringing our total number of apprentices to 14.

Since 2020, we have successfully implemented an enhanced recruitment process which leverages a hybrid format – from attracting talent and conducting interviews to onboarding our new joiners. Each month we host an EY Welcome Day to provide relevant information and ensure a smooth start for our new joiners. We also hold specific onboarding sessions for important topics such as working time recording, our DE&I agenda and events, our corporate responsibility activities and initiatives and counseling.



Figure 11

Breakdown of new hires at EY Switzerland by gender (no.)



Continuing lifelong learning

Building a better working world starts with our people. The exceptional experiences that our colleagues have at EY empower them to grow their careers and become transformational leaders. In turn, this is what enables them to make a difference in businesses, governments and communities around the world.

We promise our people: the exceptional EY experience – it's yours to build. We enable our people to develop and grow through structured and frequent performance feedback, comprehensive learning and development and career management across technical and non-technical domains along EY's Transformative Leadership framework.

Building transformative leaders

The approach supporting the application of the Transformative Leadership framework is LEAD (Leadership Evaluation and Development) – our performance, development and career management tool. LEAD facilitates regular exchanges between the employee (also known as the counselee) and their supervisor (also known as the counselor) who

supports and guides them on their career journey with EY. Through LEAD, employees request and receive written feedback from senior colleagues they have worked with on engagements. Such feedback enables them to better understand their strengths and focus areas for improvement as they further grow and develop in their career.

The LEAD feedback cycle runs three times a year and all permanent employees are required to participate. The first cycle includes the expectation conversation where performance ratings and feedback from the previous year-end is discussed and goals and aspirations for the new fiscal year are captured. The second cycle focuses on the career conversation discussing development measures and potential next career steps in preparation for the mid-year review. The third cycle is focused on the year-end performance evaluation and promotion/progression discussions. In the financial year 2023, 100% of our eligible people engaged in career development conversations received feedback in LEAD, and received an individual contribution category (rating) at the end of the financial year. The feedback conversations between counsees and counselors are aimed at identifying key areas of growth and learnings that enable targeted skill-building and help advance development needs.

Mobility4U

Mobility directly relates to our NextWave pillars: engaging and attracting exceptional and diverse people, and global integration and teaming. We believe that mobility can provide an exceptional experience to our people, by building knowledge and skills as well as developing a global network and mindset. Therefore, our streamlined mobility offering, Mobility4U encourages our people across all the service lines, to take up mobility-based engagements as a part of their next career milestones. To enable this, counselors nominate interested counsees for the mobility assignments after discussing it with them during the career development conversations.

Enabling a unique career journey

Each employee has a personalized training curriculum which is accessible through our learning platform. The platform offers over 3,000 training modules made up of both mandatory and elective courses and covering a wide range of both technical and non-technical, firm-wide learnings. All client-serving employees at EY Switzerland have a service line-specific learning and development curriculum which is enabled by SAP SuccessFactors. Colleagues that are not client-serving also have a learning and development curriculum which includes mandatory business ethics and risk management training courses.

Our training modules comprise in-person trainings, as well as virtual live and web-based trainings accessible through SAP SuccessFactors. After completion of each training, we evaluate with feedback surveys how we can further improve the trainings.

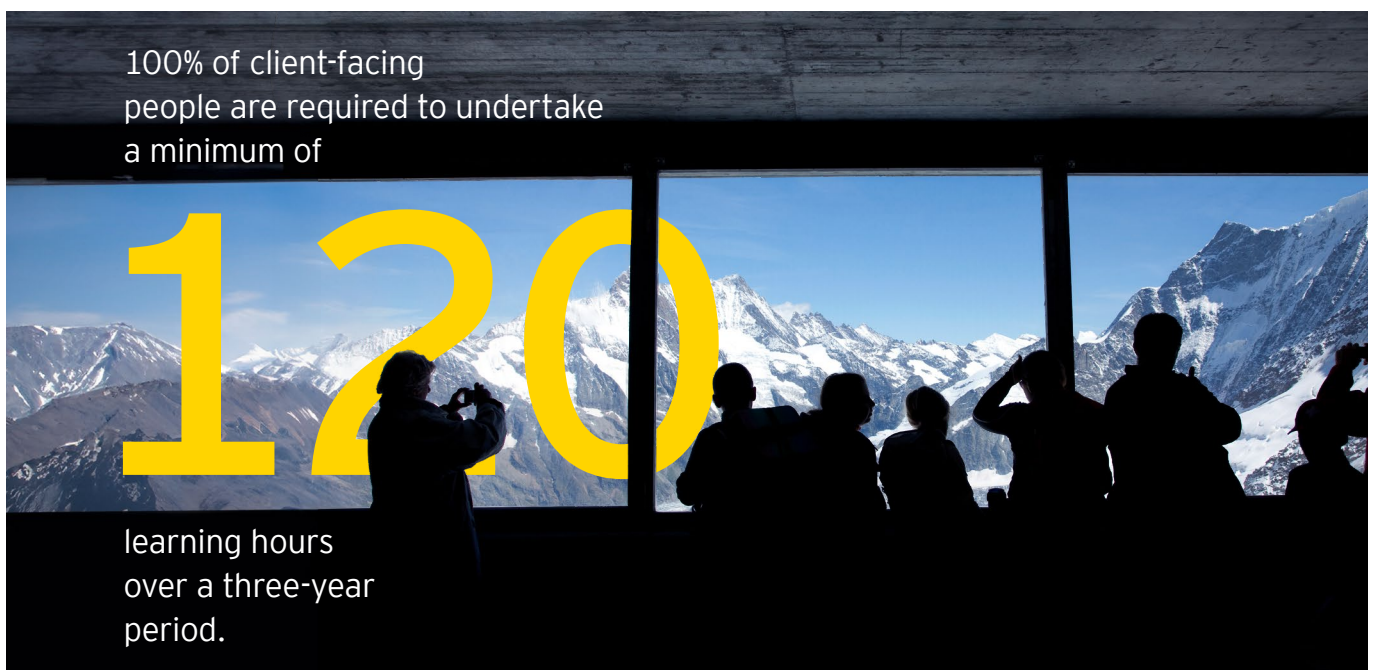
■ Technical training

Each service line conducts its own technical training programs, either physically or virtually, via the EY learning platform. Further, external online training courses on Udemy, Skillsoft, goFLUENT and others covering a

range of topics are offered free of cost to our people. All courses are regularly updated considering multiple factors including the service line requirements, regulatory and technology developments, market trends and the changing societal and digital trends. Our education policy covers internal and external trainings, incl. support on eligibility and process.

■ Non-technical skills and professional development

We offer training programs to help our people acquire and develop relevant skills. Non-technical skills training helps our people take up bigger challenges and embrace leadership responsibilities. Some of the key topics we address include transformative leadership skills, negotiation skills, communication and presentation skills, self-management and time management, purpose finding and mindfulness. Our people also receive appropriate milestone training when they are promoted.



74%

of EY people say they are provided with learning opportunities to build skills.

We also offer voluntary certification training on a variety of topics through our **EY Badges program**. This global program is designed to upskill our people with digital capabilities and business acumen. Taking part helps individuals build the transformative mindset needed for the future. The program offers defined packages of learning content that help participants to develop new skills in emerging areas like technology, artificial intelligence (AI) and sustainability. Upon completing each learning package, our people earn digital credentials, which can be shared internally and externally on their personal profile. There are 254 Badges available covering 25 topics across three pillars – technology, business and leadership. Badges range from bronze to platinum level and combine technical content with practical application, enhancing participants’ ability to deliver relevant services to clients and coach their colleagues. In FY23, we introduced new Badges in AI with diverse learning opportunities for all skill levels. These badges cover Responsible AI (for understanding AI ethics and compliance), AI Engineering (for building AI solutions), and Applied AI (for leveraging AI technologies in various applications). All are designed to enhance the overall AI expertise.

In FY23, our people earned 402 Badges, bringing the total number of Badges awarded since 2018 to 1,294.

In addition to the EY Badges, we also continue to offer EY degrees. Following the success of the EY Tech MBA and the EY Masters in Business Analytics, we launched another new fully accredited qualification last year in association with Hult International Business School – the EY Masters in Sustainability. Globally this year, we celebrated our sixth and largest ever EY Tech MBA cohort with 74 graduates and the first-ever cohort of EY Masters in Sustainability, totaling 274 graduates across our EY degrees.

On-the-job training

We complement formal training with ongoing ‘on-the-job’ support and coaching from managers and other team members throughout delivery of client engagements. This is a core element of how we help our people grow in their roles, improve the quality of client deliverables and ensure timely feedback on development areas. The variety of engagements and client challenges – all experienced in an international working environment – enables our people to develop their technical and interpersonal skills and deepen their sector knowledge and expertise.

In FY23, we recorded an average of 55 learning hours per employee on training. Approximately 90% of our employees have completed at least one of the career or skills-related training modules.

Figure 12

Total learning hours per year



Our people's health and wellbeing

As an employer, we have a responsibility toward our people to create an environment that supports their physical and mental health. We are committed to ensuring a safe and healthy working environment where our people have the flexibility to balance the needs of our clients and our business with their individual needs. We recognize that mental health and wellbeing are key concerns for our profession. Given this, we strive to provide a safe work environment for all EY people and frequently review EY wellbeing benefits to align with their needs. Our occupational health and safety management includes a variety of health programs and events, health awareness training, monetary and non-monetary benefits and recognition instruments.

Further, our policies and commitments ensure our operations involve no risks of human rights violations. During the reporting period, no incidents of human rights violations have been identified within our operations.

In addition, the cantonal authorities in Switzerland carry out labor law inspections covering working conditions, accident prevention, health protection and prevention of psychosocial risks, recording of working hours, maternity and young workers' protection. In the last two reporting periods our offices in Geneva, Lausanne, St. Gallen and Lugano, representing 40% of our offices, have been subject to such review.



Wellbeing@EY

In today's rapidly changing world, leadership approaches can change just as fast. That is why EY has developed a new Transformative Leadership model that brings together EY's purpose, values and the leadership behaviors the world needs right now. The model is designed to help everyone at EY build a "better me", a "better us" and a better working world for EY clients and society. Wellbeing is a major focus area of the Transformative Leadership framework recognizing personal wellbeing as a core competence of transformative leadership.

Wellbeing@EY is the umbrella initiative that helps us to build resilience, manage stress, deal with pressure and ultimately stay physically and mentally well so we can realize our full potential. There are many individual health programs and initiatives, including:

- ▶ **EY Day:** EY Day is an annual celebratory day that provides an opportunity for our people to invest in themselves, in their teams and in their communities. We offer a wide range of activities that are sponsored by the leadership across the areas of health and wellbeing, learning and upskilling and corporate volunteering. Over 1,400 EY employees participated in EY Day this year.
- ▶ **Employee Assistance Program:** Our external provider Movis offers confidential personal employee assistance services, providing support, coaching and expert information on any work-related, personal, health and financial issues that our people may encounter. The number of consultations increased slightly in 2022 in comparison to previous years; this also reflects efforts to provide more internal communication about the importance of this offering, which we will continue to do.
- ▶ **Flu shot:** At EY Switzerland, we offer free flu vaccinations to our people every fall.
- ▶ **Sports:** EY Switzerland's people have discounts at selected sports and fitness clubs.

- ▶ **EY Wellbeing:** This is a program that focuses on maintaining the physical and mental wellbeing of our people. It includes health webcasts, articles, mindfulness trainings, virtual workout sessions, health-related tips and free access to external platforms for an improved lifestyle. The training offerings are made available to all employees and cover topics such as stress management, communication and conflict.
- ▶ **Mindfulness Network:** Mindfulness plays an increasingly important role in the business context – for more presence and focus but also for our mental health and wellbeing. Especially in these challenging times, it is an important support. We run a local and global network of professionals that practice mindfulness and provide trainings, webinars and internal articles.
- ▶ **EY Wellbeing Badges:** EY Badges (for further information on the EY Badges, see section: [Learning and development, page 66](#)) help our people to develop future-focused skills. The EY Wellbeing Badges are designed to develop our people's ability to focus on and recognize the value of wellbeing, being mindful and fully present, maintaining personal wellbeing to sustain positive energy and fuel resilience.
- ▶ **Assigned e-learning on recording of working time:** In FY23, we rolled-out an e-learning assigned to all current and future employees on "time recording and monitoring" to provide a better understanding of Swiss labor law requirements, overtime and extra-overtime accruals and compensation guidelines. We monitor working hours and vacation balances to make sure that our people take time to disconnect from work and get enough rest.

Feeling recognized and appreciated positively impacts our employees' mental wellbeing and we continue to emphasize the importance of recognition initiatives. We give our people gifts to recognize special contributions to the firm's achievements or mark personal milestones such as work anniversaries, milestone birthdays, weddings or registered partnerships and successful completion of an apprenticeship.

We also run an employee recognition program called EY Merci. The EY Merci platform provides our people another way to recognize, appreciate and thank

colleagues for demonstrating exemplary behaviors and living core EY values. Exceptional performance can be rewarded with an additional monetary award. In FY23, employees showed their appreciation to their colleagues by sending 1,141 thank you cards and 4,070 monetary awards through EY Merci.

Financial security at EY and beyond

We want our people to feel financially secure and capable of looking after their dependents during their careers at EY and beyond. Some ways we achieve this include:

- ▶ **Total reward and fair compensation:** We are committed to fair reward and compensation for all EY people and have processes and policies that focus on equitable compensation. EY employee compensation is designed to be competitive in the market and reflect an individual's work experience and performance, while being equitable internally. To be equitable internally, EY people should be similarly paid when performing similar work. Beyond compensation, our total reward approach is about bringing together different components from the areas of compensation, benefits, recognition and wellbeing that contribute to the collective value of working at EY. It includes a variety of opportunities, benefits, programs and policies to help EY people achieve success and to recognize the value they bring to EY's business.
- ▶ **Pension fund and insurance coverage:** We support our people with mandatory and supplementary contributions to pension plans. We fully cover cost for the mandatory and supplementary accident insurance. And our people also can benefit from discounts when purchasing supplementary health insurance coverage.
- ▶ **Further benefits during employment:** We provide our people with an SBB Half Fare Travelcard, corporate credit cards and corporate discounts with selected suppliers.

A safe and flexible work environment

Our commitment to workplace health and safety includes a range of measures to prevent and manage accidents. We use questionnaires on Occupational Health and Safety issued by the Swiss National Accident Insurance Fund (SUVA) and Federal Coordination Commission for Occupational Safety (FCOS). The questionnaires are used to detect potential accident risks and energy points in all eleven offices. Further, we have for each office one dedicated building manager and one dedicated health and safety specialist which both are assigned by our external facility management provider. They are complemented by the Occupational Safety Lead, a respective Risk and Security Lead and the Office Managing Partners. All these individuals report to the Crisis Management Team who manages the protocol with the Emergency Response Plan in place and executes them.

We comply in all our offices with the norms published by SUVA and FCOS on office lighting, minimum required square meters per employee and minimum required



number of restrooms. From a working ergonomic perspective, we work with the checklist of FCOS and adhere to the guideline No. 6508 by providing adequate desks, chairs, monitors and lighting. The workstations at our new offices in Geneva, Lucerne and Basel are equipped with standing desks, ergonomic chairs and two screens each. We provide a first aid kit in all our offices. In our larger office locations, we also have a medical and breastfeeding room.

Further, we work with our external facility management provider to conduct a self-check to identify potential hazards in all our office locations. As a professional services firm, our people are not engaged in dangerous work or in hazardous workplaces and, as a result, there is no need for special workplace safety training. We have one to two defined company first responders at almost all offices who received emergency training provided by EY and an external provider. These company paramedics oversee emergency situations and must refresh their training every two years. Further, we have dedicated evacuation staff trained by the respective landlords and partially by EY. The Everbridge Mobile App is our primary method for alerting all EY employees about emergencies that threaten or impact our EY offices or the surrounding area, including while they are traveling or at a client site. The Crisis Management Team at our largest office, Zurich, runs occasional training and awareness sessions with the local leadership to ensure sure they are prepared for different crisis scenarios. This concept will also be replicated with other Swiss EY locations, led by the Office Managing Partners in charge.

In the professional services industry, no work-related illnesses are defined by the public health authorities. Work-related fatalities and work-related injuries are not tracked, as the risk of accidents in EY businesses are low. Nonetheless, we run various awareness campaigns around accident prevention in the office, accident prevention while off work (vacation time), and ergonomic working practices. We can only report on illnesses, accidents and medical appointments in aggregate. In FY23, we report a decrease of our people's overall absence rate due to illness, accident or medical appointments from 59.8 hours in FY22 to 53.2 hours per capita in FY23. All (100%) of our EY offices in Switzerland undergo an annual Employee Health & Safety risk assessment conducted by our contracted facility manager.

We comply with all Swiss health and safety legislation and regulations. Most of the accidents involving our people occur during their non-working hours. To ensure the protection of our people in the event of an accident, they are provided with mandatory accident insurance (UVG) coverage in alignment with the Swiss law. Additionally, we have salary provisions in case of illness or accident.

Our understanding of safety is not limited to only ensuring the physical safety of our people. As a responsible employer, we commit to provide a work environment where our people feel mentally and emotionally safe as well. To fulfill this responsibility, one of the primary focus areas for us is to foster a work environment of psychological safety, one that is free from discrimination, bullying and sexual harassment.

The EY/Ethics Hotline (for more details, see section: **Business ethics, page 42**) is our whistleblowing facility. Anyone can use it to register and handle employee concerns, including those related to any behavior that constitutes discrimination, bullying or sexual harassment. We are committed to ensuring that all reports are heard, investigated and remediated appropriately. Our external Employee Assistance provider can also be consulted for any issues our employees may face. We impose strict rules prohibiting any retaliation against colleagues who in good faith report inappropriate behavior. Further, to create employee awareness on these concerns and on the ways to report inappropriate conduct, we have implemented Dignity at Work Guidelines and a Respect at Work training on our learning platform.

To maintain a healthy and collaborative work environment, we regularly familiarize our people – including new hires – with EY's compliance requirements. This includes training programs on EY's core values, Code of Conduct, Independence and ethical standards. For more details on the trainings, see section: **Risk management, page 48**.

We support our leaders in better shaping and driving a diverse and inclusive culture anchored in our values through multiple leadership development trainings such as NextWave Leadership Workshops. These three-hour virtual workshops are based on a modular approach that gets EY's current and future leaders actively involved in EY's Transformative Leadership Framework. During the workshops, our leaders gain the following:

- ▶ Insights into perceived experiences of our people when it comes to leadership values and behaviors
- ▶ An understanding of the key building blocks for transformative and outcome-based leadership
- ▶ New perspectives and ideas on how to unlock motivation, inspire and engage our people

These workshops are well received and all our people at the rank of Manager and above are invited to participate in the series. We have a participation rate of about 70%.

Our DE&I program is complemented by the virtual three-module Unconscious Bias training – a practical approach to increasing awareness of bias and eliminating inequalities in the workplace to ensure that everyone is treated respectfully and fairly at work.

The annual Code of Conduct training, which is mandatory for all our people, gives guidance on how to navigate potentially difficult situations that conflict with our values. Also, our Inclusive Leadership for All learning course helps people understand and adopt inclusive leadership behaviors that can bring our values to life and build an inclusive work culture.



Workplace flexibility for better work-life integration

EY Switzerland is committed to a work environment where people are free to be themselves and bring the best of themselves to work. We believe this benefits our clients, our people's own career development and our organization. Client centricity, teaming and collaboration are central to who we are as a professional services organization. We have always and continue to enable flexible working practices. As we returned to the office following the easing of COVID-19 restrictions, we introduced hybrid working guidelines to facilitate the transition and appropriate balance of client and business needs with individual flexibility. Furthermore, all our people are entitled to the following leave benefits:

- ▶ **Vacation:** Our people get an annual leave entitlement exceeding the regulatory minimum of 20 days. The annual leave entitlement ranges from 25 to 30 days depending on employee category and rank.
- ▶ **Purchased leave:** Since October 2022, all employees can purchase up to 15 additional days of leave per year.
- ▶ **Unpaid leave:** If the regular vacation or other flexible working time options do not meet individual needs and requirements, employees can also apply for unpaid leave.

98%

In the last three years, 98% of our people returned to work after parental leave.

- ▶ **Job portability:** Since May 2023, EY Switzerland has offered a flexible working solution enabling employees to perform their work for a short period of time from a location within selected countries for personal reasons.
- ▶ **Parental leave:** Mothers employed by us for more than one year are eligible to take 18 weeks of paid leave after the birth of the child. Fathers employed by us for more than one year are eligible to take three weeks of paid leave after the birth of the child.
- ▶ **Alternative family planning:** When becoming a parent to a child below six years of age, employees who have been with us for more than one year are eligible for four weeks of paid leave.
- ▶ **Phased return:** Employees who have already taken maternity leave, paternity leave or alternative family planning leave within the required time are also eligible to take up to 15 days phased return, i.e., providing the option to work reduced days while maintaining full pay according to the contractual workload.



► **Care leave:** Our people are entitled to short-term leave and continued payment of salary for up to three days per incident to facilitate the organization and care for a family member or life partner. Employees who are parents of a minor child whose health is seriously impaired due to illness or an accident are jointly entitled to carer's leave of up to 14 weeks per incident provided that the employee is entitled to a carer's allowance under the Act on the Compensation for the Loss of Earnings (EOG).

► **Other paid leave:** Extra paid leave is provided in case of certain life situations such as a wedding or partnership registration, death of family members and relocation.

Becoming a parent is a special moment in anyone's life. Our Parents@EY Framework was developed to recognize this and focuses on three main objectives:

- Helping parents to integrate work and family life
- Supporting EY people through the phase of new parenthood and beyond to create long term career value
- Paving the way for consistent adoption of flexibility across the firm for all people by introducing a support model for parents



The benefits are designed to cover the three phases of becoming and being a parent: expectant parents, leave after the birth of a child, and the return to work and beyond. They are:

- Parents@EY Coaching: a program that aims to help parents through the transition at work by pairing them with a coach who can provide them with perspective and guidance
- Corporate membership with profawo: EY's membership entitles EY employees to access numerous services relating to the compatibility of family and career
- Increased paid parental leave
- Phased return benefit of 15 days: option to return part-time on a full pay basis for an agreed period over concurrent weeks
- Emergency childcare reimbursement
- Option to purchase additional leave

Finally, we also have the Parents@EY Network. This is about building a supportive culture where parents can reconcile their private needs with the demands of their job. It also is for the benefit of all colleagues and one element of many that is contributing to our employee value proposition.

We promote flexible and part-time working models for colleagues at all stages of their professional career, to enable them to balance a fulfilling professional career with personal commitments. If our people wish to remain employed by EY after they reach retirement age, there are possibilities to extend employment.

Listening to EY people

Our people have the opportunity to express themselves and be heard through a number of employee listening channels. These channels also offer us an important source of feedback to refine our overall talent priorities, adapt working conditions and shape the exceptional EY experience. Through regular feedback mechanisms and digitally enabled employee listening tools, we gain holistic insights about our people's experiences, including

anonymous feedback on current working conditions such as reward and recognition, wellbeing and flexible working, career and learning opportunities, etc. We use this to inform decisions toward sustainable actions and change. By speaking up, our people play an active role in building a culture of trust and transparency.

Our key listening tool is the EY People Pulse survey. This anonymous employee survey helps us to listen to our people, understand what we are doing well and what we need to improve. It fosters open and honest communication and supports us in making positive changes by reflecting beyond our overall Talent Strategy in Switzerland. The survey provides more frequent and timely insights as we run it three times a year. The survey results for EY Switzerland showed a gradual improvement for each of the KPIs measured over the reporting period. A total of 85% of respondents expressed that they feel free to be themselves and 72% agree that their experience is exceptional. More than three-quarters (74%) of EY people are proud to work at EY. We know that there is more that we can do, and our listening tools help focus on how we can improve the experience of EY people and measure the success of our initiatives.

We further facilitate professional listening through anonymous recruitment, onboarding and exit surveys for each new hire and voluntary leaver. We also conduct other focused surveys and polls that help us measure the impact of key programs such as our career development and learning programs. These feed into continuous improvement activities ensuring maximized value for our people. We apply qualitative methods such as focus group discussions when we need more in-depth feedback. Our interactive Your Voice and People Sounding Board sessions enable a two-way communication where elected people representatives from each service line participate to voice out employee opinions, needs and concerns. The results and responses received using the above-mentioned feedback mechanisms and listening tools are discussed comprehensively at different meetings and events. These include management and talent leadership meetings, all people webcasts, Your Voice and People Sounding Boards sessions. These discussions and the feedback results inform our decisions and lead to the introduction of a range of wellbeing, recognition and reward, and flexible working initiatives. The People Sounding Boards are also used to explore initiatives and changes in working conditions upfront.



A more diverse, equitable and inclusive workplace

Diversity, Equity and Inclusiveness (DE&I) are core to who we are, how we work and how we live our values. We maintain a collective commitment to fostering an environment where all differences are valued, practices are equitable and everyone experiences a sense of belonging. The EY culture inspires people to team and

lead inclusively in their daily interactions. Guided by the principles of our Global Code of Conduct, we embrace multicultural experience and diversity as strengths of our global organization. It means we respect one another and strive for an inclusive environment, free from discrimination, intimidation and harassment.



Our understanding of the terms “diversity” “equity” and “inclusiveness” (DE&I)

Diversity is about diverse perspectives. At EY we think broadly about differences such as nationality, language, education, gender identity and expression, sexual orientation, generation, age, socioeconomic background, working and thinking styles, religious background, abilities and disabilities, experiences, career paths, technical skills and identity dimensions defined and constructed by some societies in ethnic, color, cultural, or racial terms.

Equity is about recognizing that everyone has different starting points and different needs. Equity differs from equality, where everyone is provided with the same support and resources – but this doesn’t always result in equal outcomes.

