

### **Section 172 statement**

This statement sets out how the directors have had regard during the period ended 3 July 2020 to the matters set out in Section 172(1) (a) - (f) of the Companies Act 2006 when performing their duties.

In the performance of their duty to promote the success of the company, the directors had regard to a number of matters, consistent with the size and complexity of the business and its mutual purpose. They had also considered, as appropriate, the views of the company's key stakeholders, as described in more detail below.

#### **Key decisions of the company**

As a result of the company's activity, the decisions of the board mainly relate to the provision and procurement of services to the Member Firms. The principal decisions that the company has taken during the period include the determination of the services to be provided and preparation and approval of the company's annual budget for these services, which contains a reduction of the annual assessment charges, as set out under "Principal risks and uncertainties" above. In taking these decisions, the directors have focused, among other things, on what they considered may have an impact on the business of the company and the delivery of services to the Member Firms in the long term.

#### **Culture and strategy**

The company's approach to business ethics and integrity reflects EY shared values as embedded in the EY Code of Conduct and other EY Global Policies.

#### **Stakeholder engagement**

The directors recognise the importance of the views of key stakeholders in maintaining a reputation for high standards of business conduct.

The main categories of stakeholders with whom the company engages and how such engagement takes form are described below.

- **Ultimate owners, customers and key suppliers:** Member Firms are the company's customers and key suppliers as well as the ultimate beneficiaries of the mutual trade. The company creates value for the Member Firms by providing or procuring services to them to further the international alignment, enhancement, cooperation and cohesion among them. Engagement with the Member Firms and their evolving needs mainly takes place within the relevant EY network governance arrangements.
  - **People:** the quality of the services that the company provides to the Member Firms is central to the sustainability of the business of the company in the long term. Accordingly, the professionals who are responsible for the delivery of such services are an important part to the success of the company. The company's engagement and communication with these professionals (whose services are mainly supplied to the company by other Member Firms) has been principally managed by the relevant functional and service line leaders.
  - **Community and Environment:** the company assists the Member Firms in their engagement with the environment and local communities through a series of initiatives which are part of the EY global Corporate Responsibility programme, which encourages the participation of EY professionals in opportunities which have a social or environmental impact.
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