Based on their backgrounds and identities, everyone faces different levels of structural and systemic advantages and disadvantages that impact access to resources, perception and evaluation, and sense of belonging – in and out of the workplace. At EY, we have a specific commitment to advancing social equity. This includes working to remove barriers that impede equal outcomes across different backgrounds and identities – and proactively and continually addressing environments that do not support an inclusive experience for everyone.

Inclusiveness is about leveraging differences to create an environment where all people feel and are valued for who they are, have a sense of belonging and are inspired to contribute their personal best in every encounter.

Fostering DE&I throughout our peoples’ career journey is a top priority for us in all relevant stages of the employee life cycle – from recruitment, development and promotion to retention. We foster a global mindset by helping our people to develop capabilities that enable them to adapt to different domestic and cross-border contexts. To help EY clients tackle their toughest challenges we need the best ideas, which comes from carefully listening and hearing everyone. The significance of DE&I to EY is reflected in our EY NextWave strategy, it is an integral part in two core strategic pillars “Exceptional and diverse people” and “Global integration and teaming.”

■ Our DE&I governance structure

The DE&I Council and the DE&I Project Team at EY Switzerland coordinate the DE&I activities and deliver on our leadership's commitment. The DE&I Council Leader is also a member of the Swiss Management Committee. The DE&I Council and Project Team work collaboratively and seamlessly together with the Talent and Corporate Responsibility functions to ensure consistent and coordinated alignment when it comes to the respective strategies execution as well as people experience. We also regularly collaborate and exchange experience and best practices with DE&I leaders on regional, area and global levels as well as with our clients and external communities.

Our Global Executive (GE) has signed the **EY Global Executive Diversity, Equity & Inclusiveness Statement** based on our Global Anti-Discrimination Policy which ensures that diverse mindsets and opinions are represented and respected across EY. Not only does this reinforce that DE&I is a key business lever, but it also ensures that we hold ourselves accountable for progress. EY's approach for implementing all DE&I-related activities is outlined in the **Global DE&I Roadmap and Culture Change Continuum**.



Boosting a sense of belonging for everybody

■ Women. Fast forward

EY Switzerland works actively toward increasing women's representation and participation across all service lines and business functions. We currently have **1,273 female employees** working with us – this makes up **40% of our total workforce**. **Of those, 81% women carry out client-facing roles.**



EY Switzerland has signed the diversity charter of Advance – the leading business association for gender equality in Switzerland and a network of approx. 145 Swiss-based companies committed to increasing the share of women in management. By signing the charter, EY has committed to maintaining gender balance in business and developing a workplace environment that supports a fair and balanced approach throughout the entire process of female talent hiring and management. Signatory organizations to the Advance diversity charter pledge to promote gender diversity through:

- ▶ Having one member of their senior leadership team responsible for the topic of gender diversity, equity and inclusiveness and ensuring that measures are followed throughout
- ▶ Setting internal targets for gender diversity and ensuring the intention to deliver against these internal targets
- ▶ Engaging in a regular dialogue with Advance on progress and impact and by sharing best practices and challenges
- ▶ Striving for gender equality including equal opportunities and pay

EY has identified specific DE&I metrics against which it tracks and evaluates its progress using the Global DE&I Tracker. In case of an event where any act of inequity and injustice is identified during the progress monitoring and evaluation process, it is addressed and resolved by EY's Global Social Equity Task Force (GSET) comprising EY leaders from around the world.

To support gender equality in Switzerland, we are measured against defined promotion and recruiting KPIs for the entire Swiss practice each year. In FY23, progress against the five-year targets set in FY21 was reviewed twice and further interventions to accelerate the achievement of our DE&I targets were discussed with each service line. We monitor gender equality in the context of performance appraisals, promotions and pay at each stage of the annual performance review process.

We conduct various learning programs at different stages of our female (open to also male employees since FY21) employee's careers to help them advance at EY. We focus our development programs for women at early and mid-stage careers by supporting participants in discovering their personal purpose, values and strengths. Building on this we then support them in acquiring leadership skills and crafting their own desired career path. For example, the three-module Navigator development program is designed to enable women get ahead of their managerial roles and own their career by increasing self-awareness, articulating personal brand and identifying desired career experiences. The workshops include a mix of theory, hands-on exercises and experience sharing.

These learning programs support in building the skills that drive confidence and courage as our people progress and grow into our future leaders. This, in turn, positively impacts gender equality in our organization. The positive effect is reflected in the number of female employees currently holding leadership positions and the promotions awarded to women in FY23.

During FY23:

- ▶ We promoted 16% of women and 17% men to their next level role.
- ▶ 18% of our female employees hold partner and director roles in the organization.
- ▶ Our women represent 33% of the Board of Directors.
- ▶ Our Swiss Management Committee consists of 17% female partners.

EY participates annually in the St. Gallen Diversity Benchmarking to assess EY's progress in DE&I and compare it with other Swiss companies and the Swiss consulting industry. The results of the 2023 benchmarking show that EY continuously has an above-average share of women at all levels within the consulting industry. With this assessment, we not only have a clear view of the facts and figures, but also receive specific recommendations for our recruiting, pipeline management and career planning practices. The results of the assessment are incorporated into the Advance & HSG Gender Intelligence Report, which measures the progress of Swiss companies in the area of gender equality.



In FY23, we again shared our best practices in achieving gender equality with Advance and HSG. These are published in their Gender Intelligence Report and can be read [here](#).

Our commitment toward inclusive leadership is also evident in the programs we implement for integration and teaming at the global and national level. These programs, including the examples below, foster diversity, equity and inclusiveness among all our people, regardless of their gender and provide opportunity for mobility and mentoring.

EY Switzerland Mentoring Program

The mentoring program is set up to accelerate the advancement of our people by sharing knowledge and building relationships. The program is digitally enabled and open for all employees from Consultant to Senior Manager ranks. Each cycle has a window of six months of focused mentoring. Participants receive onboarding documents and conversation guides to optimize the mentoring experience. The key benefits of the program for mentees include the opportunity to build a wider network, develop new skills and knowledge and gain clarity and confidence on career goals.

Mentors gain visibility to EY's aspiring younger talent and help to develop them through knowledge transfer and advice. This brings personal satisfaction and exposure to fresh perspectives, ideas and approaches, contributing to an inclusive leadership team culture. Since the launch of this program, we had over 500 mentoring couples.

+500

In addition to the above-mentioned programs and initiatives, EY has instituted Women. Fast forward, a global platform for engaging our people, clients and communities to advance gender equality across the three pillars:

- ▶ Women in leadership
- ▶ Women entrepreneurs
- ▶ Next generation

EY Switzerland participates in these key programs. In each pillar, we bring together networks and resources to advance gender equality in organizations across all levels of decision making and leadership. Details on some of the key programs implemented under Women. Fast forward are provided below:

Key “Women. Fast forward” programs

At EY, we believe gender equity is not a program to solve. It is a solution to society’s most complex issues. “Women. Fast forward” is an EY platform engaging EY people, clients and communities to accelerate gender equity in society. The platform aligns all the EY gender-focused efforts, from global programs to grassroots initiatives, to drive collective impact. It is a globally coordinated effort focused on three strategic pillars:

- ▶ Entrepreneurship
- ▶ Leadership
- ▶ Next generation

Some of the global programs under the “Women. Fast forward” umbrella include EY Entrepreneurial Winning Women™, EY POWER Up™, EY Women Athletes Business Network, EY NextGen Women, the EY STEM App, and EY Women in Technology.

EY Professional Women’s Network

The EY Professional Women’s Network is an internal organization that aims to create an environment where professionals feel better connected – to the firm, each other, the success of their teams, and the advancement of their careers. The network provides for diverse events to network with colleagues across all service lines and levels while developing aspects of skills, leadership and opportunities. One of the goals of the network is to provide an opportunity to share experiences and learn from each other as well as to share success stories and become closer connected. The network currently exists in various offices across the globe and organizes events for everybody. Our local network runs awareness campaigns through our monthly “Let’s talk” events, including around Movember (men’s health issues awareness month) and Pink ribbon (breast cancer awareness months).

EY PowerUp tool

The tool was created by EY's Coaching practice to simplify and condense the overwhelming wealth of information available to current and future female leaders with respect to professional development. By using the tool, we aim to get to the heart of the behavior that can help build power and drive success. Our female leaders across all ranks are introduced to the tool in a workshop. Participants gain an understanding of the key behaviors that may help them build or diminish power. Through reflection, individuals can gain an awareness of the skills, knowledge and capabilities critical to their success; find clearer pathways toward their individual vision of success; and improve their ability to lead within EY.

EY Entrepreneurial Winning Women™

The program targets women founders who have built profitable small companies but have not yet found the essential tools needed to scale sustainably. The program offers female entrepreneurs the opportunity to participate in a bespoke executive education program with year-round activities to expand their knowledge, strengthen their skills and increase their visibility. The community consists to date of over 800 female entrepreneurs globally.

Women Athlete

The program commits to supporting the global female athlete community through advancing thought leadership, promoting athlete dialogue and supporting female athletes with successful next career opportunities once they retire from their career in sports.

NextGen Women Competition

This is a global competition that recognizes talented women currently studying at university with the potential of starting a career in EY Strategy and Transactions and Consulting practices. The challenge requires the participants to think critically and to come up with creative solutions for complex problems. In FY23 EY Switzerland offered three internships to the finalists of this competition.

EY is also involved in **EQUALS, the Gender Equality Forum** convened by UN Women to bring together partners from the world over to commit to specific actions toward gender equality.

Equal pay

In 2019, EY Switzerland received the Fair-ON-Pay label following a review by the external consultancy Comp-On AG in accordance with the certificate standard of Société Générale de Surveillance SA (SGS) and in compliance with the standards set by the Swiss Federal Office for Gender Equality in 2019. This original certification was subject to an audit after three years, which took place in 2021. In 2023 EY Switzerland went through a recertification assessment and was awarded the Fair-ON-Pay label with the distinction "advanced", which confirms that no systematic gender pay discrimination exists and the salary difference lies within a tolerance threshold of -2.5%/+2.5%, considering personal, role and organizational characteristics. This certificate is valid until August 2027 and includes an interim audit in 2025. The certification signifies the robust and fair overall average salary definition practice adopted by EY in the previous four years and underlines the firm's efforts to close biased pay gaps that might exist on an individual level. This is one of the many milestones on our continuous journey to promote gender equality and pay equity.

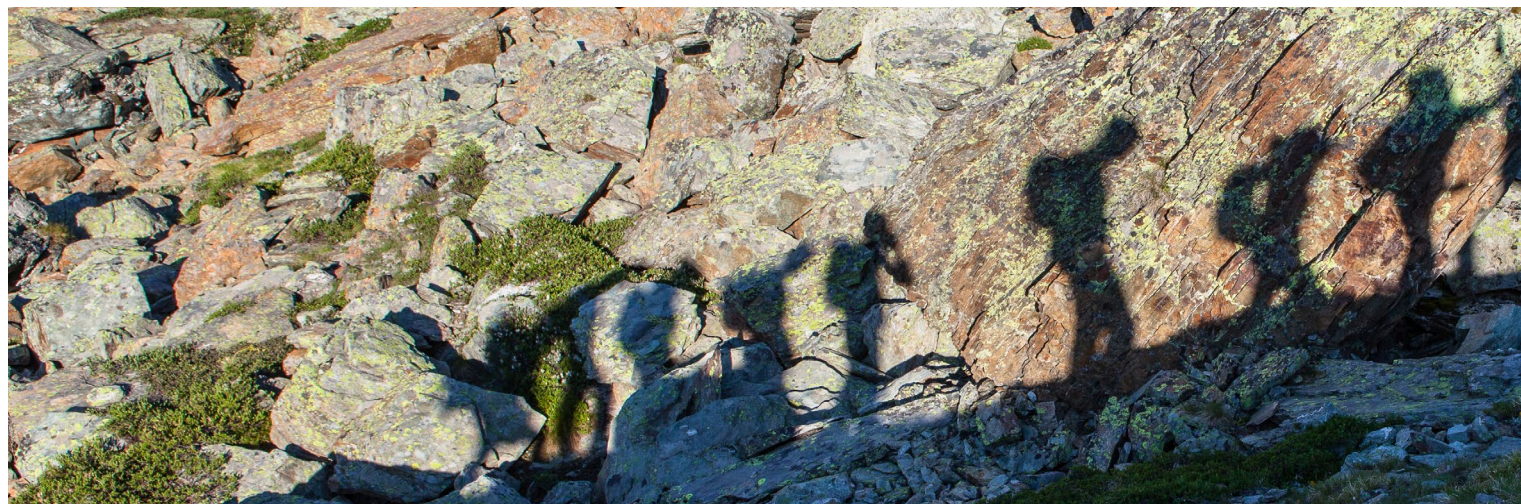


■ Standing with the EY LGBTQI+ community

Creating a work environment where LGBTQI+ professionals can be their authentic selves at work is a core element of our DE&I commitment. All EY people-oriented policies protect against discrimination based on sexual orientation or gender identity and our benefit packages include same-sex partnerships. EY's Unity Network for the LGBTQI+ community and its allies aims to raise awareness on biases and microaggressions, organizes networking events and runs mentoring programs. We have held a series of activities such as awareness-raising events, community and allies get-togethers and took part in the Zurich Pride Festival.

Swiss LGBTI Label

In 2023, EY successfully went through the relabeling process for its efforts to create an inclusive and appreciative workplace for the LGBTQI+ community and was again awarded the Swiss LGBTI Label. This label is awarded to organizations that are committed to a discrimination-free work environment. EY received its Swiss LGBTI Label award for the first time in 2020.



Driving Black, Asian and Minority Ethnic visibility

We foster a Black, Asian and minority ethnic (BAME) community called "Mosaic" that aims to raise awareness around biases and microaggressions that could result from cultural differences in relation to this community. We organize awareness-raising and networking events that consider the specific challenges and needs of the BAME community.

■ Driving disability inclusion at EY and beyond

EY acknowledges that everyone has a unique range of physical, sensory, neurological, cognitive and socioemotional abilities. Differences in abilities, just like other kinds of diversity, are seen as a source of strength, creativity and competitive advantage.

Globally, EY continues to play an important role with **The Valuable 500** – a global initiative of 500 organizations in national and international markets committed to innovating together for disability inclusion. As a part of The Valuable 500, we commit to the following:

- ▶ Enable our people to proudly bring their authentic and full selves to work every day.
- ▶ Deliver an inclusive employment journey from how we recruit to how we develop, retain and promote our people.
- ▶ Equip our people with the skills and knowledge needed to be inclusive of people with a disability.
- ▶ Provide a more accessible workplace through accessible technology and building design.

To build and deliver on our commitment to advancing disability inclusion in business, EY Switzerland is taking a variety of actions that are aligned with the strategy, which has three focus areas:

- 1. Awareness** – Increasing awareness of disability-inclusive practices among our leaders and teams to strengthen EY's open and inclusive culture around disability and support all of our people to feel disability confident.
- 2. Accessibility** – Moving toward greater accessibility in our everyday work (including digital accessibility), with more transparency and consistency across EY for people requiring an adjustment.
- 3. Allies** – Expanding our allies' network (the Purple Champions) to engage with our disabled community more proactively, to share best practices and accelerate progress on the disability agenda.

To increase awareness and expand our allies' network, we:

- ▶ Conducted a two-part disability inclusion program in which all EY employees were invited to:
 1. Build awareness, influence change. The focus was on raising awareness about invisible disabilities, the fears and myths around it and what it means for impacted people.
 2. Turn awareness into action. The focus was on discussing what each of us can do help strengthen EY's open and inclusive culture around disabilities and support all of our people to feel that they belong.
- ▶ Hosted a workshop for our talent team with the following objectives:
 - ▶ Understand the business case for disability inclusion
 - ▶ Defining disability and reasonable adjustments
 - ▶ Talking about the use of vocabulary for disability confidence
 - ▶ Fostering an accessible and inclusive environment
 - ▶ Sharing tips on how to be a proactive ally



- ▶ Re-activated our Purple Champions network that aims to raise visibility and promote inclusion of professionals with a disability. Purple Champions are EY people who volunteer to raise the confidence and visibility of their colleagues with a disability and increase their sense of belonging and support in the workplace. Highly active at both the regional and national levels, the network supports various initiatives and fosters active exchange for continuous improvement.
- ▶ Communicated via internal channels indicating guides and tips to establish what is meant by disabilities at the EY organization and to highlight the accessibility and support available to our people in Switzerland.
- ▶ Collaborated with myAbility, a social enterprise that fosters equal opportunities for people with disabilities or chronic diseases. Our collaboration includes offering our people disability inclusion awareness raising sessions and practice-oriented trainings. We also participate in their myAbility Talent® career starter program. The program builds confidence among affected individuals and helps ease their path onto the Swiss labor market.

To move toward greater accessibility, we:

- ▶ Integrated office accessibility into our standards for global design and construction, so that EY offices are built to be accessible and inclusive.
- ▶ Offer an Accessibility Support Service, which enables all EY people to directly access a wide range of assistive technologies along with specialist consultation, training and troubleshooting support.
- ▶ Created a EMEIA level task force with Swiss representation that is looking at key accessibility challenges and possible solutions.

Learn more about our commitment to disability inclusiveness and accessibility [here](#).

■ Uplifting social equity

The EY commitment to advancing DE&I includes an elevated focus on social equity, which is about clearing obstacles, building more inclusive environments, and enabling access to resources and opportunities. We are working to spot and address potential inequities and close gaps, as we move toward greater social equity at EY. The EY Global Social Equity Task Force (GSET) was formed to develop and prioritize cohesive global actions to advance social equity, as part of broader DE&I work. To deliver on EY commitments to advance social equity, our focus areas include:

- ▶ Raising consciousness of social equity and inclusiveness
- ▶ Challenging internal systems, processes and programs through an equity lens
- ▶ Building higher level inclusive leadership practices and skills among all EY people
- ▶ Inspiring greater social equity and inclusiveness among clients, suppliers and communities

In FY23, to execute our commitment to advance social equity and inclusive growth, we launched the Uplift social equity campaign in Switzerland. The aim of it is to inspire new actions, behaviors and commitments to create an uplift for social equity in the working world through the lens of EY people's stories. The campaign includes a full suite of films in which EY people from around the world share their personal stories to spark better understanding and awareness. These films are promoted and shared in various communication channels including people webcasts, employee communications, internal news, and useful resource directories.



Creating long-term value for our society





5

ABOUT US
 MATERIALITY
 CLIENTS
 PEOPLE
SOCIETY
 GRI INDEX
 FACTS & FIGURES
 APPENDIX

“

At scale, individual contributions turn into collective action for positive impact on communities and the planet

Positively impacting communities and the planet

EY is committed to creating sustainable growth and having a positive impact on communities and the planet for generations to come. In addition, the very cornerstone of the EY business is to strengthen confidence in the capital markets. This is an integral contribution that creates long-term value for society.

Driving sustainable and inclusive growth is at the heart of our purpose and shapes our approach toward creating positive social impact in our communities. We believe in building a better working world, where everyone can contribute to and share the benefits of sustainable economic growth. When we look at the world around us today, we see societal challenges everywhere – issues such as climate change, deepening inequality, growing unemployment, lack of opportunity for young people and low trust in institutions. At EY, we feel a responsibility to utilize our knowledge, skills, experience and global convening power in finding better answers and realizing better outcomes to these challenges. We are committed to advancing the United Nations (UN) Sustainable Development Goal (SDGs) as part of its commitment to creating sustainable growth. This means that we continue to embed responsibility, inclusiveness and sustainability more deeply in everything we do.

We run corporate responsibility (CR) programs and initiatives to extend the value of our knowledge, skills and experiences to the people in our local communities and wider society in which we operate. Such focus areas include impact entrepreneurs and social enterprises, i.e., those accelerating quality jobs creation and affordable access to basic goods and services for the next generation workforce. Additionally, we inspire our people to embrace responsible consumption and decision making to accelerate the environmental sustainability of our operations and value chain.

Apart from creating socially inclusive and environmentally sustainable economic growth, our efforts also contribute to long-term value for our organization, people and society.

All our CR engagements are driven by our Corporate Responsibility (CR) Board. The CR Board is committed to delivering on our global CR strategies and ambitions by defining local execution plans in line with local needs.

The CR Board focuses on the following three areas to create societal and people value:

- ▶ Minimizing our environmental impact
- ▶ Ensuring we operate responsibly
- ▶ Increasing our positive social impact

Our people engage in both internally developed programs and initiatives around the key focus areas as well as those developed in collaboration with local organizations and third-party providers. We continuously improve our internal programs and initiatives by collecting regular feedback from our people and the program beneficiaries through various listening formats and dedicated program surveys.

Further, the EcoVadis Sustainability Assessment results are made available to our stakeholders upon request. The results help them understand the nature of the indirect economic impacts we have on EY people, local communities and society, the environment and value chain partners. See further information on EcoVadis in the section: [Trust and transparency, page 50](#).

We are working to further link our community engagements to the United Nations Sustainable Development Goals relating to gender equality, decent work and economic growth, reduced inequalities, climate action, peace, justice and strong institutions and partnerships. These SDGs specifically represent the areas where we believe we can have the most impact.

Minimizing our environmental impact

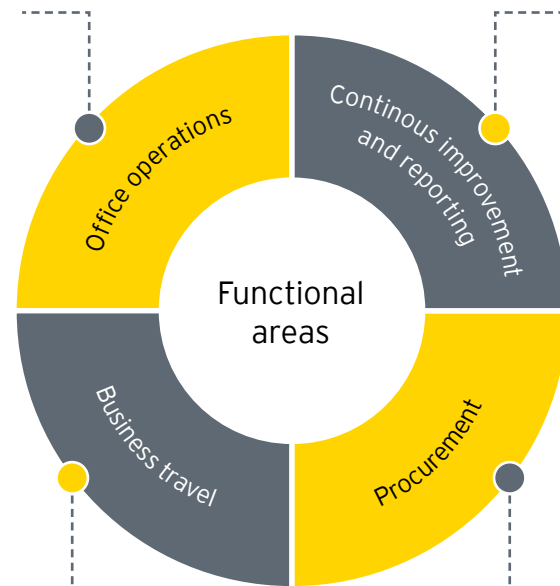
As part of our business activities, we travel to clients, work in office buildings, procure goods and services and produce waste. Through our environmental management we aim to reduce our negative impacts. As a responsible corporate citizen, we adopt an equitable and inclusive approach to design measurable goals and targets that future-proof our businesses. We focus on realizing those goals through transformation of our own business as well as by engaging with our stakeholders and value chain partners to do the same.

As part of our overall sustainability strategy, we have developed the environmental agenda and priorities in alignment with the environmental commitment outlined in **EY's Global Environmental Statement**. The statement guides us to focus on the following function areas for effective environmental management:



Figure 13

Implement operational improvements that promote efficient use of natural resources



Improve environmental performance and be transparent in reporting our progress and challenges along our journey

Explore innovative ways of delivering exceptional client service that minimize our environmental impact

Engage with EY suppliers and hold them accountable to the environmental standards we hold ourselves to

With this strategy, we are implementing specific environmental initiatives that reduce our company's impact on the environment. Such initiatives include reducing our carbon footprint, encouraging responsible material consumption, increasing energy efficiency, significantly reducing our business travel, collaborating with our value chain partners and training our people on eco-friendly work practices.

Responsibility to ensure environmental sustainability is assigned to our CR Board. However, the Swiss Management Committee is the ultimate governing body responsible for overseeing the sustainability strategy and its execution.

To achieve our goals, we maintain robust monitoring and reporting around our KPIs. We communicate our sustainability performance through our sustainability report and inform our stakeholders with the same. Additionally, the EcoVadis Business Sustainability Assessment and consequent Rating enables us to review the extent to which we could incorporate various new sustainability aspects in our business and understand the gaps to further improve our performance.

Reducing our carbon emissions

In Switzerland, too, we are starting to feel the serious threats of global warming and climate change. The first half of 2023 brought a lot of rainfall, then a record warm summer accompanied by drought, storms and floods that did not just impact people and societies. According to the Federal Office of Meteorology and Climatology (MeteoSwiss), Switzerland's climate has seen large natural fluctuations over the last few decades. This has coincided with a steady rise in the average annual temperature, mainly attributable to the increase in industrial greenhouse gas (GHG) emissions. Furthermore, forecasts predict that we will witness higher intensity storms, increased risk of wildfires, glaciers melting faster than expected and less snowfall in the coming years, which are in turn associated with an increased risk of floods, landslides and debris flows.

The situation calls for governments, businesses and citizens to take collective responsibility and combat the detrimental impacts of climate change. In 2015, the governments of 196 countries came together and signed an international treaty – the Paris Agreement on Climate Change. The agreement commits to limiting the average global temperature rise to 1.5 °C above preindustrial levels through reducing global GHG emissions. EY, as a responsible organization, is committed to contributing to this transformation journey toward a low carbon economy.

■ Considering climate risks and opportunities

In FY23, EY Global undertook an evaluation in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations. This comprehensive approach has enabled us to gain insights into the climate-related risks and opportunities for EY more holistically, how they impact our strategy, and the importance of setting and monitoring climate targets. The report focuses on the climate risks to our people and business, the opportunity to help EY clients decarbonize, and how we are working towards our Carbon Ambition of becoming net zero in 2025. Our perspectives address the four climate disclosure themes recommended by the TCFD – governance, strategy, risk management, and metrics and targets. The key points addressed can be found in the [EY Global TCFD Report 2022](#).

The climate-related risk and opportunity assessment for EY Switzerland according to the TCFD Recommendations was conducted by EY Global. The assessment applied the EY Climate Analytics Platform which provides granular data on climate-related risks linked to Intergovernmental Panel on Climate Change (IPCC) climate scenarios. In scope of the assessment were two of our largest offices. The applied scenarios are SSP5-RCP8.5 – Business as Usual (BAU) which provides for emissions to continue to increase and consequently cause a temperature rise of 4-5 °C and SSP1-RCP2.6 – Low Carbon Economy (LCE) resulting in warming of less than 2°C. The assessment result for the Zurich office was an average physical risk score of 32/100 and for the Geneva office an average physical risk score of 39/100. The outcomes serve as a driving force for decision making and are integrated within our global risk management process (for more details on ESG risk category in our [Enterprise Risk Management see page 43](#)).

■ EY's climate commitments and goals

We announced our global **Carbon Ambition** in January 2021, after having already become carbon neutral in 2020. This means that we globally compensate more emissions than we emit in terms of greenhouse gases included in our accounting. The ambition further sets a target of reaching net zero by 2025 by reducing, offsetting and removing more carbon from the atmosphere than we emit. Since October 2021, EY globally is carbon negative. Now, we are embracing the challenge and opportunity of continuing to grow our business while working toward being net zero by 2025 – and supporting our clients to do the same. To achieve net zero, we will have to eliminate all avoidable emissions and remove the remaining emissions

by 2025. EY worked with the Science-Based Targets initiative (SBTi) to develop and validate a science-based target to reduce the total emissions by 40% across the entire organization. This includes reducing business travel emissions by 35%. EY Switzerland, in alignment with EY's global climate target, has committed to reducing its greenhouse gas emissions by the same amount by 2025. The EY net zero pathway was validated by SBTi in 2020. We continue to follow the latest SBTi developments on net zero standards.

To live up to our commitments, we have identified areas of improvement and defined related goals to implement in our operations submitted through our annual Environmental Action Plans.

Table 4

Focus areas	Key goals, targets and initiatives
<p>Reducing business travel by 35% (2,138 tCO₂e) against FY19 (6,108 tCO₂e) baseline by FY25</p>	<ul style="list-style-type: none"> ▶ Looking at the nature of our business model, client-related travel makes the most significant contribution (68%) to our overall carbon footprint as of baseline year FY19. Travel for training, business development and meeting purposes also accounts for a large amount of our GHG emissions. While we had introduced measures to reduce travel for internal business purposes considerably even prior to the pandemic, we were closely monitoring and working on further measures to reduce client-related travel. To further reduce the GHG emissions resulting from business travel, we continue to encourage our people to use virtual collaboration tools to engage with relevant stakeholders and are reequipping our offices to enable hybrid collaboration through technology. This effort is aligned with our goal to achieve a 35% reduction (against the FY19 baseline) in our business travels by FY25 to reach the global net zero ambition by 2025. ▶ Our travel guidelines and approval procedures encourage EY people to reduce internal travel and client-related travel to the extent possible, depending on our clients' needs. ▶ We provide our teams with tools and technologies to make more informed decisions: <ul style="list-style-type: none"> ▶ A reporting tool on Power BI, allows for ongoing real-time monitoring of our overall air travel activities at EY Switzerland. ▶ With a need to reduce overall travel emissions by 35%, EY Travel, Meetings & Events Services co-developed with IBM the EY Sustainable Travel Approval Tool (EY STAT) which provides our travelers and leaders greater visibility to both the financial and carbon impacts of business travel prior booking a trip. EY Switzerland plans to roll-out this tool in FY24, to enable more sustainable choices. ▶ An individual emissions traveler dashboard was introduced, providing the business travel footprint per employee. ▶ Since last year, our travel booking systems estimated the approximate footprint of a business trip, providing alternative connections via ground transportation. ▶ The EY Engagement Carbon Calculator, which estimates and tracks the carbon emissions level per engagement, has been enhanced, enabling teams to make better travel choices and encouraging greener alternatives wherever possible.

Focus areas

Key goals, targets and initiatives

Employee commuting – promoting public transportation

- ▶ In FY22, we reduced the number of parking spaces available to EY people and partners at our largest office by 25%. In FY23, we have harmonized the approach for how we charge for parking spaces. Those who use the spaces pay the normal day fee, lessening the incentive to commute to work by car.
- ▶ We subsidize employees' commute with a SBB Half Fare Travelcard for all EY employees.
- ▶ In FY22, we conducted a survey to obtain more accurate data about employee commuting habits to allow for more accurate insights.
- ▶ Our 11 offices, across 11 cities, enjoy central locations and are easily accessible by public transportation.



Focus areas

Key goals, targets and initiatives

More sustainable energy consumption**Increased share of renewable electricity measures**

- ▶ EY's global commitment is to run all offices on 100% renewable energy by 2025 and to obtain the RE100 membership during the same period. EY is now a gold member of RE100. This global corporate renewable energy initiative brings together the world's most influential businesses committed to reaching 100% renewable electricity by 2050. Progress on our carbon ambition plan to procure more renewable electricity continues, with a number of virtual power purchase agreements in progress. Globally, 47% of our electricity consumed is now supplied from renewable energy sources. In Switzerland, electricity is purchased from the grid in Switzerland and all offices procure 99.6% renewable energy products.
- ▶ To run on 100% self-generated electricity for the common areas going forward, our property owner has installed a solar photovoltaic system at our Zurich office, which generates approximately 148,000 kWh of electrical energy per year. The power generated is redirected to the common-area electricity of the property. In 2022, the electricity consumption of the office increased by 13%, of which 11% was fully covered by the photovoltaic system.

Energy saving and energy efficiency measures

- ▶ During the last financial year, we have given up office space at four Swiss offices, reducing total office space by 1,048 square meters compared to FY22.
- ▶ In cooperation with the Zurich office property owner, the property management company and the facility management provider, we submitted a 10-year cantonal target agreement (Kantonale Zielvereinbarung) for the office. Developed with the support of EY's energy provider, this agreement aims to set clear energy efficiency targets for the building and the office space and enable fulfillment of the cantonal and federal energy target. In 2022, our energy efficiency was 122.7%, exceeding the set target of 105.6%. We run various energy-saving initiatives at our Swiss offices to reduce our carbon emissions. One of the initiatives is the replacement of the exterior light arrangements with LED lighting at the Zurich office, which has resulted in a saving of 17,000 kWh of electrical energy per year. In FY23, we ran further awareness and nudging campaigns across all Swiss offices suggesting simple but effective energy saving measures – applicable for EY people working in the office or from home.
- ▶ We standardized the norms for using mechanical ventilation in our Zurich office, which resulted in savings of approximately 143,000 kWh of electrical energy per year. We are further investigating reduction measures related to ventilation.
- ▶ Other measures undertaken to improve energy efficiency in the office include the use of motion sensors for office lighting and standard settings for all new laptops to go into sleep mode within a certain period of non-use.
- ▶ Our reduction strategy regarding real estate is coordinated closely with our property owners and managers. They provide data for our electricity, heating, cooling and water consumption, which enables us to take appropriate measures to reduce it accordingly. When new property contracts are due, we consider environmental factors such as electricity consumption, provision of renewable energy on site and proximity to public transportation. We also choose, whenever possible, office premises in Minergie® buildings. Currently, four (three certified) of our 11 offices are located in buildings that are constructed adhering to the Minergie® standards.

Our footprint

We track and estimate all three types of Greenhouse Gas (GHG) emissions for EY Switzerland, namely Scope 1, Scope 2 and Scope 3. The direct GHG emissions (Scope 1) are on account of the fugitive GHG emissions released from air conditioning equipment. Further Scope 1 emissions stem from natural gas usage for heating of five of our offices. We count the emissions from use of purchased energy (district heating and electricity) for estimating indirect GHG emissions (Scope 2). Sources of indirect emissions (Scope 3) include GHG emissions resulting from employee commute, employee remote work, business travel, waste disposal as well as fuel and energy-related activities.

Further metrics such as renewable energy mix, energy intensity, office square meter per employee, etc. are leveraged to consistently track and estimate the GHG emissions resulting from the business to continue making an effective contribution toward our global commitment of becoming net zero by 2025. The estimated GHG emissions for the reporting period totaled 6,068 tonnes of carbon dioxide equivalent (tCO2e).

Figure 14

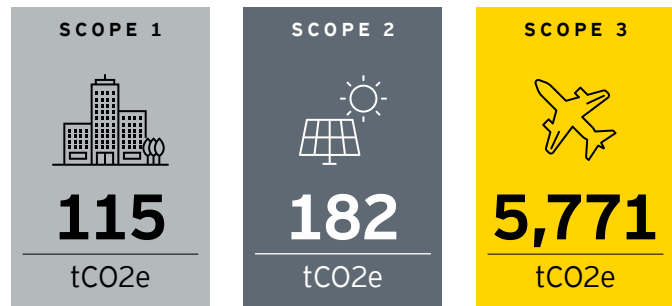
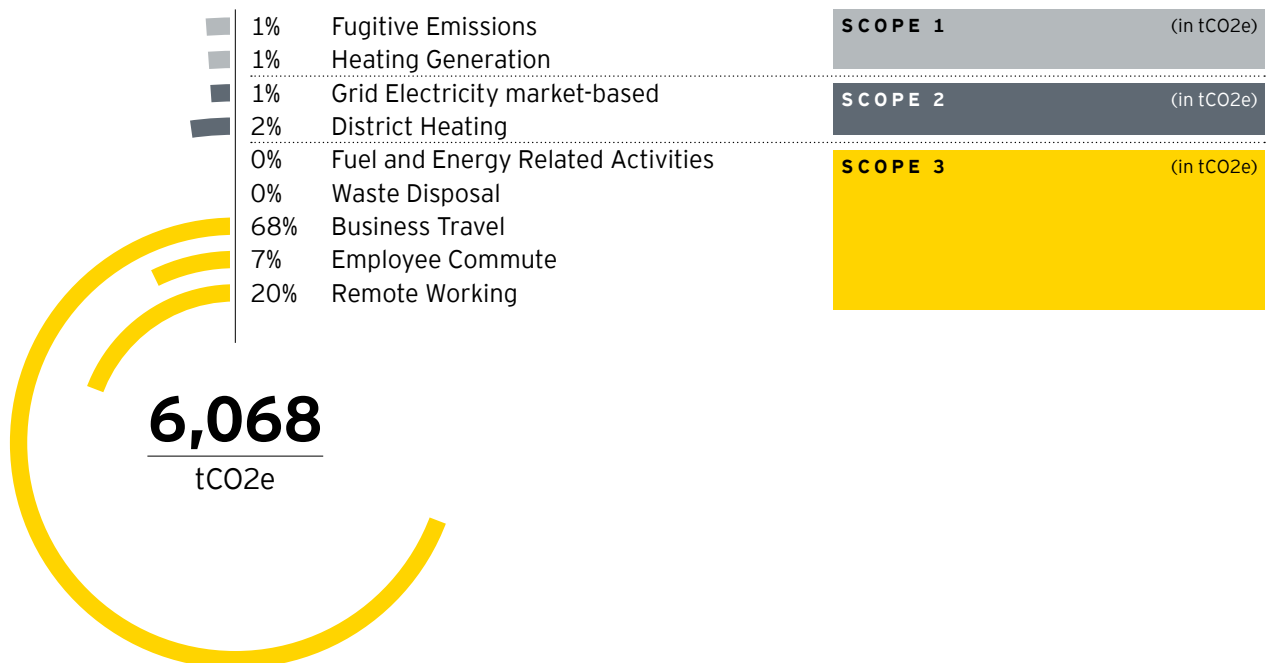


Figure 15

Total GHG emissions by source



While the FY23 GHG emissions represent a 22% reduction compared to FY19, the volume also reflects a 36% increase from FY22 – a year that still saw a drop in our Scope 3 travel emissions and Scope 2 office electricity usage. Our business air travel activities have also increased since FY22 but remained within a 28% reduction in kilometers compared to FY19. Besides, our 1.5° pathway factors in an expected increase in GHG emissions in the post-COVID-19 environment. We also acknowledge that our business growth – including a 14% increase in full-time equivalent employees (FTEs) and revenue growth of 27% since FY19 – further increases emissions.

The total GHG emissions over the last five financial years and the total GHG emissions is provided hereinafter:

The majority of the GHG emissions emanate from our Scope 3 upstream activities. The extent largely depends on the business choices people make. Therefore, it is important to estimate and monitor the GHG emission intensity by calculating the total GHG emissions against total FTEs and revenue in the reporting period.

Figure 16

Total GHG emissions over the years (tCO2e)

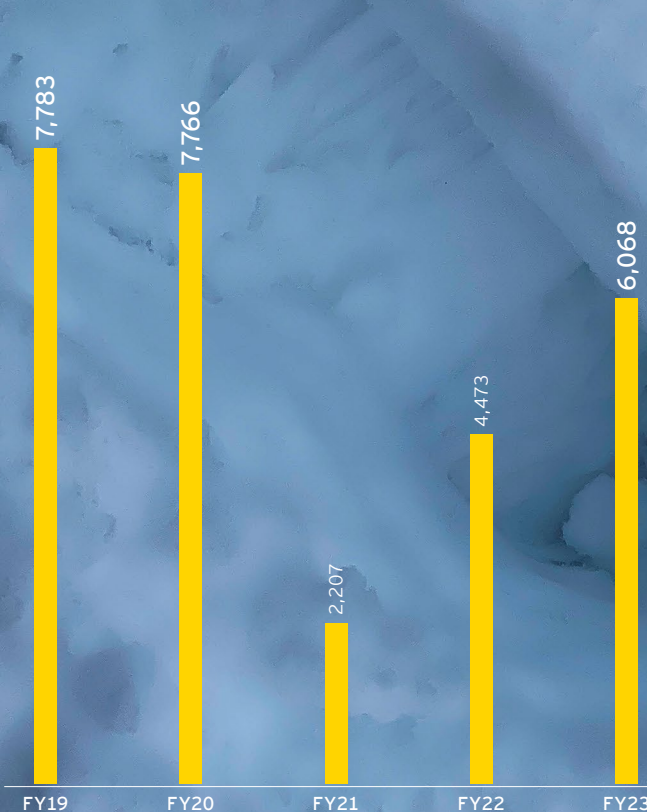


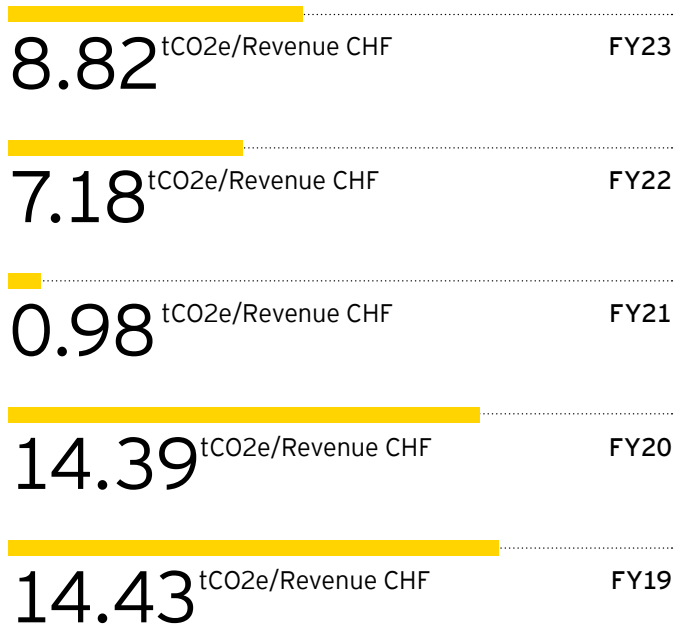
Figure 17

Emissions intensity

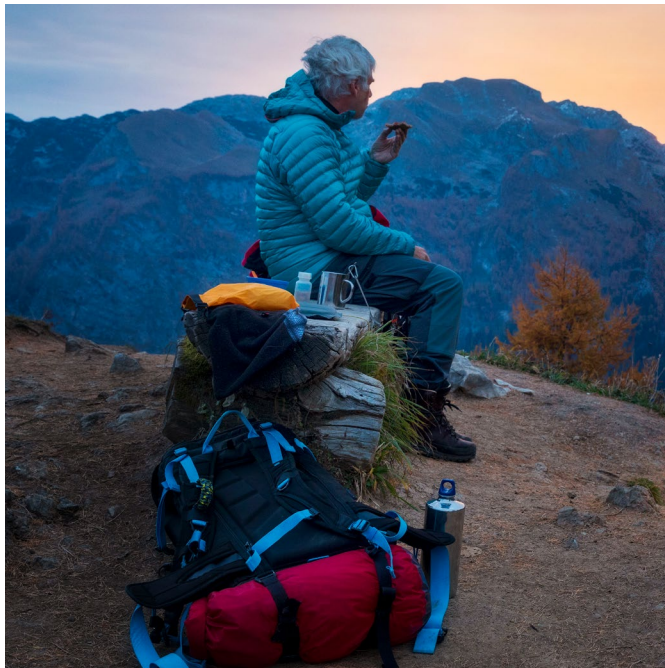


Figure 18

Emission intensity



For details on the methodology and assumptions used to estimate the GHG emissions, see section: **Appendix – Basis of reporting for greenhouse gas emissions estimation, page 156.**



Carbon off-sets and removals

EY globally continues to be carbon negative in FY23, for the third year running. To offset the FY23 emissions we have not yet eliminated, EY Global has invested in a diverse portfolio of nature and technology-based projects. These include forest protection, wind and solar renewable energy, clean cookstoves, peatland protection, regenerative agriculture, blue carbon and biochar. Combined, they offset 933,000 tCO₂e, representing 120% of EY's FY23 emissions – and confirming our carbon negative position for FY23. All emission mitigation projects financed through carbon credits meet our criteria for quality offsets and have demonstrated that they are independently verified, additional, permanent, not used for other purposes, will not result in leakage, and have a positive impact on the community. Further information on the projects can be found in the **EY Global TCFD report**. EY Global conducts on consolidated level a GHG-estimation for all EY member firms. This footprint is externally assured and the basis for the purchase of carbon off-sets and removals. EY Global allocations are based on their GHG-estimation of the share of carbon-offsets and removal credits per member firm. Since the EY Switzerland estimation considers more actual consumption data and applies local emission factors there is a discrepancy in the totals of our GHG footprint. This leads to carbon off-sets and removal credits allocated by EY Global not fully covering the local footprint. In FY22, the allocation to EY Switzerland was 3,000 tCO₂e and 5,746 tCO₂e in FY23.

Carbon Disclosure Project (CDP)

We continue to report annually to Carbon Disclosure Project (CDP) to provide greater transparency on climate-related governance, strategy, management and performance. Further details about EY climate risks and opportunities, impact on strategy and progress toward the EY Carbon Ambition and decarbonization commitments are included in the **EY Global TCFD report**.

Ensuring responsible business operations

As a responsible market leader, EY is mindful of the impact our business actions have on the economy, society and the environment.

The FY23 assessment showed that none of our offices is located in a Key Biodiversity Area (KBA). A detailed current and future-focused water risk analysis conducted for EY Switzerland concluded that 0% of EY offices and 0% of workforce are based in high/extremely high-risk water areas. Hence, our office operations pose no significant risks for the environment with respect to those two aspects. Nonetheless, we develop and implement initiatives in our business operations to contribute to and encourage an environmentally conscious workplace and minimize negative environmental impacts. Responsible consumption together with responsible behavior of our people ensure that all our practices utilize resources and goods in a manner that will meet present needs without compromising on the ability of future generations to meet their own aspirations.



Resources management

An effective method to reduce the ecological footprint is changing the way we deliver services, consume goods and dispose of waste. Therefore, for each of our consumption choices, we try to consider the environmental impacts along the product lifecycle (from procurement until disposal). This approach applies for both goods and services.

Integrating principles of responsible consumption into the business culture has become every employee's responsibility. Our procurement policies and procedures provide that all our people uphold and abide by this principle while performing any activity.

■ Reduction and disposal of waste

A responsible waste management approach is about preventing waste, reducing waste, reusing material, recycling the remainder and finally disposing of it. We are committed to doing so where possible and to dispose of leftover waste in a responsible and safe manner.

Centralized waste bin system for waste collection and segregation

In FY19, we introduced a reworked overall waste collection and segregation approach. We partnered with Green Office, a provider of efficient and innovative solutions for waste sorting, to implement a centralized waste bin system in all offices. By using data such as number of desks and square meters, we strategically placed waste bins in all offices, eliminating hundreds of desk bins and the daily replacement of waste-plastic bags.

We also equipped all coffee points with capabilities to segregate general waste, paper, PET and aluminum cans. We also separate paper and cardboard for recycling by our providers. General waste is eliminated through combustion.

Paperless where possible

As a professional services firm, we use a lot of paper, especially for official documents and communications requiring signatures. This results in large quantities of

paper waste. To minimize this, we introduced virtual business cards, paperless billing and paperless human resources document processing. We also implement double-sided printing in general. In FY23, we issued 30,595 invoices, of which 97.8% were digitally billed. Furthermore, conscious efforts have been made to reduce waste paper by limiting the number of printers across all our offices. We have reduced the number of printers across Switzerland from 219 in FY19 to 32 in FY23. All toners and cartridges are collected and recycled by our provider. Confidential documents and files are disposed of separately in line with data privacy considerations and 100% recycled by our provider.

We also commit to zero deforestation by sourcing Forest Stewardship Council (FSC)-certified paper products.

Managing e-waste

All the electronic waste (“e-waste”) we generate is recycled through authorized recyclers, except for some e-waste (mobile phones, laptops and printers) that is resold to brokers for further reuse or recycling.

In FY23, we collected and disposed of 480 kg of mixed electronic and electrical waste via authorized recyclers. We also resold 26.7 tonnes of e-waste (laptops, mobile phones and printers) from all our Swiss offices to brokers. To increase duration of mobile phone usages, we introduced new models such as Fairphones with a lower environmental footprint and increased durability in FY23. Further we have extended the subscription period of business smartphone rental contracts from two to three years. All other e-waste is collected and handed over to Swico Recycling, a non-profit system for taking back scrapped electrical waste and electronic equipment used in offices.

As headphones tend to have a short product life, we have an agreement with our provider to refresh and repair them as required.

Transitioning to plastic-free workspaces

Given the negative impacts of plastics on human health and the environment, we committed to reducing plastic usage and waste generation by maximizing the use of alternative, more eco-friendly plastic products.

For this reason, the single-use plastic products in cafeterias have been replaced with reusable cups, compostable cup toppings, compostable cutlery and reusable lunch boxes. At the Zurich office, we have partnered with the leading reusable packaging solution provider, reCIRCLE AG, to procure alternative plastic material cups and BPA-free water bottles.

The plastic cups placed next to the chilled and sparkling water dispensers on each floor were replaced with reusable EY drinking bottles.

We partner with organicMondays AG, a women-owned company that offers organic and plastic-free feminine hygiene products. Since November 2020, EY women’s bathrooms in all locations across Switzerland are stocked with complimentary plastic-free feminine hygiene products.

Promoting sustainable products in our Giveaway Shop

We have been exploring ways to develop environmentally friendly promotional items for sale in the Giveaway Shop, our online internal gift portal. To guide us in selecting the right suppliers, we have defined a set of environmental criteria for production. Contracts are awarded to only those suppliers who meet these criteria. We also consider impact entrepreneurs as potential suppliers to procure innovative sustainable products that are recyclable and reusable.

One impact entrepreneur that we engage with is Keiretsu. This company has a certified environmental management system and works on the principle of sustainability by design. In partnership with the company, the Giveaway Shop produces several environmental-friendly alternatives including recyclable stationary, bottles and mugs, eco-labelled products like OEKO-TEX certified clothing, etc. This arrangement with Keiretsu has helped increase the proportion of sustainable products available in the Giveaway Shop from 8% as of December 2018 to 78% in FY23. We aim to align 95% of our assortment with at least one environmental criterion by 2025.

Changing people's behavior toward responsible business choices

Our organization's environmental and business performance is largely impacted by the business decisions our people take, the choices they make in terms of procuring materials and traveling to client sites and the behavior they model through their business practices. For this reason, we focus on creating awareness with our people on the sustainable choices available to them and enabling informed decision making. We run multiple initiatives, including raising awareness in various leadership meetings, all people townhalls, sustainability trainings and workshops. Some of the key initiatives are:

- ▶ **Climate action workshops:** We run workshops a couple of times throughout the year with our people to raise awareness about their individual climate action and to help them adopt environmentally friendly practices in their day-to-day work.



- ▶ **Sustainability trainings:** Our goal was to train at least 60% of our people (new and existing) in sustainability matters by FY25. We have surpassed this goal, with 74% of all EY people who have completed the Sustainability Now training. This training is assigned to all current and future employees and focuses on our environmental commitments. We also offer sustainability trainings as part of the EY Badges program, which provides certified learning content packages with a total of six sustainability-related trainings on offer such as Sustainability Business Case, Sustainable Finance, Circular Economy Impact Entrepreneurship and Climate Change. Further, technical skills trainings are provided with relevant sustainability-related content across all service lines. Specific ESG-training webinars are held for our leadership.
- ▶ **ImpACT week FY23:** Held once a year, ImpACT week consists of mandatory and complementary trainings on sustainability-related topics for all assurance professionals across EY in Switzerland. The aim of the 2023 ImpACT week was to skill up and prepare for the latest ESG regulatory and due diligence developments affecting the audit profession. This was an important opportunity for our people to acquire technical skills focused on serving our clients' demands, especially in the area of non-financial assurance engagements. 578 out of 1,100 assurance professionals attended the mandatory sessions held as part of the ImpACT week in FY23.
- ▶ **Sustainability information at our Welcome to EY Day:** We have introduced corporate responsibility and sustainability topics for discussion at our induction programs for new employees.
- ▶ **Climate Action Taskforce:** Initiated by our people from multiple locations, the taskforce supports activities like office-wise GHG emission estimations, analysis of travel data and development of news articles on climate-related topics.
- ▶ **Sustainability@EY Global Community:** We launched a new global community of action. Working together in a community-led approach, Sustainability@EY will help EY people grow their knowledge of key issues, understand how we are helping clients create value from sustainability, and encourage personal and collective action to make a difference.

Supply chain management

Resource shortage, price pressure and geopolitical instability can lead to environmental and social considerations being neglected in procurement. We recognize that our responsibility to minimize the negative environmental and social impact of our business operations extends not only to our people but also our suppliers. We acknowledge the need for consistent efforts on our part to promote the high ethical standards within our supply chain and to maintain and grow a diverse supplier base that reflects the markets, clients and communities we serve. While we expect our suppliers to fulfill criteria – defined by us, specific standards or by law – with respect to environment, labor and human rights, ethics and sustainable procurement; we also endeavor to meet our clients' similar expectations of us.

Our procurement process is guided by the **Global Procurement Policy**. The policy is applicable for the purchase of all goods and services on behalf of the organization and for selecting suppliers and awarding contracts. The Global Procurement Policy includes our **Supplier Code of Conduct**, which provides ethical guidelines determining the minimum standards of business conduct to which EY suppliers are expected to adhere. These include compliance with applicable laws and regulations, environmental considerations, human rights standards, principles of diversity and inclusiveness, health and safety, and ethical integrity. The Supplier Code of Conduct forms an integral part of the contract between the Contracting Party and EY. The Swiss General Terms and Conditions of Purchase of Goods and/or Services of Ernst & Yong AG explicitly refer to the Supplier Code of Conduct.

All EY people are expected to adhere to the requirements set out in the internal Global Procurement policy when procuring goods or services for EY or a member firm, including when selecting suppliers, awarding contracts and managing supplier performance regardless of client status and spend. EY Global Supply Chain Services support EY member firms' procurement activities worldwide, while Environmental Social Governance Services (ESGs), which reports directly to the Managing

Partner, Supply Chain Services, is responsible for driving an inclusive and sustainable mindset across the organization through our procurement strategy.

The ESGs strategy focuses on the following principles:

- ▶ **Environmental:** To procure in a sustainable way, looking beyond short-term needs and considering the longer-term impacts of each purchase.
- ▶ **Social:** To procure reflecting a broader goal linked to resource efficiency, social responsibility and economic resilience.
- ▶ **Governance:** To be accountable with transparent business practices that monitor our sustainable and growth impact.

We conduct due diligence processes during onboarding of new suppliers and the periodic monitoring and evaluation of the high-risk suppliers. EY assess and rates the underlying risks of the existing and potential strategic suppliers.



■ Our supply chain

Our supply chain includes suppliers of essential products and services under the following four categories:

- ▶ Real Estate, Workplace Services
- ▶ Travel, Meeting and Events Services
- ▶ Technology Sourcing
- ▶ Talent and BMC Procurement

During FY23, we engaged with a total of 1,132 suppliers and spent CHF 49.1 million on the purchase of goods and services. We rely heavily on local suppliers to ensure short supply chains and a quick response to the market.

In FY23, 46% of our spend (CHF 49.1 million) is managed under contractual agreements and overseen by our Global Supply Chain Services function with companies considered as strategic suppliers. Out of those, 75% of strategic suppliers have signed our Supplier Code of Conduct.

■ Supplier due diligence

EY's ESG supplier due diligence program falls into three main areas, managed by the Global Supply Chain Services function:

1. Supplier selection

At EY, we ensure consistency and mitigate risks by asking all suppliers to agree to adhere to our Supplier Code of Conduct as part of our due diligence and contracting



process. All sourcing managers are requested to include a core set of ESG and human rights questions in every request for proposal (RFP)/request for information (RFI) prior to the supplier onboarding process. These questions are based on thematic areas including, but not limited to, the supplier's commitment to climate change, environmental and social management systems and certification, diversity and inclusiveness, and how the supplier can support the sustainability efforts of EY.

We request all potential suppliers to respond to these questions, which are reviewed, scored and considered as part of the supplier selection process.

To support this process, our Environmental Social Governance Services team within the Supply Chain Services team partnered with EY's Climate Change and Sustainability Services team to design and implement our in-house Sustainable Sourcing Framework. This framework provides guidance on key ESG risks per product and service we source, and the additional ESG-related questions we therefore recommend sourcing managers to include in RFPs. In our FY23 ESG training week for Supply Chain Services team, procurement staff were retrained on this framework.

2. Supplier onboarding

EY utilizes our supplier onboarding tool to screen suppliers in terms of their ESG performance. New suppliers are asked a range of ESG questions which are reviewed and scored. Suppliers are rated on:

- ▶ Agreement with the Supplier Code of Conduct
- ▶ Adherence to human rights and environmental standards
- ▶ Effectiveness in implementing environmental and social policies and programs
- ▶ Details of their DE&I and supplier diversity program

Through the first due diligence process step, the suppliers are scored on the above-mentioned criteria. Those whose score meets EY's minimum criteria are classified as sustainable. In the last assessment most suppliers met minimum criteria. Those who scored poorly and have significant spend were considered for the wider ESG Risk Assessment Pilot. Low risk and small and medium size suppliers are not shortlisted for further ESG assessments.

3. ESG Assessment Pilot

The suppliers who scored poorly in their ESG onboarding questionnaire are considered for a further ESG Assessment. Those that took part in the FY22 ESG Risk Assessment pilot represent 21% of overall suppliers by spend that deliver to EY Switzerland. High risk and high spend suppliers e.g., technology suppliers are managed by the Global Supply Chain Services team and are not listed as EY Switzerland suppliers albeit delivering goods and services also to EY Switzerland.

We invited the identified high-risk suppliers to take part and complete a series of questions on their ESG policies, processes and practices on the following key topics:

- ▶ ESG governance
- ▶ Greenhouse gas emissions
- ▶ Resource use and management
- ▶ Human rights and modern slavery (incl. child labor)
- ▶ Harassment and discrimination
- ▶ Diversity, equity and inclusiveness
- ▶ Vendor due diligence

The assessment was carried out using a proprietary tool for analyzing supplier metrics that gives us further insight into our supplier base. The suppliers completed the survey and follow-up calls took place with some of them to clarify their responses, understand any gaps in submissions and talk about improvement areas and best practices. Based on the submissions, 33.4% of suppliers (to EY Switzerland) scored green and 66.6% amber. None of the suppliers has been escalated to further action.

In FY23, we have worked with the suppliers involved in the pilot to communicate feedback about their scores and areas requiring improvement and monitored their progress. Of the suppliers involved in the ESG Assessment Pilot, 80% received feedback on areas that required improvement and we have integrated the specific requirements into our contract management tool to ensure that these are picked up with suppliers during their quarterly business review meetings to monitor progress and verify that suppliers are acting on feedback given. We will also seek to collaborate with them to monitor their progress again within 12 months and to share best-practice learned from the process among other suppliers in our supply chain. No instances of modern slavery or child labor were detected during the pilot.

Country- and Industry-based ESG Risk Assessment

Our Climate Change and Sustainability Services team developed a data-driven tool to provide an indicated risk rating (from low to high) across elements of modern slavery for sub-categories of our supply chain. Using the "EY ESG Risk Tool" we identified suitable sub-categories and suppliers to invite to complete our ESG assessment pilot, based on indicated risk levels (as well as spend considerations) in FY22. Back then 1,450 suppliers to EY Switzerland were included in the assessment, which resulted in low risk among all suppliers in terms of governance (bribery and corruption, rule of law and armed conflict), medium risk among all suppliers in terms of environment, and low risks in term of social (labor rights, safe and hygienic workplace conditions, discriminate, harsh or inhumane treatment, indigenous and tribal people rights, community rights) and medium risk in terms of modern slavery. The next assessment will be conducted in FY24.

Promoting sustainability and inclusiveness within EY's Supply Chain Services team

Besides assessing suppliers' ESG performance, the Environmental Social Governance Services team also acts as a key enabler of ways to improve their ESG and diversity performance through the following networks:

- ▶ The **ESG Network** aims to drive a mindset of sustainability through communication of best practices and learnings to our suppliers. It works to identify ways to improve and build on initiatives; to strengthen processes and tools to better embed inclusiveness and sustainability; to share targets and results; and to serve as a liaison point for Supply Chain Services on ESG-related topics.
- ▶ The **Inclusiveness in Supply Chain Services Network** aims to drive a mindset of inclusivity and has four action streams to bring this to life. The action streams cover communication and culture, diverse representation in Supply Chain Services, supplier diversity and learning and development initiatives.

■ Supplier diversity and inclusiveness

At EY, we seek to actively identify, develop and do business with diverse suppliers as an integral component of our procurement activities. To promote supplier diversity and inclusiveness in our supply chain, EY sourcing managers are encouraged to engage with suppliers that are of small and medium scale; certified as at least 51% owned, operated and controlled by one or more minority: woman, LGBTQ+ or person with a disability; or a historically underutilized business defined by the local country. Our ESGs team undertakes multiple capacity-building initiatives like mentoring, education and networking programs for such suppliers.

■ Supporting value chain partners in optimizing their environmental footprint

Besides reducing our carbon footprint, we also aim to support our value chain partners in implementing environmental changes. Engaging with them helps us to better align our environmental decisions with their needs

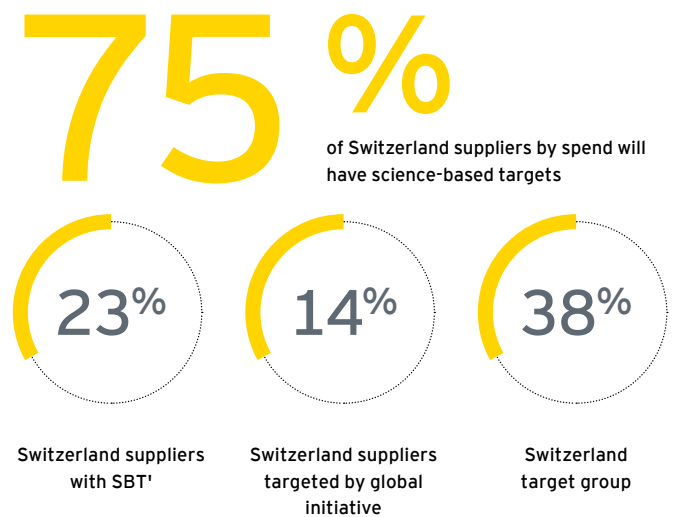
and expectations and in turn, drive overall long-term sustainability. We make a conscious effort to ensure that our value chain partners play a substantial role in our sustainability journey.

Our global commitment is to engage with our suppliers and hold them accountable to the environmental standards that our organization adheres to. Continued efforts are made to promote the highest environmental and ethical standards within our supply chain.

Going forward, our aim is to get 75% of our suppliers (calculated by spend) to set science-based carbon-reduction targets by FY25. We aim to achieve this by identifying the large (by spend) suppliers based out of Switzerland and tracking development of their target. As of FY23, 23% of suppliers by spend to EY Switzerland have a SBTi commitment. We will collaborate with relevant suppliers to help them on their journeys to SBTi accreditation and decarbonization of the products and services we procure from them. By working with suppliers and encouraging them to work with us, we will further multiply the impact of EY’s Carbon Ambition.



Figure 19



Additionally, the EY@Work sustainability checklist defines the sustainability criteria for real estate procurement services. Adhering to this checklist while selecting suppliers helps to adopt green building principles and track those buildings that have LEED, BREEAM, Energy Star or Minergie® certification.

Human rights

Upholding human rights is fundamental to our purpose of building a better working world. **EY's Global Human Rights Statement** reflects the EY Global Code of Conduct and the United Nations Guiding Principles on Business and Human Rights. The statement addresses the rights of our people along our value chain, including those related to health and safety, labor rights and diversity, equity and inclusiveness. The Chief Talent Officer, General Counsel and the Head of Talent are responsible for the seamless implementation of the statement across EY Switzerland.

Following the first EY Global Human Rights statement in 2021, teams were engaged across the EY organization to identify initiatives across EY people, clients, suppliers and communities that would reinforce the EY commitment to respect and uphold human rights. Over the course of the last year, the EY organization has:

- ▶ Launched a training for all EY people to promote further understanding of human rights in the context of business.
- ▶ Conducted listening sessions with EY people to understand key topics and pressing questions, and to inform a toolkit for EY people to better understand and act on Human Rights considerations.
- ▶ Refreshed the Human Rights toolkit following recommendations collected from EY people during listening sessions.

EY's responsibility to respect human rights extends beyond the direct operations of EY member firms into their supply chains, where we seek to influence the broad adoption of labor rights and maintain an active view of the human rights performance of direct and indirect suppliers.

Just as the EY Global Code of Conduct sets out the standards of ethical behavior expected of every EY person, the EY Supplier Code of Conduct does the same for EY suppliers. The EY Supplier Code of Conduct outlines expectations around issues including sustainability, human rights, modern slavery and child labor, and suppliers are asked to verify their adherence and standards at the RFI/RFP stage (and reaffirm it at the time of contract execution). At the RFI/RFP stage, responses to environmental and social sustainability questions are scored and weighted, and influence the supplier selection.

In addition, the EY Supplier Portal provides EY procurement professionals with visibility of the capabilities of current and potential suppliers. Suppliers meeting certain spend thresholds complete a self-assessment questionnaire so decision-makers can better understand the suppliers' social and environmental policies, practices and certifications. Questions cover topics such as modern slavery, ISO 14001 certifications and how they monitor standards in their own supply chain.

In FY24, we will continue to focus on operationalizing the statement including:

- ▶ Revisiting our human rights statement to ensure it remains relevant
- ▶ Engaging with the relevant business functions and working groups to address potential human rights risks
- ▶ Re-evaluate our supplier due diligence process and applicable scope
- ▶ Encouraging the uptake of recently launched training for all EY people

■ Our employment practices

Our employment policies ensure zero tolerance of child labor and forced labor. We verify all applications before proceeding to interviews.

■ Diversity, equity and inclusiveness (DE&I)

For more details on our efforts to foster DE&I in the workplace, including our DE&I governance, see section: **[A more diverse, equitable and inclusive workplace, page 74.](#)**

■ Freedom of expression

We provide numerous opportunities for our people to address their concerns with management through various listening tools such as the EY People Pulse survey. For more details, see section: **[Listening to EY people, page 73.](#)**

■ Supplier human rights assessment

At EY, our responsibility to respect human rights extends beyond the direct operations of EY member firms and into their supply chains, where we seek to influence the broad adoption of labor rights and maintain an active view of the human rights performance of direct and indirect suppliers.

Just as the EY Global Code of Conduct sets out the standards of ethical behavior expected of every EY person, the EY Supplier Code of Conduct does the same for EY suppliers. The EY Supplier Code of Conduct outlines expectations around issues including:

- ▶ Elimination of forced labor
- ▶ Elimination of child labor
- ▶ Provision of minimum wages to workforce with transparency on dedications
- ▶ Stipulated working hours, including reasonable breaks and overtime provisions that are voluntary and compensated
- ▶ Non-discrimination
- ▶ Provision of healthy, safe and hygienic working conditions

We have also established two working groups on human rights and modern slavery to build on our response to these topics. One of these has global representation from various parts of the business (including Global Corporate Responsibility, Climate Change and Sustainability Services and Supply Chain Services), and the other has representation across EMEIA. We collaborate to strengthen our anti-modern slavery response.

The EY Climate Change and Sustainability Services team provides training to the Supply Chain Services team on human rights and modern slavery as part of “ESG Week” on an annual basis. ESG Week is open to all Supply Chain Services staff and covers relevant human rights and modern slavery legislation, terminology and what sourcing managers need to consider in the procurement process. All of our colleagues in the Global Supply Chain Services team in charge of sourcing for Switzerland were invited to the training the training in FY23.

The Swiss Government promotes responsible business conduct as part of the National Action Plan (NAP) for Business and Human Rights. The Federal Council expects companies to assume their responsibility to respect human rights. Due to the latest legislation outlined in Art. 964j-I of the Swiss Code of Obligations, Swiss businesses are asked to comply with the Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor in their value chain.

Based on available policies and feedback mechanisms, we identify actual and potential human rights risk of our suppliers. Our grievance mechanism provides our suppliers, workers of suppliers and clients with the EY Ethics Hotline, where any concerns about unethical behavior or practices can be raised anonymously (find further information in the section: **business ethics, page 41**). To date, we have identified no human rights risks among our strategic suppliers managed by the Supply Chain Services team. When considering the whole supplier base to EY Switzerland, there might be risks of child labor in our supply chain. Therefore, we have reviewed the FY23 Swiss inventory of the 1,132 tier 1 suppliers applying a risk-based approach focusing on potential risks in the first phase of a risk assessment. We have mapped EY procurement categories by spend based on the **UN Global Compact Industry-specific Risk Factors** related to higher child labor risk. Six higher risk procurement categories have been identified and include: Promotional items (i.e., merchandise), hardware, hotels, meals and entertainment, food services (i.e, catering) and office supplies and equipment. The categorization has been conducted considering the known higher risk of children's human rights violations due to the industry they were mapped to. The first phase of this abstract analysis concludes that we have to conduct further analysis focusing on actual impacts in our value chain in order to be able to judge whether there is a reasonable suspicion of child labor in our value chain. This analysis lays the foundation for a further deep-dive into the high risk procurement categories, along with that the identification of high risk suppliers with regards to child labor issues and the definition of measures and engagement with those suppliers.

In our value chain we make use of a considerable amount of hardware such as laptops, monitors, cell phones and printers. However, due to the nature of our business, we do not directly import or process any minerals listed in Appendix 1 of the Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labor. Nonetheless, we will define further measures in our supplier due diligence procedures in a second phase and will report on these in next year's report.

EY pensions

Occupational pensions, consisting of age, death and disability coverage, are an important part of the benefits we provide to our employees. The employees of EY are members of the Pension Fund Ernst & Young (PFEY). It is a separate legal entity operating an occupational pension scheme in line with statutory provisions. Its Board of Trustees consists of 50% representatives of the employees (other than equity partners) and 50% representatives of the equity partners. PFEY operates as a semi-autonomous pension institution. It covers the risk of longevity, death and disablement up to a defined level, and the risk with respect to investments. Excess risks are covered with insurance protection by an insurance company. PFEY reports to its ensured members with an annual report and the audited financial statements. There is no additional pension foundation for equity partners.

For employees other than equity partners, EY contributes between 50% and 69% (total overall 61%) of the contribution payments which range from 8.5% to 19% of the insured salary, depending on the selected plan and on the age group. Ensured members have the option of a one-time capital payment of the accumulated savings capital at retirement age instead of monthly old-age pension payments.

The pension fund investments are important to our insured employees and equity partners. Total investments amount to approximately CHF 1 billion. The investment regulations of PFEY include application of sustainability and ethics criteria when considering an investment. PFEY was rated "A" according to the MSCI ESG rating designed to measure a company's resilience to material, long-term environmental, social, and governance (ESG). The scale range is "AAA" to "CCC" ("AAA" being the highest and "CCC" the lowest) based on ESG available data for 92% of the pension funds' investments (as of 30 June 2023). PFEY is significantly restricted with respect to selecting investments due to the independence requirements imposed by our external regulations. As such, most investments are indirect investments into funds whereby the fund managers exercise the voting rights. The investment managers, who are members of various associations, related to sustainability and the transition to a low-carbon economy aim to consider ESG factors in the investment process.

Starting in 2024, PFEY will report to its ensured members regarding the sustainability of its investments in accordance with the ASIP ESG reporting standard for pension funds.



Increasing our social impact

The economic and social impacts of businesses play an increasingly important role today. It is no longer just our organization's own growth that matters but also the value that is generated for society and the communities we operate in. With this in mind, EY engages in various projects and partnerships.

EY Ripples – positively impacting 1 billion lives

EY Ripples is our global corporate volunteering program. Launched in 2019, it enables our people to use their skills, knowledge and experience to positively impact the lives of millions of individuals. It unites our regional Corporate Responsibility programs as well as collaborations with clients, NPOs and NGOs, impact networks and many others under one bold vision for 2030.

The EY Ripples vision is to globally positively impact the lives of 1 billion people and the communities where they live and work by 2030. In FY23, more than 134,000 EY people across the globe devoted their time and skills on EY Ripples projects, positively impacting 46 million lives. Since EY Ripples launched in 2018, we have positively impacted more than 127 million lives. Our Swiss ambition is to impact 300,000 lives positively per year by 2025. In FY23, we already surpassed this goal with 319,785 lives positively impacted. We have positively impacted 1,873,428 lives (cumulatively) since FY19.

Along with enabling our people to transform the lives of others, EY Ripples can also enrich the experiences of our people and teams in many ways. It provides them with new learning and opportunities to build their leadership skills. It also helps them develop new perspectives on personal impact, broadens their horizon, builds their personal brand and gives them a sense of pride in helping to build a better working world.

The program offers our people various skill-based volunteering opportunities to make a difference and contribute to the EY Ripples vision. These opportunities are aligned with the three focus areas of the program, which in turn are based on EY people's knowledge, skills and experience.

Supporting the next generation

Our people mentor and coach the next generation workforce either in person or virtually to develop the mindset and the transferable skills they will need to find and sustain meaningful work in the future. For this, our people volunteer to spend a few hours during the week, a whole day or even up to 12 weeks on full-time projects abroad. The next generation workforce includes students searching for jobs, young people and underserved groups looking to enter or re-enter the labor market.

Some of the key initiatives we have undertaken to support the next generation workforce through EY Ripples include:

- ▶ The "Girls in ICT" robot programming and EY STEM app workshop is one of our core initiatives and we have been running it for many years now. In FY23, we held workshops at three different schools and at the Zurich office during the EY Kids Day which saw 51 EY people volunteer to teach 215 pupils from Swiss public schools. The workshop aims to spark the interest of young girls in science, technology, engineering, and mathematics (STEM) topics and encourage them to consider a potential future career in STEM. The pupils learn more about coding and programming by using an educational robot.



- ▶ EY volunteers held a workshop with job coaches from social integration services to provide insights on the recruiting process for highly qualified job seekers. The volunteers shared their views on CV presentation, motivation letters and other topics. The EY volunteers provided general and individual advice on case studies.

Each of the job coaches accompanies up to 20 job seekers per year, with the aim to help them find a job where they can thrive.

- ▶ In partnership with a youth association, more than 10 EY employees volunteered to support young students on their way to an apprenticeship. EY volunteers supported the students with their application materials, increasing their chances of finding a suitable apprenticeship.
- ▶ EY's International Development Hub (ID Hub) in Geneva partnered with the Geneva Innovation Movement (GIM) to empower international organizations in leveraging innovation and collaboration as a force for positive change. EY colleagues supported through conceptualization and planning as well as keynote presentations during the seven-week Innovation Movement Training by GIM. This program equipped senior leaders with the skills to engage in innovative work and critically assess the potential value and challenges within innovation-driven UN agencies. It also aimed to create a network of collaborators within the UN to promote an innovative environment. We further co-hosted and facilitated the closing event in Geneva that brought together 60 innovation champions from various UN agencies, NGOs, and the private sector. The goal was to explore and co-create new models and scalable platforms to harness cross-sector collective intelligence, driving progress towards the Sustainable Development Goals (SDGs) by 2030.

■ Working with impact entrepreneurs

Our people use their business skills, knowledge and experience to support impact entrepreneurs who drive progress toward the UN SDGs, tackle inequality and empower people to change their lives. We support the impact entrepreneurs in solving global issues through innovation in helping them to scale their small and growing businesses.

One of our focused collaborations is with Impact Hub. We supported their Circular Economy Incubator which ran from January 2023 until May 2023. The program provides coaches for the startup companies enrolled in the program. EY volunteers coached four out of 33 startups on various business challenges.

This program benefited both the startups and EY coaches, fostering skills development and expanding knowledge of sustainability and circularity.

The Farm to Fork initiative is aimed at empowering new innovators and pioneering fresh solutions to enhance food security. Four of our dedicated employees volunteered to mentor startups participating in the Junior Achievement (JA) Europe Foodathon. JA is a youth-focused NGO, which delivers learning in entrepreneurship, work readiness and financial health. They are also building young people's entrepreneurial skills to transform the future of the food industry. During the Foodathon solutions for various significant challenges in the agri-food sector were developed. Our EY volunteers provided detailed feedback to 222 startups, helping them in realizing their visions and finding new solutions for the important issue of food security.

■ Accelerating environmental sustainability

Environmental sustainability is already an integral part of how we work with the next generation and positively impact entrepreneurs – for example, by teaching environmental literacy skills or helping scale impact enterprises that provide affordable access to solar energy. In addition to this and in recognition of the interconnection between climate change and inequality, we are developing new initiatives dedicated to accelerating the adoption of behaviors, technologies and business models that protect and regenerate the environment.

Some of the key initiatives we have undertaken to accelerate environmental sustainability through EY Ripples include:

Biodiversity and ecosystem services (BES) play a foundational role for the resilience of our societies, economies and quality of life. Despite scientists warning about rapid BES loss due to consumption and growth, the lack of accepted data and scenarios hinders mitigation efforts, jeopardizing resilience. To advance global research on BES, the Swiss Re Foundation, AXA Research Fund and WWF as enabling partners launched the BES Scenarios Modelling Initiative together with EY. This project aims to present interim results at key global conventions, such as the 2024 World Biodiversity Forum and 2025 World Economic Forum in Davos. It will also produce at least one

scientific paper/book on BES loss scenarios, as well as a data platform on BES scenarios hosted by Swiss Re. For more information please visit the [website](#).

EY initiated a campaign focused on increasing awareness of climate change, particularly its consequences for our oceans. The campaign lasts six months and was launched on World Oceans Day (8 June). The aim is to raise awareness of how the effects of climate change and human activities are negatively impacting the health of our oceans; this, in turn, should inspire positive change. EY people were invited to participate in series of events and activities to foster their knowledge about this urgent topic. The campaign also included the EY for Oceans



Changers Challenge, which raised awareness around individual carbon footprints. Over 260 EY colleagues across Switzerland used the Changers app to track their footprint and contribute to a marine diversity project aiming at reef reforestation.

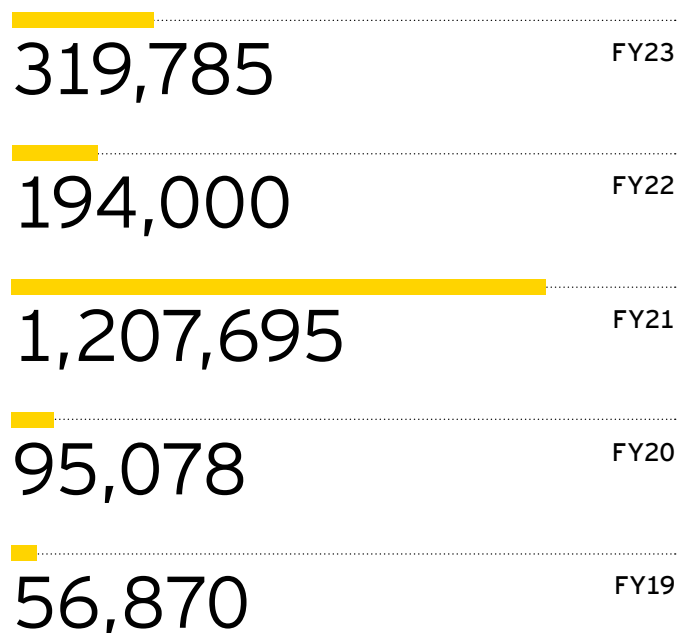
Measuring and reporting our progress toward the EY Ripples vision 2030

The EY Ripples portal serves to qualify social impact projects in adherence to the globally set criteria. It also makes the projects visible to our people and helps identify the right people with the right skills to engage in projects across Switzerland.

In FY23, 891 EY people have impacted over 319,000 lives, positively exceeding our set targets of 677 participants and 288,000 lives impacted. For the global EY performance, please refer to the [EY Global Value Realized Report 2023](#).

Figure 20

Lives impacted



Lives impacted methodology

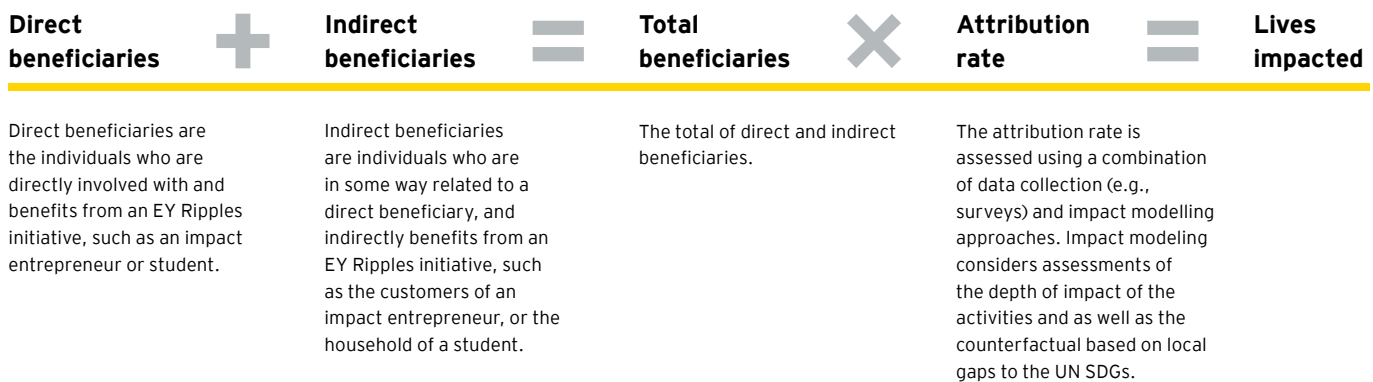
“Lives impacted” figures encompass the evaluation of both direct and indirect beneficiaries of EY Ripples initiatives – for example, both the leaders of impact enterprises and the customer base they serve – and are weighted according to the depth and breadth of impact that can be attributed to EY support. The impact of each initiative is also mapped to the most relevant SDG, based on ultimate impact. The total number of direct and indirect beneficiaries reached through the EY Ripples program is discounted for attribution. Our approach to attribution aligns with leading practice from the development space and Embankment Project for Inclusive Capitalism, Long-Term Value and Climate Change and Sustainability

Services principles to enable systematic, scalable and assurable processes. It enables EY to convey the breadth and depth of impact EY Ripples is having. The counterfactual is derived from the related SDG gap in the beneficiary country. To enable scale, lives impacted measurement and reporting has been built into an integrated global technology solution, leveraging Microsoft Azure and Power BI. This approach enables EY to quantify both the breadth and depth of the impact EY Ripples is making and communicate the type of impact through the UN SDGs.

The KPI “lives impacted” is also one of the measures to create long-term social value as part of our NextWave ambition and can be selected on the NextWave scorecard for our leaders’ goal setting.

Figure 21

Lives impacted methodology

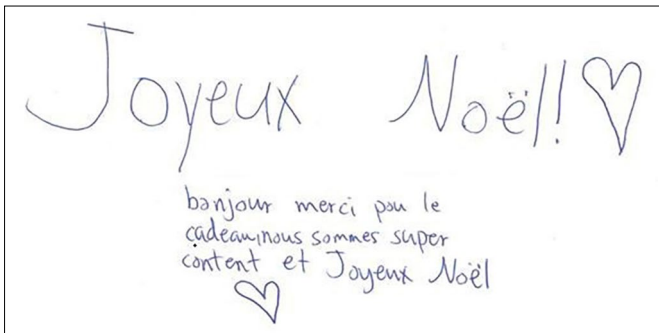


EY Cares

EY Cares is the collection of all regional initiatives in Switzerland organized by EY people to connect to their communities. If our people are looking for a short-term, hands-on volunteering option for themselves or their team, EY Cares is the place to make their contribution. In FY23, we organized a total of 15 EY Cares projects with the support of 253 EY volunteers.

Some of the key initiatives we have undertaken through EY Cares include:

- ▶ **Year-end gifts for children in need:** In December 2022, EY employees generously donated gifts and monetary amounts for the year-end season to support children in need. The funds were directed to two humanitarian organizations operating in Switzerland. The children sponsored have migrant backgrounds and/or have grown up in poor conditions and their families cannot afford to buy them presents. With the commitment of EY volunteers, we were able to provide Christmas gifts to more than 100 children.



- ▶ **Viva con Agua:** In collaboration with Viva con Agua, 15 EY employees volunteered to collect reusable dishes and cups with deposits, contributing to water, sanitation and hygiene (WASH) projects at the Zurich Food Festival. Viva con Agua's vision is "Water for all – all for water" with the aim of providing clean water and a sustainable future for all. EY's partnership with Viva con Agua supports this vision by collecting deposits from festivals, the proceeds of which go toward funding two WASH projects in South Africa.

- ▶ **Blood donations:** EY, in collaboration the Baloise Park neighbors, organized two blood drives in Basel. The blood donation bus was fully booked and the beneficiary was satisfied with the outcome and the quantity of blood donations.

Corporate Responsibility (CR) Ambassador Network

In FY23, we established a national CR Ambassador network with 20 representatives across all Swiss offices to democratize our approach around corporate responsibility and volunteering. The primary objective of this network includes enhancing communication, promoting office-based CR activities, mobilizing EY volunteers, and amplifying the social impact through employee-led initiatives. Since the inception of the network in March 2023, our ambassadors initiated six hands-on volunteering or office operations improvement projects, including protecting 400 trees in the Entlebuch National Park.



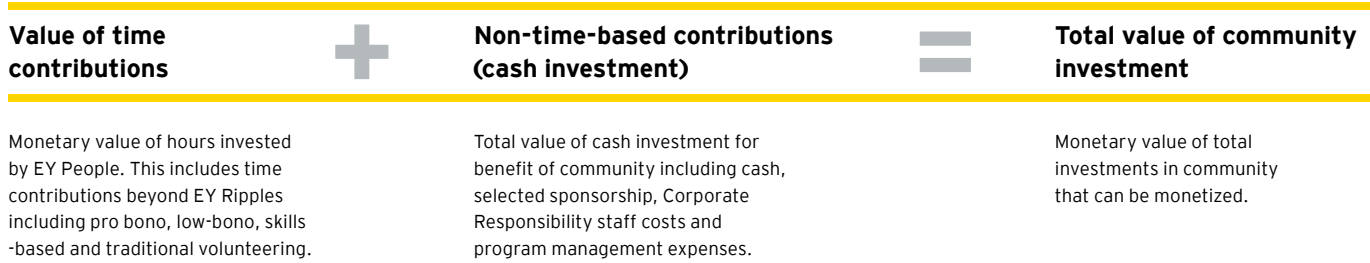
Our total community investments

In FY23, EY Switzerland generated revenues of CHF 688.4 million, a significant portion of which is used for employee wages and benefits and compensation to the owners.

We give back to our communities in different forms such as cash, in-kind and time donations. Our total community investment comprises:

Figure 22

Community investment calculation



We provide various pro or low bono projects across consulting or audit services to impact entrepreneurs or not-for-profit organizations. Since FY19, we have contributed a total of CHF 5.8m to the above-mentioned community investment areas. Of that, 29% (CHF 1.7 m) was invested in FY23.

We have implemented Enablon software to record our community investments and report a global view in our annual **EY Global Value Realized Report**.

Another way we invest in our society is by advising governments on building more sustainable and inclusive economies. We help businesses innovate with purpose and as a founding member of The Embankment Project for Inclusive Capitalism, we have co-authored the new corporate reporting framework to streamline the **measurement of stakeholder capitalism** together with other WEF-IBC members. The Taskforce on Climate-Related Financial Disclosures (TCFD) is also the model for the Taskforce on Nature-related Financial Disclosures

(TNFD). COP 15, the United Nations Conference on Biodiversity, underscored that we will not be successful in tackling climate change and realizing a just transition without also addressing biodiversity loss and damage to our natural systems. This, too, is a complex challenge that will require new public- and private-sector commitments, new forms of collaboration and timely action. EY is proud to be participating in the establishment of the TNFD and actively contributing to the development of its nature-based disclosures framework.







6

ABOUT US
 MATERIALITY
 CLIENTS
 PEOPLE
 SOCIETY
GRI INDEX
 FACTS & FIGURES
 APPENDIX

“

Standards help us measure and report our progress accurately and consistently, providing a clear snapshot of our sustainability efforts to all our stakeholders

GRI Index

Statement of Use	Ernst & Young AG has reported the information cited in this GRI content index for the period 01.07.2022-30.06.2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standards	Currently not available

GRI 2: General Disclosures 2021

1/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping	
The organization and its reporting practices						
GRI 2: General Disclosures 2021	2-1	Organizational Details	About us	<u>14</u>		
	2-2	Entities included in the organization's sustainability reporting	About us	<u>14</u>	In Switzerland, Ernst & Young Ltd is a corporation incorporated in Basel and a member firm of EY Global. EY Switzerland also includes Ernst & Young AG, Vaduz, an EY Global member firm in Liechtenstein. Ernst & Young AG, Vaduz, is a wholly owned subsidiary of Ernst & Young Ltd, Basel and reference made in this report to EY Switzerland includes its subsidiary in Liechtenstein.	
	2-3	Reporting period, frequency and contact point	About this report	<u>30</u>		
	2-4	Restatements of information	EY facts and figures: environmental data	<u>138</u>	GHG emissions for FY19-FY22 have been slightly adjusted due actual consumption data received, source changes, and replacement of emission factors in the prior year report. Details can be found in the data tables, page 138 .	
	2-5	External Assurance	About this report Audit report	<u>30</u> <u>162</u>		
	Activities and workers					
	2-6	Activities, value chain, and other business relationships	About us Helping clients accelerate their sustainability transformation journey	<u>16</u> <u>51</u>	No significant changes to the organization's size, structure, ownership, or supply chain have been made.	
	2-7	Employees	EY facts and figures: People value	<u>129</u>	A significant proportion of our activities are performed by our own employees. No significant variations in the number of employees by contract type, by gender and by region have been observed. We do not break down contract types by regions since we operate only in Switzerland and Vaduz.	8, 10
2-8	Workers who are not employees	EY facts and figures: People value	<u>129</u>	A significant proportion of our activities are performed by our own employees. No significant variations in the number of employees by contract type, by gender and by region have been observed.	8, 10	

GRI 2: General Disclosures

2/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping	
Governance						
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	About us: Our governance	<u>22</u>		
	2-10	Nominating and selecting the highest governance body	About us: Our governance	<u>23</u>		5,16
	2-11	Chair of the highest governance body	About us: Our governance	<u>23</u>	The Chairman is not a member of the Management Committee but a partner within EY. None of the members of the Board of Directors (BoD) are allowed to be members of the Management Committee.	16
	2-12	Role of the highest governance body in overseeing the management of impacts	About us: Our governance	<u>24</u>		
	2-13	Delegation of responsibility for managing impacts	About us: Our governance	<u>24</u>		
	2-14	Role of the highest governance body in sustainability reporting	About us: Our governance	<u>27</u>		
	2-15	Conflicts of interest			Members of the Board of Directors (BoD) of Chatmust Ltd cannot at the same time be members of the Swiss Management Committee of our operating entities. BoD members need to hold senior partner positions within EY. Each member undergoes a thorough independence check under the application of the directorship policy and has to disclose all other (board) memberships they might hold in conflict/direct connection with our business.	
	2-16	Communication of critical concerns	Stakeholder engagement Listening to EY people Ethics hotline	<u>34</u> <u>73</u> <u>42</u>	To communicate critical concerns to the highest governance body a general counsel reporting is in place. All material cases are brought forward to the board either in quarterly updates or ad-hoc if needed.	
	2-17	Collective knowledge of the highest governance body	Risk management: Education and training Lifelong learning	<u>48</u> <u>64</u>	BoD members like all other partners and directors are subject to regular technical and non-technical training including ESG-related matters, at least once year.	
	2-18	Evaluation of the performance of the highest governance body	About us: Our governance	<u>25</u>	The BoD reports regularly to Ernst & Young Europe SRL, Belgium and once per year at the annual Swiss Partner Pool meeting. The performance evaluation and final remuneration is reviewed and approved outside of Switzerland.	
	2-19	Remuneration policies	About us: Our governance	<u>25</u>		
2-20	Process to determine remuneration	About us: Our governance	<u>25</u>		16	
2-21	Annual total compensation ratio			As EY Switzerland is a privately held company, no information on compensation is disclosed.		

GRI 2: General Disclosures

3/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping	
Strategy, policies and practices						
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	A note from the leadership	<u>8</u>		
			Our commitment to sustainable development	<u>20</u>		
	2-23	Policy commitments	Our commitment to sustainable development	<u>20</u>	<p>EY has various responsible business policies in place such as the:</p> <ul style="list-style-type: none"> ▶ EY Code of Conduct, ▶ EY Supplier Code of Conduct, ▶ EY Procurement Policy, ▶ EY Environmental Statement, ▶ EY Human Rights Statement, ▶ EY Diversity, Equity and Inclusiveness Statement, ▶ EMEIA Dignity at Work Guidelines (internal) <p>Human rights are explicitly and/or implicitly mentioned in all of the above policies.</p> <p>The EY Human Rights Statement refers to the United Nations Guiding Principles on Business and Human Rights. The statement addresses the rights of our people along our value chain, including those related to health and safety, labor rights and diversity, equity and inclusiveness.</p>	
			Risk management	<u>43</u>		
			Minimizing our environmental impact	<u>87</u>		
			Supply chain management	<u>98</u>		
			Human rights	<u>102</u>		
	2-24	Embedding policy commitments	Our commitment to sustainable development	<u>20</u>		
Risk management			<u>43</u>			
Minimizing our environmental impact			<u>87</u>			
Supply chain management			<u>98</u>			
Human rights			<u>102</u>			
2-25	Processes to remediate negative impacts	Business ethics	<u>42</u>			
		Human rights	<u>102</u>			
2-26	Mechanisms for seeking advice and raising concerns	Business ethics	<u>42</u>			
2-27	Compliance with laws and regulations			No fines and no non-monetary sanctions were imposed for non-compliance with environmental laws, social and economic areas and/or regulations as of 30 June 2023.		

GRI 2: General Disclosures

4/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
	2-28 Membership associations			EY is a member of various industry, educational, and advocacy associations in Switzerland. These memberships include but are not limited to: Advance Gender Equality in Swiss Business, ExpertSuisse, Avenir Suisse, British-Swiss Chamber of Commerce, CFO Forum, Commodity Trading Associations, Entwicklung Schweiz, Ethics and Compliance Switzerland (ECS), ExpertSuisse, Global Bridges, Handelskammer Deutschland-Schweiz, Handelskammer Schweiz-Österreich-Liechtenstein, IGKG Bern, Industrie 2025, Institut für Finanzwissenschaft, Finanzrecht und Law and Economics (IFF-HSG), Interessengemeinschaft Kaufmännische Grundbildung, International Fiscal Association (IFA) Schweiz, Internationaler Controller-Verein, Perikom – Fachverein für Personalmanagement und Interne Kommunikation, Professional CFO Institute, Schweizerische Bankiervereinigung, Schweizerische Vereinigung Diplomierter Steuerexperten, Schweizerischer Energiera, RICS, SVIR – Institute of Internal Auditing Switzerland (IIAS), Schweizerisches Institut für Auslandforschung, Swiss – Indian Chamber of Commerce (SICC), Swiss Circle, Swiss Financial Experts Association, Swiss Private Equity & Corporate Finance, Swiss-American Chamber of Commerce, Swiss-Chinese Chamber of Commerce Association (SECA), Swiss-Japanese Chamber of Commerce, The Swiss Arbitration Association (ASA), Verband Schweizerischer Elektrizitätsunternehmen, Verein Berufsbildungsfonds OKGT, Verein Postmaturitäre Wirtschaftsausbildung, WIF (Wirtschaftsforum für Frauen).	
	Stakeholder engagement				
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Materiality: Understanding what matters to EY stakeholders	34		
	2-30 Collective bargaining agreements			There are no collective bargaining agreements in place for our industry. All EY employees are subject to the same terms and conditions according to their rank and adhering to the EY Switzerland employment regulations. There are at no time any restrictions of collective bargaining.	

GRI 3: Material Topics 2021

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality: Understanding what matters to EY stakeholders	34		
	3-2 List of material topics	Materiality: Understanding what matters to EY stakeholders Appendix: Material topics	34 150	The materiality matrix has been updated. It is now an adaptation of the materiality analysis conducted by EY Global. There are no significant changes to be reported on. Please refer to the Appendix on Material topics for further details, page 150 .	

Economic

1/2

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Economic performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	A note from the leadership	<u>8</u>		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	EY facts and figures: Financial value	<u>141</u>	The economic value generated and distributed from operations by our subsidiary in Liechtenstein is insignificant in value and hence has been included in the amount by EY Switzerland.	8
	201-2 Financial implications and other risks and opportunities due to climate change	Materiality: Risks and opportunities	<u>33</u>	We are currently unable to quantify financial implications. They are described qualitatively. Further analysis of potential financial implications can be found in the EY Global TCFD Report 2022 .	
Market presence					
GRI 3: Material Topics 2021	3-3 Management of material topics	A note from the leadership	<u>8</u>		
GRI 201: Economic Performance 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage			We pay all our staff (regardless of gender) above the statutory minimum wage, if one is defined by the relevant cantons (i.e., Geneva, Basel-Stadt and Ticino). Our remuneration policies are governed by the employment regulations.	
	202-2 Proportion of senior management hired from the local community			We only operate in and hire in Switzerland.	
Indirect economic impacts					
GRI 3: Management Approach 2021	3-3 Management of material topics	Creating long-term value for our society: Community investment	<u>110</u>		
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect impacts	EY facts and figures: Societal value	<u>137</u>	We do not measure the significance of the indirect economic impacts in the context of external benchmarks and stakeholder priorities, such as national and international standards, protocols and policy agenda.	1, 3, 8
Procurement practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>98</u>		
		Human rights	<u>102</u>		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply chain management	<u>98</u>		8

Economic

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping	
Anti-corruption						
GRI 3: Material Topics 2021	3-3	Management of material topics	Business ethics	41		
			Risk management	43		
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Risk management	45	Corruption and bribery risks are part of the risk register which is annually assessed and reported by the Chief Risk Officer to the Swiss Management Committee and Board of Directors, covering 100% of operational sites in Switzerland and Liechtenstein.	16
	205-2	Communication and training about anti-corruption policies and procedures	Risk management	48	The percentage of employees in the respective business ethics topics are not disclosed by region or gender, as these trainings are assigned as mandatory per rank, and/or service line affiliation of our employees.	16
	205-3	Confirmed incidents of corruption and actions taken	Risk management	45	As of 30 June 2023, we confirm that EY Switzerland has not identified any incidents of corruption.	16
Anti-competitive behavior						
GRI 3: Material Topics 2021	3-3	Management of material topics	Business ethics	41		
			Risk management	46		
GRI 206: Anti-Competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Risk management	46	There are no pending or completed court actions or out-of-court-proceedings, monetary fines or penalties for non-compliance with laws or regulations, nor were there any anti-competitive conduct or breaches of anti-trust laws issued against EY Switzerland as of 30 June 2023.	16



Environment

1/2

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	Minimizing our environmental footprint	95		
GRI 301: Materials 2016	301-2 Recycled input materials used	Minimizing our environmental footprint EY facts and figures: Environmental value	95 140		8, 12
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Minimizing our environmental footprint	87		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Minimizing our environmental footprint EY facts and figures: Environmental value	91 139	Standards, methodologies, and assumptions applied for the calculation of energy consumption are provided on page 156 .	7, 8, 12, 13
	302-3 Energy intensity	Minimizing our environmental footprint EY facts and figures: Environmental value	91 139		7, 8, 12, 13
	302-4 Reduction of energy consumption	Minimizing our environmental footprint EY facts and figures: Environmental value	91 140	Standards, methodologies, and assumptions applied for the calculation of energy consumption are provided on page 156 .	7, 8, 12, 13
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	Minimizing our environmental footprint	88		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	EY facts and figures: Environmental value	138	EY has worked with the Science-Based Targets (SBTi) initiative to develop and validate a science-based target to reduce the total emissions by 40% across the entire organization by 2025 against the base year FY19. There have been no significant changes in the emissions that triggered recalculation of the base year emissions. Minor changes/restatements of emissions are explained on page 138 .	
	305-2 Energy indirect (Scope 2) GHG emissions	EY facts and figures: Environmental value	138		
	305-3 Other indirect (Scope 3) GHG emissions	EY facts and figures: Environmental value	138		
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Minimizing our environmental footprint	95		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Minimizing our environmental footprint EY facts and figures: Environmental value	95 140		
	306-2 Management of significant waste-related impacts	Minimizing our environmental footprint EY facts and figures: Environmental value	95 140	We track and collect waste-related data on a Swiss level. Where waste categories cannot be tracked on Swiss level, Zurich office data is extrapolated.	

Environment

2/2

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Supplier environmental assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>98</u>		
GRI 308: Supplier Environmental Assessment 2016	308-1 Percentage of new suppliers that were screened using environmental criteria.	Supply chain management	<u>100</u>	As of FY23, 23% of suppliers by spend to EY Switzerland have a SBTi commitment.	
	308-2 Negative environmental impacts in the supply chain and actions taken	Supply chain management	<u>100</u>	To date, our supply chain due diligence process has identified no significant actual and potential negative environmental impacts among strategic suppliers (for contracts over CHF 50k in value).	

Social

1/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Attracting, developing and retaining diverse talent	<u>60</u>		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	EY facts and figures: People value	<u>132</u>		5, 8, 10
	401-3 Parental leaves	Attracting, developing and retaining diverse talent	<u>71</u>		5, 8
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our people's health and wellbeing	<u>67</u>		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our people's health and wellbeing A safe and flexible work environment	<u>67</u> <u>69</u>	An occupational health and safety management system is legally not required for our industry. We conduct accident risk assessments at all of our 11 offices and apply the SUVA and FOCS questionnaires.	
	403-2 Hazard identification, risk assessment, and incident investigation	Our people's health and wellbeing A safe and flexible work environment	<u>67</u> <u>69</u>	There are no work-related incidents defined for our industry.	
	403-3 Occupational health services	Our people's health and wellbeing	<u>67</u>		8
	403-5 Worker training on occupational health and safety	Our people's health and wellbeing	<u>67</u>		8
	403-6 Promotion of worker health	Our people's health and wellbeing	<u>67</u>		3
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our people's health and wellbeing	<u>67</u>		3, 8, 16
	403-10 Work-related ill health	EY facts and figures: People value	<u>136</u>	We do not have a system in place for recording work-related illnesses and accidents. However, we monitor the overall absence hours due to illnesses, accidents and medical leave.	

Social

2/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Training and Education					
GRI 3: Material Topics 2021	3-3 Management of material topics	Continuing lifelong learning	<u>64</u>		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Continuing lifelong learning	<u>66</u>	The average hours of training per year per employee are not disclosed by region, employee category or gender. We are working on disclosing the average training hours by gender and employee category as of next year.	4, 8
	404-2 Programs for upgrading employee skills and transition assistance programs	Continuing lifelong learning	<u>64</u>		8
	404-3 Percentage of employees receiving regular performance and career development reviews	Continuing lifelong learning	<u>64</u>	100% of EY people receive regular performance and career development reviews.	5, 8, 10
Diversity and Equal Opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	A more diverse, equitable and inclusive workplace	<u>74</u>		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	EY facts and figures: People value	<u>134</u>		
	405-2 Ratio of basic salary and remuneration of women to men	Equal pay	<u>80</u>	We have the Fair-ON-Pay label issued by Comp-On AG in accordance with the certificate standard of Société Générale de Surveillance SA (SGS) and in compliance with the standards set by the Swiss Federal Office for Gender. The label confirms that no systematic gender pay discrimination exists and the salary difference lies within a tolerance threshold of -2.5%/+2.5%, considering personal, role and organizational characteristics.	
Non-Discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	A more diverse, equitable and inclusive workplace Human rights	<u>74</u> <u>102</u>		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken			There have been no incidents of discrimination during the reporting period.	5, 8

Social

3/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Freedom of association and collective bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>98</u>		
		Human rights	<u>102</u>		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply chain management	<u>98</u>	Freedom of association or collective bargaining are not restricted in any ways for 100% of our employees. We monitor human rights compliance of our suppliers through the supplier due diligence process. Based on available policies and feedback mechanisms, we try to identify actual and potential human rights risk of targeted suppliers. With respect to targeted suppliers, we monitor human rights compliance through the supplier due diligence process (for contracts over CHF 50k in value). To date, we have identified no such human rights risks among targeted suppliers.	
		Human rights	<u>102</u>		
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>98</u>		
		Human rights	<u>102</u>		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Supply chain management	<u>100</u>	Our employment policies ensure zero tolerance of child labor. Our organization's activities are not hazardous in nature. Therefore, to date we have identified no risks for incidents of child labor or young workers exposed to hazardous work from our own operations. With respect to strategic suppliers, we monitor human rights compliance through the supplier due diligence process (for contracts over CHF 50k in value). To date, we have identified six procurement categories mapped to high-risk industries with regards to child labor. We are currently extending the analysis and will report on the results in our next year report.	8, 16
		Human rights	<u>103</u>		
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>100</u>		
		Human rights	<u>103</u>		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply chain management	<u>100</u>	Our employment policies ensure zero tolerance of forced or compulsory labor. Therefore, to date we have identified no risks for incidents of forced or compulsory labor within our own operations. With respect to our suppliers, we monitor human rights compliance through the supplier due diligence process (for contracts over CHF 50k in value). This includes identifying the actual and potential human rights risks of our suppliers such as forced or compulsory labor. To date, we have identified potential medium risks for incidents of forced or compulsory labor in our supply chain. 1,450 of suppliers to EY Switzerland have been screened on that risk in FY22. A deep-dive assessment into the actual risks within higher risk categories is planned for FY24.	8, 16
		Human rights	<u>103</u>		

Social

4/4

GRI Standard	Disclosure title	Location	Page	Comment and omission	SDG mapping
Human rights assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>98</u>		
		Human rights	<u>102</u>		
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	Risk management	<u>48</u>		8
		Supply chain management	<u>98</u>		
		Human rights	<u>102</u>		
Local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	Increasing our social impact	<u>104</u>		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Increasing our social impact	<u>104</u>		5, 8, 10, 13, 16, 17
Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply chain management	<u>98</u>		
GRI 414: Supplier Social Assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Supply chain management	<u>100</u>	To date, our supply chain due diligence process has identified no significant actual and potential negative social impacts among strategic suppliers (for contracts over CHF 50k in value). When looking at the whole supplier base to EY Switzerland, we have identified potential medium risks for incidents of forced or compulsory labor in our supply chain.	8, 16
Marketing and labeling					
GRI 3: Material Topics 2021	3-3 Management of material topics		<u>54</u>		
GRI 417: Marketing and Labeling	417-2 Incidents of non-compliance concerning product and services information and labeling		<u>55</u>	We confirm that we had no incidents of non-compliance with regulations or laws resulting in fines or warnings in the last three financial years with respect to services information and labeling and marketing communication.	
		417-3 Incidents of non-compliance concerning marketing communications	<u>55</u>	We confirm that we had no incidents of non-compliance with regulations or laws resulting in fines or warnings in the last three financial years with respect to services information and labeling and marketing communication.	
Customer privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Protecting client data and privacy	<u>49</u>		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protecting client data and privacy	<u>49</u>	We disclose that there have been no complaints received from outside parties or regulatory bodies in the last three financial years with regard to complaints concerning breaches of customer privacy and losses of customer data.	16







7

ABOUT US
 MATERIALITY
 CLIENTS
 PEOPLE
 SOCIETY
 GRI INDEX
FACTS & FIGURES
 APPENDIX

“

We define success broadly –
 we measure the value we create
 for our stakeholders alongside
 our financial performance

EY facts and figures

Client value

Average client recommendation score (Non-GRI)

Parameter	FY21 (out of 10)	FY22 (out of 10)	FY23 (out of 10)
Average client recommendation score	8.48	8.14	8.14

Client base for Swiss Market Index (SMI) companies (Non-GRI)

Parameter	FY21 (no.)	FY22 (no.)	FY23 (no.)
Number of SMI clients served	19/20	19/20	19/20

Client base (Non-GRI)

Parameter	FY21 (no.)	FY22 (no.)	FY23 (no.)
Number of clients served	6,687	6,301	6,317

Business Ethics trainings (205-2)

Name of mandatory training	% of employees trained in the respective business ethics topic*	
	FY22	FY23
Independence Policy (new hires)	99.8%	99.5%
Independence Policy Update (annual)	99%	99.7%
Conflicts of Interest	98.9%	98.3%
Global Code of Conduct (new hires)	99.7%	99.9%
Code of Conduct Learning Update FY23 (annual)	97.5%	96.9%
Annual Data Protection and Information Security Update FY23	n/a	94.1%
Data Protection Fundamentals	n/a	95.5%
Financial Crime Money Laundering, Tax Evasion and Terrorist Financing	94.9%	n/a
Financial Crime Fundamentals**	n/a	94.2%
Anti-Bribery and You!	98.2%	n/a

* The ratio depicts the completion ratio, i.e., the percentage of employees of the workforce required to undertake the training that have completed the training. Non-completion of trainings by some employees is either due to long-term leave, parental leave, status as contract workers or the training deadline being outside of the reporting period.

** The training covers topics around anti-bribery and corruption, anti-money laundering, tax evasion, terrorist financing and trade sanctions.

People value

Data on employment

Employees by employment contract, by gender (GRI 2-7 & 2-8)

Parameter	FY21 (no.)	Female (%)	Male (%)	FY22 (no.)	Female (%)	Male (%)	FY23 (no.)	Female (%)	Male (%)
Permanent employees	2,439	40.42	59.58	2,675	40.93	59.07	2,957	40.14	59.86
Temporary employees	166	40.96	59.01	220	39.55	60.45	206	41.75	58.25
Total employees	2,605	40.46	59.54	2,895	40.83	59.17	3,163	40.25	59.75

Note: The total headcount of each FY including contractors, interns, trainees/apprentices.

Employees by workload type, by gender (GRI 2-7)

Parameter	FY21 (no.)	Female (%)	Male (%)	FY22 (no.)	Female (%)	Male (%)	FY23 (no.)	Female (%)	Male (%)
Full-time employees	2,100	35.33	64.67	2,361	36.34	63.66	2,625	36.23	63.77
Part-time employees	359	72.14	27.86	354	72.03	27.97	363	69.15	30.85
Non-guaranteed hours employees*	146	36.30	63.70	180	38.33	61.67	175	39.43	60.57
Total employees	2,605	40.46	59.54	2,895	40.83	59.17	3,163	40.25	59.75

* Employees who are not guaranteed a minimum or fixed number of working hours per day, week or month, but who may need to make themselves available for work as required, e.g., working students, contractors, etc.

Employees (headcount) by region and office (GRI 2-7)

Region	Office	FY21 No.	FY22 No.	FY23 No.
Northwest	Total	219	231	256
	Aarau	34	29	30
	Basel	185	202	226
Midland	Berne	204	213	224
Romandie	Total	482	545	631
	Lausanne	107	119	141
	Geneva	375	426	490
Central	Total	98	96	99
	Lucerne	30	29	34
	Zug	68	67	65
Ticino	Lugano	38	43	41
East	Total	57	63	78
	St. Gallen	47	54	66
	Vaduz	10	9	12
Zurich	Zurich	1,507	1,704	1,834
Total headcount		2,605	2,895	3,163

People value

Data on employment

Full-time equivalent employees (FTEs) by office and region (GRI 2-7)

Region	Office	FY21 No.	FY22 No.	FY23 No.
Northwest	Total	209	221	246
	Aarau	32	28	29
	Basel	177	193	217
Midland	Berne	189	200	209
Romandie	Total	471	513	617
	Lausanne	105	116	139
	Geneva	364	415	478
Central	Total	92	88	88
	Lucerne	29	28	32
	Zug	63	60	56
Ticino	Lugano	35	42	40
East	Total	51	60	41
	St. Gallen	43	52	60
	Vaduz	9	8	11
Zurich	Zurich	1,416	1,616	1,743
Total headcount		2,462	2,757	3,014

Total number of employees by employment category (permanent and temporary) (GRI 2-7) and workers who are not employees by gender (GRI 2-8) and percentage of employees per employee category by gender (GRI 405-1)

Parameter	FY21 (no.)	Female (%)	Male (%)	FY22 (no.)	Female (%)	Male (%)	FY23 (no.)	Female (%)	Male (%)
Management (permanent)	1019	32.28	67.72	1,134	33.51	66.49	1,292	33.90	66.10
Non-management (permanent)	1,420	46.26	53.74	1,541	46.40	53.60	1,665	44.98	55.02
Contract employees (temporary)	113	37.16	62.84	142	37.32	62.68	125	37.60	62.40
Interns, trainees/ apprentices (temporary)	53	49.05	50.95	78	43.59	56.41	81	48.15	51.85
Total employees	2,605	40.46	59.54	2,895	40.83	59.17	3,163	40.25	59.75

People value

Data on employment

Percentage of employees per employee category by age group (GRI 405-1)

Parameter	FY21 (no.)	<30 (%)	30-50 (%)	>50 (%)	FY22 (no.)	<30 (%)	30-50 (%)	>50 (%)	FY23 (no.)	<30 (%)	30-50 (%)	>50 (%)
Management (permanent)	1,019	2.74	84.78	12.46	1,134	3.09	84.22	12.70	1,292	3.48	82.66	13.85
Non-management (permanent)	1,420	57.32	39.08	3.60	1,541	60.35	36.28	3.37	1,665	59.52	37.06	3.42
Contract employees (temporary)	113	6.19	53.09	40.70	142	9.86	51.41	38.73	125	12.00	48.00	40.00
Interns, trainees/ apprentices (temporary)	53	98.20	1.80	0	78	94.87	5.13	0.00	81	98.77	1.23	0.00
Total employees	2,605	34.58	56.82	8.60	2,895	36.37	54.96	8.67	3,163	35.76	55.20	9.04

Employees by service line (non-GRI)

Parameter	FY21 (no.)	FY22 (no.)	FY23 (no.)
Assurance	969	1,047	1,110
Consulting	399	568	704
Core Business Services	340	317	336
People Advisory Services	142	156	173
Strategy and Transactions	196	214	241
Tax	446	451	474
Total	2,492	2,753	3,038

Note: The total headcount of each service line excluding contractors.



People value

Data on new hires

Total number and rate of new employee hires by gender (GRI 401-1)

Parameter	FY21 (no.)	Female (%)	Male (%)	FY22 (no.)	Female (%)	Male (%)	FY23 (no.)	Female (%)	Male (%)
New hires	703	39.54	60.46	1,052	39.92	60.08	1,040	40.77	59.23
Hiring rate (%)	26.99	26.38	27.40	36.34	35.53	36.89	32.89	33.31	32.60

Note: Hiring rate is equal to the number of employees hired to total headcount. Hiring rate of female employees is the number of female employees hired to the total female headcount. Hiring rate of male employees is the number of male employees hired to the total male headcount.

Total number of new employee hires by office and region (GRI 401-1)

Region	Office	FY21 No.	FY22 No.	FY23 No.
Northwest	Total	35	73	78
	Aarau	5	6	10
	Basel	30	67	68
Midland	Berne	38	56	55
Romandie	Total	131	217	230
	Lausanne	27	45	51
	Geneva	104	172	179
Central	Total	20	34	26
	Lucerne	6	10	13
	Zug	14	24	13
Ticino	Lugano	11	19	17
East	Total	20	33	29
	St. Gallen	19	30	26
	Vaduz	1	3	3
Zurich	Zurich	448	620	605
Total hires		703	1,052	1,040

Total rate and number of new employee hires by age group (GRI 401-1)

Parameter	FY21		FY22		FY23	
	Hires (%)	Hires (no.)	Hires (%)	Hires (no.)	Hires (%)	Hires (no.)
<30	71.98	506	67.78	713	62.79	653
30-50	24.61	173	29.66	312	32.40	337
>50	3.41	24	2.57	27	4.81	50
Total hires	100	703	100	1,052	100	1,040

People value

Data on employee turnover

Total number and rate of employee turnover by gender (GRI 401-1)

Parameter	FY21	Female	Male	FY22	Female	Male	FY23	Female	Male
Employee turnover (no.)	523	196	327	726	291	435	733	304	429
Turnover rate (%)	20.07	19.32	22.02	25.08	24.62	25.39	23.17	23.88	22.70

Note: Turnover rate is calculated by total leavers divided by total headcount. Turnover rate of female employees is calculated by total female leavers divided by total female headcount. Turnover rate of male employees is calculated by total male leavers divided by total male headcount.

Total number of employee turnover by office and region (GRI 401-1)

Region	Office	FY21 No.	FY22 No.	FY23 No.
Northwest	Total	40	60	59
	Aarau	5	6	6
	Basel	35	54	53
Midland	Berne	39	45	42
Romandie	Total	111	155	132
	Lausanne	27	40	27
	Geneva	84	115	105
Central	Total	19	31	20
	Lucerne	7	13	4
	Zug	12	18	16
Ticino	Lugano	5	12	14
East	Total	33	22	14
	St. Gallen	26	22	14
	Vaduz	7	0	0
Zurich	Zurich	276	401	452
Total hires		523	726	733

Total rate and number of employee turnover by age group (GRI 401-1)

Parameter	FY21		FY22		FY23	
	Turnover rate (%)	Employee turnover (no.)	Turnover rate (%)	Employee turnover (no.)	Turnover rate (%)	Employee turnover (no.)
<30	30.52	275	29.82	314	30.59	346
30-50	15.06	223	23.38	372	19.93	348
>50	11.16	25	15.94	40	13.64	39

People value

Data on apprentices

Apprentice data (non-GRI)

Parameter	FY21	FY22	FY23
New hires	4	5	5
Active apprentices employed	16	14	14

People value

Data on learning hours

Average learning hours for employees (GRI 404-1)

Parameter	FY21 (hours)	FY22 (hours)	FY23 (hours)
Total learning hours delivered	112,988	143,437	161,275
Average learning hours per employee	46.32	53.62	54.54

Note: Average learning hours per employee is the cumulative service line learning hours divided by the number of permanent employees.

People value

Data on diversity of governance bodies and employee categories

Nationalities among all employees (GRI 405-1)

Parameter	FY21 (no.)	FY22 (no.)	FY23 (no.)
Diversity in nationalities (citizenship)	64	75	71

Diversity of governance bodies by gender (GRI 405-1)

Parameter	FY21 (No.)	Female (%)	Male (%)	FY22 (No.)	Female (%)	Male (%)	FY23 (No.)	Female (%)	Male (%)
Board of Directors	3	33	67	3	33	67	3	33	67
Swiss Management Committee members	9	22	78	10	20	80	10	17	83

People value

Data on diversity of governance bodies and employee categories

Diversity of employee categories by gender (GRI 405-1)

Parameter	FY21		FY22		FY23	
	Female (%)	Male (%)	Female (%)	Male (%)	Female (%)	Male (%)
PPEDD (partners/principals, executive directors, directors)	18	82	18	82	18	82
Middle management (senior managers and equivalent Core Business Services ranks)	35	65	36	64	66	34
Junior management (managers and equivalent Core Business Services ranks)	39	61	40	60	44	56

Note: Excluding contractors.

Diversity of governance bodies and employees by age (GRI 405-1)

Parameter		FY21 (%)	FY22 (%)	FY23 (%)
Board of Directors	<30	0	0	0
	30-50	0	0	0
	>50	100	100	100
Swiss Management Committee members	<30	0	0	0
	30-50	56	60	42
	>50	44	40	58
PPEDD (partners/principals, executive directors, directors)	<30	0	0	0
	30-50	66	64	61
	>50	34	36	39
Middle management (senior managers and equivalent Core Business Services ranks)	<30	0	0	0
	30-50	93	92	90
	>50	7	8	10
Junior management (managers and equivalent Core Business Services ranks)	<30	7	8	9
	30-50	89	89	89
	>50	4	3	3

Note: Excluding contractors.

People value

Data on parental leave

Parental leaves of permanent employees (GRI 401-3)

Parameter	FY21		FY22		FY23	
	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave (no.)	986	1,453	1,095	1,580	1,187	1,770
Employees that took parental leave (no.)	56	82	90	87	73	102
Employees that returned to work in the reporting period after parental leave ended (no.)	55	82	87	87	69	102
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work (no.)	48	71	77	72	63	90
Rate of return to work that took parental leave (%)	98	100	97	100	95	100
Retention rates of employees that took parental leave (%)	86	87	86	83	86	88

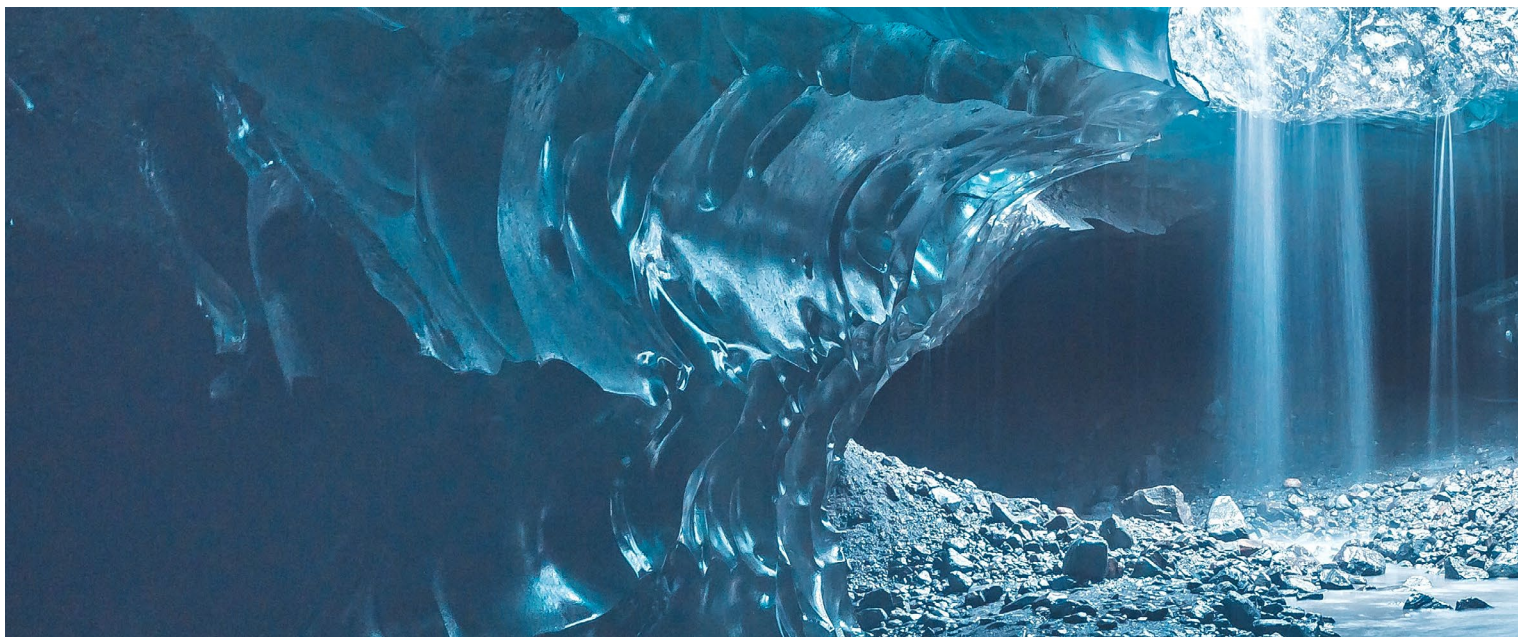
Note: Only permanent employees are entitled to parental leave.

People value

Data on occupational health and safety

Illness/accident/medical appointment-related leave (GRI 403-10)

Parameter	FY21 (hours)	FY22 (hours)	FY23 (hours)
Leave related to illness/accident/medical appointments	125,849	173,221	168,306
Average leave per employee due to illness/accident/medical appointments	48.31	59.83	53.21



Societal value

Community investments (GRI 201-1)

Parameter		FY21 (CHF)	FY22 (CHF)	FY23 (CHF)
Charitable contributions	Cash	130,484	222,897	254,873.92
	Equipment/facilities	0	31,667	4,168.59
	Selected sponsorships	375,147	730,561	560,628.49
In kind	Pro-bono/low-bono	3,215	133,684	15,575.10
Time	Traditional volunteering	0	2,849	131,604.63
	Skills-based volunteering	143,565	414,165	356,764.67
Program management cost (functional staff cost and program management expenses)		29,442	416,163	354,112.11
Total		681,853	1,951,986	1,677,727.50

Note: The source for these figures is the Enablon community investment reporting tool, where we look for cash donations, SDG-related sponsorships/ memberships and pro-bono engagements which are not marked as such in the financial system – they have to be tracked manually. The reported figures are the minimum that could be detected the actual investments are assumed to be higher.

Skill-based volunteering: EY Ripples (non-GRI)

Parameter	FY21	FY22	FY23
Lives impacted (no.)	1,207,695	194,905	319,785
Employee participation (no.)	197	644	891
Staff hours (hours)	1,219	5,081	5,036

Note: The steep rise in lives impacted in FY21 was due to a high-impact long-term project with the NPO FH Europe.



Environmental value

Data on GHG emissions

Direct (Scope1) GHG emissions; Energy indirect (Scope 2) GHG emissions; Other indirect (Scope 3) GHG emissions (GRI 305-1, 305-2, 305-3)

Parameter		FY19 (tCO2e)	Percentage of total GHG emissions (%)	FY21 (tCO2e)	Percentage of total GHG emissions (%)	FY22 (tCO2e)	Percentage of total GHG emissions (%)	FY23 (tCO2e)	Percentage of total GHG emissions (%)
Scope 1	Fugitive emissions	27	0.34	104	4.72	158	3.60	61	1.01
	Energy generation	94	1.21	93	4.23	59	1.33	54	0.89
	Total Scope 1 emissions	121	1.55	198	8.95	217	4.93	115	1.90
Scope 2	Grid electricity – market-based	94	1.21	48	2.17	60	1.37	62	1.02
	District heating	238	3.06	200	9.07	126	2.84	120	1.98
	Total Scope 2 emissions	332	4.27	248	11.24	186	4.21	182	3.00
Scope 3	Fuel and electricity-related activities	22	0.28	15	0.66	20	0.46	21	0.34
	Waste disposal	2	0.02	1	0.06	2	0.04	2	0.03
	Business travel	6,108	78.49	307	13.91	2,507	56.93	4,149	68.37
	Employee commute	1,132	14.54	124	5.62	519	11.78	418	6.90
	Remote working	66	0.85	1,315	59.57	1,023	21.66	1,181	19.46
	Total Scope 3 emissions	7,330	94.18	1,762	79.81	4,071	90.86	5,771	95.10
Total GHG emissions (tCO2eq)		7,783	100	2,207	100	4,473	100	6,068	100

Please find more information on the basis of reporting for greenhouse gas emission estimation in the section: [Appendix, page 156](#).

Notes:

- ▶ We lease all our offices and have no company fleet.
- ▶ For Scope 3, we have focused on four out of 15 categories, in alignment with EY Global methodology. Notably, within category 7 (employee commute), we have further segmented the data into two: employee commuting and remote working. This division is made as we have collected data for employee commute but rely on federal government statistics for remote work.
- ▶ Where available we have replaced DEFRA emission factors with Swiss- and Liechtenstein-specific emission factor sources, considering local circumstances.
- ▶ Since we use Mobitool as emission factor source, we are also disclosing business travel emissions applying DEFRA emission factors for global comparison reasons: FY19 5,852 tCO2e, F21 316 tCO2e, FY22 2,499 tCO2e, FY23 5,406 tCO2e.
- ▶ Air travel kilometers: FY19 – 16,052,347 km vs. FY23 11,486,235 km reflects a 28% reduction.

Restatements:

For this year's report, we are restating Scope 1, 2 and 3 data published in the EY Sustainability Report 2022 for all financial years. Overall emissions have slightly changed from the previously stated emissions with a decrease of 0.27% for FY19, 1.06% decrease for FY20, 12.7% increase for FY21, and 1.37% decrease for FY22, due to the following reasons:

- ▶ **Fugitive emissions:** The asset list of HVAC-systems was not complete when we conducted the last two estimations. Additional HVAC-systems were discovered using R134A and R404A refrigerants. Three of those HVAC-systems are used for the canteen at the Zurich office, which is not part of our operations, but are owned by EY. They contain larger amounts of refrigerants which have been refilled throughout the past four reporting years. This led to a considerable increase in Scope 1 emissions.
- ▶ **Energy generation:** Overall emissions have changed due to actual data on consumption received by landlords for the Lugano and St. Gallen offices.
- ▶ **Grid-electricity location-based:** Overall emission have changed for all financial years since we have replaced estimations for outstanding consumption data with actual consumption data received by our landlords in the meantime. Past estimations have been replaced with actual consumption data, where a deviation of over 5% could be observed. This is the case for the offices Bern, Basel, Lucerne, Lugano, St. Gallen, Zug, Zurich and Vaduz.
- ▶ **Fuel and energy-related activities:** Overall emissions have changed due to the adjustments in actual consumption data within Scope 1 and 2. We have changed the source of the emission factors for specific energy generation categories from DEFRA to KBOB, considering local emission factors. The emission factors of KBOB contain Scope 1-3 emissions, therefore an additional WTT estimation is obsolete.
- ▶ **Business travel – Air travel:** Overall emissions have slightly changed for the past four reporting years since the firstly adopted estimation did not include kilometers traveled by air for premium economy and first class for short-haul flights for short-haul flights by mistake.
- ▶ **Business travel – Rail transportation:** Overall emissions have changed for the past four reporting years since a double counting was discovered on bookings made via our providers portal and expenses submitted on public transportation through our expenses system. Further, we were informed by our provider, that overestimated conversion factors were communicated for FY22.
- ▶ **Business travel – Hotel stay:** Overall emissions for the past four reporting periods have considerably changed, due to a calculation error discovered.
- ▶ **Employee commute:** Emissions for FY22 have changed since the actual survey data in km has been extrapolated to overall FTE whereas for the other reporting periods the extrapolation was used to define share of km of each transportation mode. Hence, FY22 estimation has been recalculated considering the same approach.
- ▶ **Remote working:** Overall emissions have slightly changed due to change of emission factor source and separation into remote working WTT emissions.

Environmental value

Data on GHG emissions

GHG emission intensity (GRI 305-4)

Parameter	FY19	FY21	FY22	FY23
Emission intensity in tCO ₂ e/FTE	3.22	0.90	1.62	2.01
Emission intensity in tCO ₂ e/revenue CHF	14.43	0.98	7.18	8.82

Reduction of GHG emissions (GRI 305-5)

Parameter	FY19		FY 21		FY 22			FY 23		
	Base year emissions (tCO ₂ e)	Absolute emissions (tCO ₂ e)	Reduction in emissions compared to base year (tCO ₂ e)	Percentage reduction (%)	Absolute emissions (tCO ₂ e)	Reduction in emissions compared to base year (tCO ₂ e)	Percentage reduction (%)	Absolute emissions (tCO ₂ e)	Reduction in emissions compared to base year (tCO ₂ e)	Percentage reduction (%)
Scope 1 emissions	121	198	-77	-64	217	-96	-80	115	6	5
Scope 2 emissions	332	248	84	25	186	147	44	182	150	45
Scope 3 emissions	7,330	1,762	5,568	76	4,071	3,259	44	5,771	1,559	21
Total emissions	7,783	2,207	5,575	72	4,473	3,309	43	6,068	1,715	22

Environmental value

Data on energy

Energy consumption in gigajoules (GJ) within the organization (GRI 302-1)

Parameter	FY19	Percentage of total energy consumption (%)	FY21	Percentage of total energy consumption (%)	FY22	Percentage of total energy consumption (%)	FY23	Percentage of total energy consumption (%)
Electricity consumption (GJ)	8,161	39.94	4,410	34.43	5,914	38.93	6,303	40.76
Heating consumption (GJ)	7,935	38.84	6,671	52.09	6,768	44.55	6,486	41.94
Cooling consumption (GJ)	4,336	21.22	1,727	13.48	2,510	16.52	2,675	17.30
Total energy consumption within organization	20,431	100.00	12,808	100.00	15,192	100.00	15,465	100.00

Note: Conversion factor 1 kWh = 0.0036 GJ.

Energy intensity (GRI 302-3)

Parameter	FY19	FY21	FY22	FY23
Energy intensity in GJ/FTE	8.46	5.20	5.51	5.13

Note: Energy intensity is the total energy consumption within the organization/total FTE.

Environmental value

Data on energy

Reduction of energy consumption (GRI 302-4)

Parameter	FY19		FY 21		FY 22			FY 23		
	Base year energy consumption (GJ)	Energy consumption (GJ)	Reduction in energy consumption compared to base year (GJ)	Percentage reduction (%)	Energy consumption (GJ)	Reduction in energy consumption compared to base year (GJ)	Percentage reduction (%)	Energy consumption (GJ)	Reduction in energy consumption compared to base year (GJ)	Percentage reduction (%)
Electricity consumption	8,161	4,410	3,751	45.96	5,914	2,247	27.53	6,303	1,857	22.76
Heating consumption	7,935	6,671	1,264	15.93	6,768	1,167	14.70	6,486	1,449	18.26
Cooling consumption	4,336	1,727	2,609	60.17	2,510	1,826	42.11	2,675	1,661	38.31
Total energy consumption within the organization	20,431	12,808	7,624	37.31	15,192	5,239	25.64	15,465	4,967	24.31

Environmental value

Data on waste

Total waste generation (non-GRI)

Parameter	FY19 (in tonnes)	FY21 (in tonnes)	FY22 (in tonnes)	FY23 (in tonnes)
Paper waste recycled	40.146	18.141	16.053	22.961
Cans/alu recycled	-	-	0.033	0.095
E-waste recycled	0.113	0.416	0.486	0.480
E-waste reused	0.617	0.788	0.658	26.673
Mixed waste combustion	31.789	35.701	48.947	46.630
PET waste recycled	-	2.0859	2.559	3.891
Cardboard waste recycled	-	1.599	6.688	7.124
Total waste generated	72.665	58.731	75.447	107.854
Total waste recycled and reused	56%	39%	35%	57%

Note: Paper and e-waste recycled data are available for all offices. At our Zurich office, we receive valid data related to the other waste categories that allow categorization. Due to the data situation, we have extrapolated the Swiss-wide waste based on the Zurich data, assuming that there are no major differences in waste generation across the offices. In FY23, Zurich covers approximately 60% (1,743 FTE out of 3,014 FTE) of our workforce. The extrapolation was made based on overall FTEs. In FY19, PET waste and cardboard was not recorded as we could recycle for free. In FY22, recycled cans have been recorded for the Zurich office. In the FY21 report, we extrapolated paper recycled to all offices albeit the consumption data comprised already all office. Therefore, the amount of paper recycled for the past FY's has been corrected and with that the overall waste generation.

Environmental value

Business travel

Total kilometers travelled (non-GRI)

Parameter	FY19 (km)	FY21 (km)	FY22 (km)	FY23 (km)
Air travel	16,052,348	582,026	6,765,492	11,366,089
Road travel	2,631,032	515,186	795,361	1,210,443
Rail travel	5,424,807	674,642	3,268,727	6,583,935
Total	24,108,186	1,771,857	10,829,580	19,280,614

Financial value

Total capitalization (GRI 102-7)

Parameter	FY21 (CHF)	% of total capitalization	FY22 (CHF)	% of total capitalization	FY23 (CHF)	% of total capitalization
Debt	262,551,940	94	333,715,000	95	292,571,398	94
Equity	16,919,486	6	17,595,345	5	18,070,713	6
Total	279,471,426	100	351,310,345	100	310,642,111	100

Economic value generated (GRI 201-1)

Parameter	FY21 (CHF)	% of total value generated	FY22 (CHF)	% of total value generated	FY23 (CHF)	% of total value generated
Assurance	234,202,000	42	254,594,000	41	280,679,000	41
Consulting	100,603,000	18	126,731,000	20	155,998,000	23
People Advisory Service	37,037,000	7	42,671,000	7	47,248,000	7
Strategy and Transactions	59,556,000	11	64,584,000	10	64,840,000	9
Tax	121,124,000	22	134,465,000	22	139,564,000	20
Net revenue from all service lines	552,522,000	100	623,045,000	100	688,329,000	100
Income from any other sources	0	0	0	0	0	0
Total economic value generated	552,522,000	100	623,045,000	100	688,329,000	100

Note: Total economic value generated (CHF) is the net revenue from all service lines plus income from any other sources.

Financial value

Economic value distributed (GRI 201-1)

Parameter	FY21 (CHF)	% of total value distributed	FY22 (CHF)	% of total value distributed	FY23 (CHF)	% of total value distributed
Operating costs	70,178,419	13	77,663,412	13	88,390,115	13
Employee wages and benefits	435,532,296	79	491,750,459	79	541,549,340	79
Payments to providers of capital	3,413,642	1	3,592,066	1	3,182,538	0
Payments to government	39,927,813	7	45,781,253	7	50,687,413	7
Community investments	64,930	0	182,094	0	44,084	0
Total economic value distributed	549,117,100	100	618,969,284	100	683,853,490	100

Economic value retained (GRI 201-1)

Parameter	FY21 (CHF)	FY22 (CHF)	FY23 (CHF)
Total economic value retained (CHF) = Total value generated - total value distributed	3,404,900	4,075,716	4,475,510

Note: Total economic value retained (CHF) is the total value generated minus total value distributed.







8

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APPENDIX

“

Details and supplementary information that give depth to our commitment and actions towards sustainability

Our sustainability roadmap

Our sustainability strategy is based on our materiality analysis and continuously developed. For each financial year we define targets and concrete measures under each strategic pillar. The following table provides an overview of the current action plan:

ACTION CATEGORY

Carbon Ambition

Target	Progress and activities in FY23	Planned activities in FY24 and beyond	Status	SDGs
Reduce our business travel emissions by 35% (2,137 tCO₂e) against FY19 (6,108 tCO₂e) baseline by FY25.	<ul style="list-style-type: none"> ▶ We have remained within the given carbon budget with regards to air travel emissions for EY Switzerland but nonetheless increased business travel emissions by 67 compared to last year. ▶ Air travel kilometers: FY19 – 16,052,347 km vs. FY23 11,486,235 km reflects a 28% reduction. ▶ Travel guidance updated: train is recommended for destinations reachable within four hours. ▶ Travel booking tool updated: contains emission data for different means of transportation and includes recommended destinations by train. ▶ Carbon engagement calculator enhanced. ▶ Pilot project on client's Scope 3 engagement carbon footprint initiated. ▶ Individual travel emissions dashboard introduced. 	<ul style="list-style-type: none"> ▶ Reinforce travel guidance with regards air travel for destinations reachable within four hours by train. ▶ Evaluate introduction carbon budgets per service line. ▶ Promote the existence of various information/emission monitoring tools enabling informed decision making. ▶ Delve into potential incentives for choosing alternative means of transportation. 	● Delayed	7, 12, 13, 15
Reduce electricity consumption and procure 100% renewable electricity for the remaining 5% of our EY office space that is currently not renewable by FY25.	<ul style="list-style-type: none"> ▶ Various measures introduced to reduce office electricity consumption. Reduction in % not measurable since normalized office operations post pandemic and FTE-increase. ▶ Communication campaign across all offices to save energy launched. ▶ 99.6% renewable electricity across all offices in FY23 purchased. ▶ Office space reduced by 7% in FY23 against FY19. 	<ul style="list-style-type: none"> ▶ Continue with communication campaign across all office to reduce electricity consumption. ▶ Explore further measures with landlords to reduce electricity consumption. ▶ Engage with supplier to the St. Gallen office to procure a 100% renewable electricity product. 	● On track	7, 12, 13, 15
Reduce waste generated and increase the percentage of waste recycled by FY25.	<ul style="list-style-type: none"> ▶ Waste generated increased by 43% compared to FY22, since we gave up on 33 printers (e-waste). Recycled/reused share increased from 35% in FY22 to 57% in FY23. 	<ul style="list-style-type: none"> ▶ Identify further measures to increase data accuracy on waste and enable appropriate reduction measures. 	● On track	7, 12, 13, 15
Revise mobility/car allowance guidelines.	<ul style="list-style-type: none"> ▶ Parking lots reduced and costs shifted to users (stopped company payments). 	<ul style="list-style-type: none"> ▶ Identify further measures to incentive carbon-neutral or more environmentally friendly modes of transportation. 	● Progressing	7, 12, 13, 15
Conduct environmental risk assessments.	<ul style="list-style-type: none"> ▶ EY Global conducted also this year for all EY offices, whether they are located in Key Biodiversity Areas and a water risk assessment. ▶ EY Global conducted a TCFD risk assessment for two EY Switzerland offices (Zurich and Geneva). 	<ul style="list-style-type: none"> ▶ Extend TCFD risk assessment to all EY Switzerland offices. ▶ Disclose EY Switzerland TCFD reporting in next year's Sustainability Report. 	● On track	7, 12, 13, 15
Train 60% of EY people in basic principles and issues of sustainability with a focus on EY's carbon ambition by FY25.	<ul style="list-style-type: none"> ▶ Sustainability Now training on carbon ambition rolled out to all current and future EY employees. In FY23, 74% of EY people completed the training. 	<ul style="list-style-type: none"> ▶ Extend target coverage to 95% of EY people who have done the training by FY25. ▶ Enhance reporting on sustainability related technical trainings for each service line. 	● On track	7, 12, 13, 15

ACTION CATEGORY

Sustainable Supply Chain

Target	Progress and activities in FY23	Planned activities in FY24 and beyond	Status	SDGs
Engage 75% of our main Swiss suppliers by spend in the Science Based Targets initiative (SBTi) by FY25.	<ul style="list-style-type: none"> ▶ 23% of Swiss suppliers have committed to SBTi targets. Another 18% are targeted by the Global EY initiative and a remaining 38% have to be engaged by EY Switzerland team in collaboration with the Global Supply Chain Services team. 	<ul style="list-style-type: none"> ▶ Establish an engagement plan for the remaining Swiss suppliers, not targeted by the Global initiative. 	● Progressing	5, 7, 8, 10, 13
Get 100% of our strategic Swiss suppliers by spend to agree our Supplier Code of Conduct by FY25.	<ul style="list-style-type: none"> ▶ In FY23, 46% of our spend (CHF 49.1 million) is managed under contractual agreements and overseen by our Global Supply Chain Services function. These are also considered as strategic suppliers. Of those, 75% of strategic suppliers have signed the EY Supplier Code of Conduct. ▶ Newly onboarded strategic suppliers will have to go through an ESG onboarding questionnaire and sign the Supplier Code of Conduct. 	<ul style="list-style-type: none"> ▶ Engage existing strategic supplier to EY Switzerland to submit ESG supplier due diligence questionnaires. ▶ Reconcile data of two merged procurement systems. 	● Progressing	5, 7, 8, 10, 13
Train 100% of procurement staff on ESG-related matters every year.	<ul style="list-style-type: none"> ▶ 100% of EY staff engaged in strategic sourcing for EY in Switzerland completed the training. 	<ul style="list-style-type: none"> ▶ No changes. 	● On track	5, 7, 8, 10, 13
Expand ESG Risk Assessment Pilot to further high-risk suppliers (self-audit) in FY24.	<ul style="list-style-type: none"> ▶ 21% by spend of EY suppliers have been invited to conduct the ESG Risk Assessment pilot in FY22. 	<ul style="list-style-type: none"> ▶ Expand scope of to be assessed suppliers. ▶ Define a specific ambition for FY25 and beyond. ▶ Reconcile data of two merged procurement systems. 	● Progressing	5, 7, 8, 10, 13

ACTION CATEGORY

Climate change and sustainability impact through client service

Target	Progress and activities in FY23	Planned activities in FY24 and beyond	Status	SDGs
50% of EY people attend service-specific sustainability training (technical skills) to serve clients accordingly.	<ul style="list-style-type: none"> ▶ In FY23, 578 assurance professionals have attended the ImpactWeek acquiring technical sustainability skills with respect to non-financial reporting and due diligence regulations. ▶ Launch of ESG training series for partners. 	<ul style="list-style-type: none"> ▶ Define a specific target we want to reach by FY25. ▶ Set up a coherent monitoring of sustainability learning hours of all people across service lines. 	● On track	7, 9, 12
Triple our revenues coming from projects related to ESG speeding up sustainable development of EY clients by FY25.	<ul style="list-style-type: none"> ▶ We have stayed on track and have reached 22% of our FY25 target and increased revenues by 32% compared to FY22 with 155 engagements. ▶ We hired many colleagues with sustainability expertise across all service lines. 	<ul style="list-style-type: none"> ▶ Establish tracking system in engagement acceptance process, enabling full transparency across all sustainability-related engagements. 	● Progressing	7, 9, 12

ACTION CATEGORY

Human rights

Target	Progress and activities in FY23	Planned activities in FY24 and beyond	Status	SDGs
Revisit Global Human Rights Statement in FY24.	<ul style="list-style-type: none"> ▶ Human rights toolkit by EY Global established. ▶ Assessed necessity for Swiss amendment to the Human Right statement. 	<ul style="list-style-type: none"> ▶ Issue Swiss amendment to the Human Rights statement. ▶ Apply rolled-out human rights toolkit throughout FY24-FY25. ▶ Embed governance fully across Switzerland. 	● Progressing	3, 5, 8, 10
Comply with the human rights due diligence duties of the Swiss Code of Obligations, Article 964 by FY24.	<ul style="list-style-type: none"> ▶ Working group to assess duties with regards to the Swiss ordinance on Conflict Minerals and Child Labor established. ▶ First risk assessment in FY22 with 1,450 suppliers concluded a medium child labor risk across our supply chain (managed by Supply Chain Services team). ▶ First phase of broader risk analysis on Child Labor conducted across all tier 1 suppliers of all purchased goods and services along procurement categories. Categories have been mapped to the UN Global Compact Industry-specific Risk Factors. 	<ul style="list-style-type: none"> ▶ Conduct and conclude risk assessment phase two across high risk and high spend suppliers. ▶ Conclude risk analysis for our supplier base and on whether further due diligence measures need to be put in place. 	● Progressing	3, 5, 8, 10
Roll-out of human rights training for all EY people by FY25.	<ul style="list-style-type: none"> ▶ Human rights training developed and published by EY Global. 	<ul style="list-style-type: none"> ▶ Human rights training to be rolled out, explore whether it can be made mandatory for everyone in FY25. 	○ Not started	3, 5, 8, 10

ACTION CATEGORY

Diversity, equity and inclusiveness

Target	Progress and activities in FY23	Planned activities in FY24 and beyond	Status	SDGs
Maintain and uphold an inclusive culture and work environment with 80% of people saying the feel free to be themselves by FY25.	<ul style="list-style-type: none"> ▶ EY People Pulse survey: 85% of people say they feel free to be themselves, which increased by 4% compared to FY22. ▶ We held various trainings, events and awareness sessions throughout the year. For more details, see section: DE&I, page 76-82. 	<ul style="list-style-type: none"> ▶ Follow set program. 	● Achieved	5, 10
Increase the female share in governance bodies to 30% by FY25.	<ul style="list-style-type: none"> ▶ We could maintain the 33% female representation in the BoD. The female share in the SMC was diluted though from 20% in FY22 to 17% in FY23 since two members were added to the overall committee. 	<ul style="list-style-type: none"> ▶ Build a gender-balanced pipeline for the next generation of leaders for our highest governance bodies and senior leadership. 	○ Not started	5, 10

ACTION CATEGORY

Employee health and wellbeing

Target	Progress and activities in FY23	Planned activities in FY24 and beyond	Status	SDGs
Fostering workplace flexibility and work-life integration.	<ul style="list-style-type: none"> ▶ In FY22, we introduced our Parents@EY Framework. ▶ Purchased leave has been introduced in FY23. 	<ul style="list-style-type: none"> ▶ Reiterate and reinforce the new framework and its benefits to all current and future parents through dedicated communication campaign. 	● On track	3, 5, 8, 10

ACTION CATEGORY

Workplace culture, purpose and engagement

Target	Progress and activities in FY23	planned activities in FY24 and beyond	Status	SDGs
Increase the share of people who say their experience at EY is exceptional to 75% by FY25.	<ul style="list-style-type: none"> 72% of EY people say their experience is exceptional. 	<ul style="list-style-type: none"> Continue to conduct survey and introduce actions and measures. 	● On track	3, 5, 8, 10

ACTION CATEGORY

Integrity, ethics and independence

Target	Progress and activities in FY23	planned activities in FY24 and beyond	Status	SDGs
No incidents of non-compliance with laws, regulations and EY values and professional standards.	<ul style="list-style-type: none"> 94.16-99.92% of assigned employees conduct their various mandatory business ethics and risk management trainings. 	<ul style="list-style-type: none"> Continuous training and awareness program on anti-bribery and corruption, ethical business conduct, data privacy, independence. 	● On track	16
100% of EY people sign annually the EY Code of Conduct and therefore uphold EY values and professional standards every year.	<ul style="list-style-type: none"> 99.92% of all new hires and 96.92% of employees have signed the Code of Conduct or completed the Code of Conduct training/update training. 	<ul style="list-style-type: none"> Continuous training and awareness program on EY Code of Conduct. 	● On track	16

ACTION CATEGORY

Community investment and contribution

Target	Progress and activities in FY23	planned activities in FY24 and beyond	Status	SDGs
Community investment reporting: Increase reporting ability around pro-bono, sponsoring, skill building events and memberships.	<ul style="list-style-type: none"> Quarterly reporting established. 	<ul style="list-style-type: none"> Introduce checklist and acceptance process for collaborations and donations. 	● On track	16, 17
Establish Corporate Responsibility Ambassador Network by FY23.	<ul style="list-style-type: none"> 20 representatives across all EY Switzerland offices have been elected to democratize the corporate responsibility/volunteering agenda. Six projects have been introduced by the network. 	<ul style="list-style-type: none"> Continue to enable projects in FY24 across EY Switzerland offices. 	● Achieved	16, 17
Positively impact (measured through standardized impact formula) 300,000 lives through the EY Ripples program with 800 EY volunteers per year by FY25.	<ul style="list-style-type: none"> FY23 target on lives impacted has been exceeded with 319,785 against a 288,844 target. FY23 target on participants has been exceeded with 891 against a 667 target. 	<ul style="list-style-type: none"> Leverage the Corporate Responsibility Ambassador Network to further drive engagement. Continue to collaborate with partner organizations. 	● Achieved	16, 17

Material topics

People value

Diversity, equity and inclusiveness

- ▶ Diversity, inclusiveness and equal opportunity across a broad range of differences (as set out in **EY Global Executive Diversity, Equity & Inclusiveness**) and at all levels of the EY organization

Workplace culture, purpose and engagement

- ▶ Workforce engagement
- ▶ Aligning our culture with our purpose of building a better working world
- ▶ Supportive and flexible workplace culture
- ▶ High-performing teams
- ▶ Innovation culture

Employee health and wellbeing

- ▶ Health and safety policies and protocols
- ▶ Wellbeing programs
- ▶ Working conditions
- ▶ Working hours and pressure

Attracting, developing and retaining talent

- ▶ Attracting and retaining the best talent and leadership
- ▶ Minimizing turnover

Learning and development

(new: as split from previously "Attracting, developing and retaining talent")

- ▶ Onboarding of new partners and employees
- ▶ Formal learning programs
- ▶ Coaching and mentoring
- ▶ Career development
- ▶ Acting as a "factory for talent": providing youth employment and contributing skilled and purpose-driven leaders

Client value

Integrity, ethics and independence

(replaced: Business Ethics, Brand, and Exceptional client Services)

- ▶ Code of Conduct
- ▶ Independence
- ▶ Ethical decisions
- ▶ Anti-bribery
- ▶ Anti-corruption

Privacy and data security

- ▶ Client and employee data privacy
- ▶ Cyber security

Digital technology

- ▶ Alliances to extend our digital capability
- ▶ Developing and leveraging digital capabilities to embed sustainability into our services and impact global challenges
- ▶ Evolving the business model for digital services
- ▶ Innovation
- ▶ Managing ethical risks and potential sustainability consequences of new technologies

Climate change and sustainability impact through client service

(replaces: Climate change, Sustainability impact through client service)

- ▶ Integration of sustainability into EY systems, processes and delivery models
- ▶ Client services and advice aligned to the scientific imperative
- ▶ Building sustainability capability across partners and people
- ▶ Evolving existing services and innovating new services, including developing tools and methodologies
- ▶ Contribution to methodologies, standards and policies
- ▶ Impacts on key global challenges including but not limited to biodiversity, circular economy, water, education, human rights, and water and food security

Client and engagement choice

(new)

- ▶ Having clear criteria for clients we will not work with and services we will not provide, to align with our values

Societal value

Community investment and contribution

(replaces: Community investment)

- ▶ Community collaboration and engagement
- ▶ EY Ripples program, using our experience, services and influence to help solve some of the world's toughest challenges
- ▶ Supporting impact entrepreneurs
- ▶ Supporting the next generation workforce
- ▶ Accelerating environmental sustainability

Trust in capital markets and audit quality

(replacing: Trust and transparency, Regulatory compliance)

- ▶ Providing assurance and advisory services to support the operation of capital markets
- ▶ Providing information to give confidence in financial and non-financial information
- ▶ Collaborate and advocate for better and more consistent non-financial standards
- ▶ Audit quality
- ▶ Audit independence
- ▶ Maintaining professional skepticism
- ▶ Engagement with regulators and other stakeholders

Responsible and sustainable supply chain

(replacing: Supply Chain responsibility, Regulatory compliance)

- ▶ Human rights and modern slavery
- ▶ Social and environmental supplier risk management
- ▶ Collaboration with suppliers
- ▶ Supplier diversity

Operational environmental footprint

(replacing: Responsible operations)

- ▶ Ambitious climate change targets
- ▶ GHG emissions from energy consumption (facilities and from business travel)
- ▶ Waste generation and recycling
- ▶ Risk analysis

Informing public discourse

(replacing: Trust and transparency)

- ▶ Consolidating our knowledge and leveraging our experience to develop informed views
- ▶ Participating in industry and sector collaboration
- ▶ Engagement and contribution to emerging regulation and standards
- ▶ Developing thought leadership to inform public debate
- ▶ Advocating to our clients

Financial value

Economic contribution

(replaces: Sustainable economic growth)







- ▶ Salaries
- ▶ Supplier payments
- ▶ Taxes (including Partner taxes)
- ▶ Value created through improved client performance

Supporting the UN Global Compact Ten Principles






We strive to build a better working world by adhering to the highest ethical standards, protecting human rights, upholding labor standards, protecting the environment and enabling socio-economic development.

We reaffirm this commitment by integrating the Ten Principles of United Nations Global Compact (UNGC) into our strategy, culture and operations. In the table below, we have highlighted how all the relevant UN Principles align to our sustainability report.

Human rights

Alignment to UNGC Principle	Our commitment	Related SDG impact
<p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	<p>EY’s Global Human Rights Statement reflects the EY Global Code of Conduct and the United Nations Principles on Business and Human Rights. The statement addresses the rights of our people, including those related to health and safety, labor rights and diversity, equity and inclusiveness. Through our policies, commitments, procedures and initiatives we operationalize the Global Human Rights Statement in our workspace, supply chain and communities. All our employees undergo training and confirm their commitment to our EY Global Code of Conduct.</p> <p>Our responsibility to respect human rights extends beyond our direct operations into our supply chains, where we seek to influence the broad adoption of labor rights and maintain an active view of the human rights performance of direct and indirect suppliers.</p> <p>Our Global Procurement Policy includes our Supplier Code of Conduct, which provides guidance on the highest levels of human rights standards that our suppliers must adhere to and all our contractual agreements are bound by the Code. The Supplier Code of Conduct outlines expectations around issues including sustainability, human rights, modern slavery and child labor and suppliers are asked to verify their adherence and standards at the RFI/RFP stage (and to confirm these details at the time of contract execution). Further, we collaborate with our Climate Change and Sustainability Services team to train our Supply Chain Services on human rights and modern slavery; to shape policy and processes; and to actively input on procurement strategy in our supply chain.</p> <p>We also conduct ESG due diligence (including human rights standards review) prior to onboarding new suppliers and periodic ESG reviews for our existing suppliers. For more details, see section: Supply chain management, page 99.</p> <p>We acknowledge our roles and responsibilities toward protecting and upholding human rights in our communities. As a part of this, we involve our own people and also collaborate with clients, NGOs and impact networks to engage in social activities through corporate responsibility programs like EY Ripples & EY Cares. For more details, see section: EY Ripples, page 105.</p>	     

Labor

Alignment to UNGC Principle	Our commitment	Related SDG impact
<p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.</p> <p>Principle 4: the elimination of all forms of forced and compulsory labor</p> <p>Principle 5: the effective abolition of child labor; and</p>	<p>See UNGC Principal 1</p>	  
<p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p>EY has signed the Global Executive Diversity, Equity and Inclusiveness (DE&I) Statement, which ensures that diverse mindsets and opinions are represented and respected across EY. Our approach to DE&I-related activities is outlined in the Global DE&I Roadmap and Culture Change Continuum. As part of our DE&I progress monitoring, we regularly review our compensation practices, both in terms of our workforce and individual employees. In addition, the Global Inclusion and Non-Discrimination Policy complements our commitments to ensure zero tolerance of discrimination, intimidation and harassment and encourages equitable and respectful treatment for our people across borders.</p> <p>Since 2019, EY Switzerland is certified with the “Fair-On-Pay” label, which is regularly re-audited. The label signifies the robust and fair overall average salary definition practice adopted by EY in the previous five years and underlines the firm’s efforts to close biased pay gaps that might exist on individual level. For more details, see section: <u>A more diverse, equitable and inclusive workplace, page 80.</u></p>	  

Environment

Alignment to UNGC Principle

Our commitment

Related SDG impact

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

We incorporate environmental challenges into our strategic decision making and align our efforts to EY's Global Environmental Statement. The statement outlines the organization's environmental agenda and priorities and guides us to focus on the following function areas for effective environmental management: business travel, office operations, procurement and continuous improvement and reporting on environmental performance.

To mobilize our Global Environmental Statement on the functional areas, we practice good governance in our organization through transparency and accountability to both our internal and external stakeholders. As a part of this, we maintain robust monitoring and reporting around our KPIs and have initiated the process of communicating our sustainability/ESG performance through a sustainability report and the external EcoVadis Business Sustainability Rating.

Corresponding with our efforts to enhance sustainability performance, we are implementing specific environmentally friendly programs and technologies that reduce our company's environmental footprint. Such initiatives include reducing our carbon footprint, encouraging responsible material consumption, reducing our business travel, collaborating with our value chain partners and educating our people on eco-friendly work practices. For more details, see section: **Minimizing our environmental impact, page 87.**



Anti-Corruption

Alignment to UNGC Principle

Our commitment

Related SDG impact

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

We adopt the EY Global Anti-bribery Policy that supports the EY Global Code of Conduct by establishing a prohibition on bribery in all forms, including facilitation payments. Additionally, we have the Global Policy for reporting Non-Compliance with Laws, Regulations and EY's Code of Conduct (NOCLAR).

Further, to ensure that that no corrupt activities exist across the organization's value chain, our people are also expected to comply with the Procurement Global Policy, the Business Relationships Global Policy and the Hospitality and Gifts Policy.

Along with implementation of robust policies, we also raise our people's awareness on corruption risks through our comprehensive digital training and communication offerings. For instance, all our people (including partners) are required to complete the "Anti-Bribery and You!" training.

We empower our people raise any concerns about suspected fraud, bribery and corruption or any violation through our EY/ Ethics hotline and without fear of punishment or unfair treatment.

Externally, we play a significant role in helping our clients' businesses combat corruption and other forms of financial crime through our service offerings such as the EY Forensic & Integrity Services. These services help clients balance business objectives and risks, build data-centric ethics and compliance programs and ultimately develop a culture of integrity.

As a global organization, EY continues to take a seat at the World Economic Forum's Partnering Against Corruption Initiative (PACI) and has recently been appointed as the knowledge partner to the B20's Transparency and Anti-Corruption working group. We are involved in this initiative together with around 170 other organizations and companies to disseminate the PACI Principles for Countering Bribery.

For more details, see section: **Risk management, page 45.**



Basis of reporting for greenhouse gas emission estimation

GHG emissions are calculated in line with the EY global carbon footprint methodology. This is based on the GHG Protocol Corporate Accounting and Reporting Standard developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). The GHG emissions are reported in line with EY's financial year, which runs from 1 July to 30 June. We collected and consolidated the data for all our offices in

Switzerland and Liechtenstein, representing 100% of our Swiss member firm headcount. We estimate our Scope 1, 2 and 3 emissions by multiplying the activity data of the environmental indicator and the relevant emission factor for the activity. These emissions are reported in tonnes of CO₂ equivalent (tCO₂e), which considers the impact of the greenhouse gases carbon dioxide, methane, and nitrous oxide and hydrofluorocarbons.

1. Estimation of Scope 1 emissions

1.1 Refrigerant emissions

Scope 1 emissions encompass the estimated fugitive emissions associated with the refrigerant gases R-410A, R-404A and R-134A used in HVAC systems.

Method	Average data method
Definition	Emissions from HVAC systems resulting from the leakage of refrigerant gases over the operational life of the equipment.
Activity data	The activity data encompasses the refrigerant gas charged into the HVAC system.
Assumption	Where no maintenance reports are available, we have assumed a max. of 0.8 kg capacity of refrigerants for our HVAC systems which will need a refill every three years.
Source of emission factors considered	(Refrigerant and other) emission factors: DEFRA/BEIS 2023

1.2 Stationary combustion

Scope 1 emissions encompass the estimated emissions associated with heating gas consumption for four offices.

Method	Average data method
Definition	Emissions from heating system fueled by natural gas, operated by our landlords in offices, controlled by EY but not owned by EY.
Activity data	The activity data encompasses the natural gas charged into the heating system.
Assumption	<ul style="list-style-type: none"> ▶ We receive annual invoices from our landlords for gas consumption for heating at four offices. This annual billing cycle does not match our reporting period for three of our four offices heated with gas. Taking a conservative approach for those three offices, we consider the electrical energy consumption for the invoicing period and financial reporting period to be the same as there have been no significant changes in our operations. ▶ We have received gas consumption data for two offices out of four based on the annual invoices from our landlords for FY23. Due to unavailability of gas consumption data for the St. Gallen and Zug office in FY23, we have taken a conservative approach and considered gas consumption for FY23 and FY22 to be equal as there have been no significant changes in our operations.
Source of emission factors considered	Switzerland (natural gas) emission factor: KBOB – Ökobilanzdaten im Baubereich 2009-1-2022.

2. Estimation of Scope 2 emissions

2.1 Purchased electricity from power utility

Method	Location-based method
Definition	Emissions resulting from electricity generation for use within the offices controlled by EY but not owned by EY.
Activity data	The activity data encompasses the electrical energy consumption in kwh in all our offices received from the power utility company.
Assumption	Grid (electricity generation) emission factor for Switzerland: IEA 2022 database. Same emission factor has been assumed for Liechtenstein.
Source of emission factors considered	(Refrigerant and other) emission factors: DEFRA/BEIS 2023

2.2 Purchased electricity from landlord

Method	Emissions resulting from the use of electricity purchased from the landlord for ancillary services such as heating, cooling, ventilation and water treatment and provision.
Definition	Location-based method
Activity data	The activity data encompasses the electrical energy consumption in kwh for ancillary services in all our offices received from our landlords.
Assumption	<ul style="list-style-type: none"> ▶ We receive annual invoices from our landlords for electrical energy consumption. This annual billing cycle does not match our reporting period for eight of our 11 offices. Taking a conservative approach for those eight offices, we consider the electrical energy consumption for the invoicing period and financial reporting period to be the same as there have been no significant changes in our operations. ▶ We receive annual invoices from our landlords for electrical energy consumption. This annual billing cycle does not match our reporting period for eight of our 11 offices. Taking a conservative approach for those eight offices, we consider the electrical energy consumption for the invoicing period and financial reporting period to be the same as there have been no significant changes in our operations. ▶ For our offices at Aarau and Zug we have received electrical energy consumption data from the landlord for the last four FYs and replaced the assumptions with the actual consumption data. ▶ Both the Lugano and Zug offices have no counter for cooling electricity consumption and therefore we had to estimate the data for all four financial years. As a conservative assumption we are applying the average cooling electricity consumption of all other offices during each financial year and extrapolated the cooling electricity consumption per square meter.
Source of emission factors considered	Location-based: Grid (electricity generation) emission factor for Switzerland: IEA 2022 database. Same emission factors have been assumed for Liechtenstein.

2.3 Purchased heat (district heating) from landlord

Method	Location-based method
Definition	Emissions resulting from the use of heating electricity (district heating) purchased from the landlord for use within the offices controlled by EY but not owned by EY.
Activity data	The activity data encompasses the heat energy consumption in kwh in our offices received from our landlords.
Assumption	<ul style="list-style-type: none"> ▶ We receive annual invoices from our landlords for heating energy consumption. This annual billing cycle does not match our reporting period for eight of our 11 offices. Taking a conservative approach for those eight offices, we consider the heat energy consumption for the invoicing period and financial reporting period to be the same as there have been no significant changes in our operations. ▶ We have received heating energy consumption data for nine offices out of 11 based on the annual invoices received from our landlord for FY23. Due to unavailability of heating energy consumption data for remaining offices in FY23, we have taken a conservative approach and considered heat energy consumption for FY23 and FY22 to be equal as there have been no significant changes in our operations.
Source of emission factors considered	Switzerland (district heating) emission factor: KBOB – Ökobilanzdaten im Baubereich 2009-1-2022.

3. Estimation of Scope 3 emissions

We follow the Scope 3 standard of the GHG Protocol to monitor and quantify our Scope 3 emissions. As part of setting our Science-Based Target EY Globally identified relevant Scope 3 activities and categories to report on. EY currently assesses and evaluates relevance of further Scope 3 categories i.e. category 1 "Purchased goods and services" to be included to the EY Carbon Footprint.

3.1 Purchased good and services

N/A: Not included yet in our Science Based Target. It has been assessed that this category is material to EY and we are working on including it in our next year's estimation.

3.2 Capital goods

N/A: Not included yet in our Science Based Target. Not applicable to the nature of our business.

3.3 Fuel and energy-related activities

This includes our upstream emissions related to electricity and heat generation and emissions associated with transmission and distribution (T&D) loss.

3.3.1 Transmission and distribution losses related to electricity supply

Method	Location-based method
Definition	This accounts for emissions associated with the electrical energy lost during supply of electricity from the electric utility to our offices.
Activity data	The activity data encompasses the electrical energy loss in T&D.
Assumption	<ul style="list-style-type: none"> ▶ We have considered T&D loss factors for the calendar year 2021 from IEA databases. For the FY23 estimation we have used IEA 2021 emission factors due to unavailability of 2023 data. ▶ T&D loss factors for Switzerland and Liechtenstein are assumed to be the same.
Source of emission factors considered	UK electricity (T&D loss): DEFRA 2023 emissions database.

3.3.2 Transmission and distribution losses related to supply of heating energy (district heating)

Method	Location-based method
Definition	This accounts for emissions associated with the heating energy (district heating) lost during supply of heat from the source of generation to our office.
Activity data	The activity data encompasses the heating energy loss in district heating distribution.
Assumption	The T&D of district heating is already included in the emissions factor of KBOB (2022) and is therefore not considered.
Source of emission factors considered	Switzerland (district heating) emission factor: KBOB – Ökobilanzdaten im Baubereich 2009-1-2022.

3.3.3 Upstream emissions related to electricity generation and T&D loss

Method	Location-based method
Definition	Upstream emissions related to electricity generation are emissions associated with extraction, refining and transportation of primary fuels before their use in the generation of electricity.
Activity data	The activity data encompasses the electrical energy consumed and the losses occurring in the transmission and distribution.
Source of emission factors considered	<ul style="list-style-type: none"> ▶ Well-to-tank (WTT) conversion factors for electricity generation: WTT overseas electricity (generation) for Switzerland and Liechtenstein (non-OECD Europe): DEFRA 2021 emissions database. ▶ WTT conversion factors for T&D losses in electricity supply: WTT- overseas electricity (T&D) for Switzerland and Liechtenstein (non-OECD Europe): DEFRA 2021 emissions database. ▶ 2023 – overseas WTT and T&D loss factors were not published in the 2022 report due to change of methodology. Therefore, 2021 emission factors have been used.

3.3.4 Upstream emissions related to heating generation and T&D loss

Method	Location-based method
Definition	Upstream emissions related to heat generation are emissions associated with extraction, refining and transportation of primary fuels before their use in the generation of heat.
Activity data	The activity data encompasses the heat energy consumed and the losses occurring in the distribution.
Source of emission factors considered	The emissions of the WTT and T&D of district heating are already Included in the district heating emission factor of KBOB (2022), therefore no separate addition needs to be done.

3.4 Upstream transportation and distribution

N/A: Not included yet in our Science Based Target.

3.5 Waste disposal

Method	Average data method
Definition	Emissions from third-party disposal and treatment of waste generated including transportation of waste.
Activity data	The activity data encompasses the average quantity of waste recycled and combusted.
Assumptions	<ul style="list-style-type: none"> ▶ Actual waste data which is only available for the Zurich office, is extrapolated based on the waste generated per full-time equivalent in the Zurich office to estimate total waste generated at all offices by overall full-time equivalent count. ▶ We assume the waste treatment procedures at all operations are the same as those of our Zurich office.
Source of emission factors considered	Waste Disposal: DEFRA/UKBEIS 2023 emissions database.
Exclusions	Emissions from wastewater treatment are not accounted in our estimation.

3.6 Business travel

This includes emissions associated with employee transport and hotel stays for business reasons.

3.6.1 Business travel related emissions

Method	<ul style="list-style-type: none"> ▶ Where available distance-based method ▶ Where not, spend-based method
Definition	Emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars including emissions associated with extraction, refining and transportation of the raw fuels before they are used to power the transport mode.
Activity data	Activity data encompasses the distance traveled from travel agencies or derived based on spend in our financial accounting systems.
Assumption	<ul style="list-style-type: none"> ▶ We have considered the cost per km traveled by road derived from available data on cost and distance traveled for a sample population of employees for FY23. ▶ We have considered the cost per km traveled on SBB railways for FY23. ▶ Air travel data has been received in km, separated into long- and short haul and into the classes coach, premium economy, business and first.
Source of emission factors considered	<ul style="list-style-type: none"> ▶ Emission factor for business air travel: Mobitool-Faktoren v. 3.0 including radiative forcing ▶ Emission factor for business travel – cars, taxi, and rail: Mobitool-Faktoren v.3.0 ▶ WTT conversion factor for business travel (extraction, refining and transportation of the raw fuels before they are used to power the transport mode) – air, cars, taxi, rail: Mobitool-Faktoren v.3.0

3.6.2 Hotel stays

Method	Actual data used
Definition	Emissions associated with overnight hotel stays during business trips
Activity data	We use the number of nights spent in each country.
Assumptions	In cases where emission factors are unavailable for a country, we apply an average of available emission factors of all countries.
Source of emission factors considered	Hotel stay emission factors: DEFRA/UKBEIS 2023 emissions database.

3.7 Employee commute

Method	Distance-based method
Definition	Emissions from the transportation of employees between their homes and work sites, including emissions associated with extraction, refining and transportation of the raw fuels before they are used to power the transport mode.
Activity data	The activity data encompasses the distance traveled by employees on each mode of transport.
Assumptions	<ul style="list-style-type: none"> ▶ The total percentage of hours worked from home in FY23 is 69% while 31% of hours were spent in the office. Data basis is average of annual EY people badging report for 9 out of 11 offices. ▶ We conducted an employee commuting survey to capture employee habits as basis for this estimation as per GHG protocol – distance-based method. We surveyed one-way distance traveled by an employee between home and office and the share of each mode of transport used to commute. ▶ We have considered public road transport as bus transport. ▶ Car sharing and mobility has been counted as if the employee indicated the car. ▶ All assumptions for operation in Switzerland are applicable for Liechtenstein.
Source of emission factors considered	<ul style="list-style-type: none"> ▶ The emission factors for employee commuting, including cars, motorbike, taxi, rail and buses were sourced from Mobitool-Faktoren v.3.0, which is a database containing processed environmental data and emission factors (2023). ▶ Where Mobitool did not provide average emissions, we have calculated the average emissions of all available modes of transportation in one category. ▶ WTT conversion factor for employee commuting, encompassing the extraction, refining and transportation of the raw fuels before they are used to power various mode of transportation such as cars, motorbikes, rail and buses, was also obtained from Mobitool-Faktoren v.3.0. ▶ To calculate the Scope 3 emissions for employee commuting, we considered the factors road usage, wear and tear, exhaust maintenance and disposal.

3.7a Remote working

Method	Average data method
Definition	These includes emissions pertaining to working from home, including emissions associated with extraction, refining and transportation of the raw fuels before they are used to power home heating systems, electronic devices, and the lightning systems
Activity data	The activity data encompasses the electrical energy consumption and heat energy consumption by our employees, attributed to remote working.
Assumptions	<ul style="list-style-type: none"> ▶ The total percentage of hours worked from home in FY23 is 69% while 31% of hours were spent in the office. Data basis is average of annual EY people badging report for 9 out of 11 offices. ▶ We have adopted the EcoAct homeworking emissions whitepaper to estimate emissions related to remote working. There has been no updated source to use. ▶ We have referred to the survey of the Federal Statistical Office (FSO) on the energy sources of residential buildings to obtain the assumption on the share of each heat energy source such as heating oil, natural gas, wood, district heat, electricity, electric heat pumps and solar energy in Switzerland. This is applicable for Liechtenstein. ▶ We assume employees require six months of heat supply to their homes in a year. ▶ All assumptions for operations in Switzerland are applicable for Liechtenstein as well.

Source of emission factors considered	<ul style="list-style-type: none"> ▶ Electrical energy from grid: Grid (electricity generation) emission factor for Switzerland and Liechtenstein (non-OECD Europe): IEA 2022 database. ▶ District heating, fuel oil, electric heat pumps, natural gas, solar and wood: Switzerland emission factors from: KBOB Ökobilanzdaten im Baubereich 2009-1-2022 ▶ T&D losses in electricity supply: UK electricity (T&D loss): DEFRA/UKBEIS 2023 emissions database. ▶ Distribution losses in heat energy: The T&D of district heating is included in the emission factor by KBOB. ▶ WTT conversion factors for heat energy consumption: The WTT of district heating is included in the emission factor by KBOB. ▶ WTT conversion factor for distribution losses in district heat distribution: The T&D of the WTT of district heating is included in the emission factor by KBOB. ▶ WTT conversion factors for electricity generation: WTT overseas electricity (generation) for Switzerland and Liechtenstein (non-OECD Europe): DEFRA/UKBEIS 2021 emissions database (2022, 2023 factors were not available in this year's database). ▶ WTT conversion factors for T&D losses in electricity supply: WTT overseas electricity (T&D) for Switzerland and Liechtenstein (non-OECD Europe): DEFRA/UKBEIS 2021 emissions database (2022, 2023 factors were not available in this year's database). ▶ WTT conversion factors of fuels (fuel oil, natural gas, wood): The WTTs are already considered in the emissions factors by KBOB.
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3.8 Upstream leased assets

N/A: Not included.

3.9 Downstream transportation and distribution

N/A: EY is a service provider and therefore does not sell any products.

3.10 Processing of sold products

N/A: EY is a service provider and therefore does not sell any products.

3.11 Use of sold products

N/A: EY is a service provider and therefore does not sell any products.

3.12 End-of-life treatment of sold products

N/A: EY is a service provider and therefore does not sell any products.

3.13 Downstream leased assets

N/A: EY does not lease out assets to other entities.

3.14 Franchises

N/A: EY does not operate franchises.

3.15 Investments

N/A:

ASSURANCE REPORT

treureva

To the Management Committee of
Ernst & Young Ltd, Basel

Zurich, 13 December 2023

Report of the Independent Auditor on EY Switzerland's Sustainability Report 2023

Our engagement

You engaged us to perform a limited review of the EY Switzerland Sustainability Report 2023 (hereinafter: "Report") for the period from 1 July 2022 to 30 June 2023 based on the Global Reporting Initiative (GRI) Guidelines. Our engagement did not include a review of forward-looking statements.

Criteria

We reviewed the Information in the Report against the following criteria (hereafter: „criteria“) applicable for the reporting period from 1 July 2022 to 30 June 2023:

- Financial Value,
- Greenhouse gas emissions and
- GRI Sustainability Reporting Guidelines.

We chose to focus on these core criteria, which we believe are a suitable basis for our review.

Responsibility of the Management Committee of Ernst & Young Ltd

The Management Committee of Ernst & Young Ltd is responsible for preparing the Report and the Information contained therein with reference to the criteria. This responsibility includes developing, implementing, and safeguarding internal controls of material importance for preparing a Report that is free from material misstatements. This responsibility includes selecting and applying suitable reporting standards, as well as measurement methods and estimates deemed suitable in view of the circumstances.

Independent Auditor's responsibility

Our responsibility is to express a conclusion on the Information disclosed in the Report based on our review to obtain limited assurance. We have planned and performed our engagement in accordance with the International Federation of Accountants' International Standard (ISAE 3000) for Assurance Engagements other than Audits or Reviews of Historical Financial Information. This standard requires that we plan and perform the limited review to obtain limited assurance whether the Information complies with the criteria. Further, our firm applies the International Standard on Quality Control (ISQC1), issued by the International Federation of Accountants (IFAC), which deals with a firm's responsibilities for its system of quality control for audits and reviews of financial statements and other assurance and related services engagements. We also complied with the Code of Ethics for Professional Accountants, issued by the IFAC, which includes requirements in relation to our independence. In accordance with the engagement letter, our duty of care for this engagement only extends to the Management Committee of Ernst & Young Ltd.

ASSURANCE REPORT

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Our approach

Our procedures were planned to obtain limited assurance as a basis for our conclusion. The scope of work to obtain evidence is reduced compared to the scope required to obtain reasonable engagement assurance and therefore a lower degree of audit assurance is obtained. We have performed all the procedures required to ensure a suitable and sufficient basis for our conclusion. Within the scope of our engagement, we obtained evidence on a sample basis considering materiality and assurance engagement risk to obtain limited assurance on the compliance of the Report with the criteria. The nature and scope of our work, including appropriate samples, were based on our professional judgment used in forming our conclusion. The performance of our engagement included the following procedures:

- Assessing the appropriateness of the underlying criteria and its consistent application,
- Interviews with employees responsible for preparing the Report to assess the processes involved in drawing up the Report, the reporting system, the methods used to obtain and process data, as well as internal controls to the extent relevant for a review of the Report,
- Analytical considerations and enquiries regarding the collection and reporting of quantitative information. In addition, we reconciled disclosed figures with supporting evidence of the sections "Report highlights" and "Additional facts & figures" of the Report but not for other sections of the Report,
- Review of the financial value in accordance with the Audit Report 2023 of Ernst & Young AG,
- Review of the greenhouse gas (GHG) emissions, with focus on other indirect GHG emissions (Scope 3),
- Review of the application of the GRI guidelines in accordance with the GRI Standard, further we reconciled the GRI standards of the "GRI Index with UN SDG mapping" with the specific disclosures (respectively with the text) in the Report and reviewed if the disclosures comply with the requirements of the GRI Standards and
- Evaluation of the overall view of sustainability information provided in the Report.

Our conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Report for the reporting period ending on 30 June 2023 does not comply, in all material respects, with the specified criteria.

Treureva Ltd

In accordance



Severin Zünti
Licensed audit expert



Laura Sahli
Licensed audit expert

Glossary

AI	Artificial intelligence
BoD	Board of Directors
CR	Corporate responsibility
DE&I	Diversity, Equity and Inclusiveness
ESG	Environmental, Social, Governance
ESGs	Environmental, Social, Governance Services (EY procurement division)
EW	Europe West
EYG	Ernst & Young Global Limited
FCOS	Federal Coordination Commission for Occupational Safety
FSO	Financial Services Organization
FTEs	Full-time equivalent
FY	Financial year
GHG	Greenhouse gas
GRI	Global Reporting Initiative
LGBTQI+	Lesbian, gay, bisexual, transgender, queer and intersex
OECD	Organization for Economic Co-operation and Development
PFEY	Pension Fund Ernst & Young
RFI	Request for information
RFP	Request for proposal
RM	Risk management
SBT	Science-Based Target
SDG	Sustainable Development Goals
SMC	Swiss Management Committee
SQM	System of quality management
STEM	Science, technology, engineering, and mathematics
SUVA	Swiss National Accident Insurance Fund
T&D	Transmission and distribution
tCO₂e	tonnes (t) of carbon dioxide (CO ₂) equivalent (e)
TR	tonnes of refrigeration
UN	United Nations
UNGC	United Nations Global Compact
UVG	Mandatory accident insurance
WTT	Well-to-tank

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Getty Images International

Notes

Every care has been taken to ensure that we do not exclude any gender in the terms used in this report.

This report is published in English only.

Please note that figures in this report have been rounded. This can lead to minor differences compared to the actual amounts.



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.

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ED None (BKL 2312-040)

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