

How do you move long-term value creation from ambition to action?

EY Value Realized:
Reporting progress on global impact 2021



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



Building a better
working world



EY values: who we are

All EY people live by a set of shared values that define who we are.

These values are the fundamental beliefs of the EY organization. They guide our actions and behavior. They influence the way we work with each other, and the way EY professionals serve clients and engage with our communities.

We are:

- ▶ People who demonstrate integrity, respect, teaming and inclusiveness.
- ▶ People with energy, enthusiasm and the courage to lead.
- ▶ People who build relationships based on doing the right thing.

Our purpose

EY's purpose is *Building a better working world.*

The insights and quality services we provide help build trust and confidence in the capital markets and in economies the world over.

We develop outstanding leaders who team to deliver on our promises to all our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

In a world that's changing faster than ever, our purpose is our guide - providing the context and meaning for the work we do every day.

Value realized

In 2019 we refreshed the EY global strategy and introduced Nextwave – our strategy and ambition to create long-term value for clients, people and society as the world's most trusted, distinctive professional services organization.

This year we expanded our reporting on progress toward realizing that value – by incorporating increased environmental, social and governance (ESG) disclosures; using the [WEF-IBC Stakeholder Capitalism Metrics](#) and EY NextWave key performance indicators; as well as reporting on EY's commitment to the UN Global Compact and the Sustainable Development Goals (SDGs).

This is a journey – as it is for many organizations – as we more effectively measure and report value creation, focus on stakeholder impact, and integrate ESG into the core of what we do every day. We believe this is the most important way for us to execute our purpose.

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Letter from EY Global Chairman and CEO

At EY we believe in stakeholder capitalism: that businesses should create value for their clients, employees, suppliers, communities as well as shareholders. We believe that when organizations align their aims with society's, they will be more valuable and viable in the long-term, and we will all be closer to addressing some of the world's greatest challenges.

We started this journey in 2018 with the Embankment Project for Inclusive Capitalism (EPIC), a joint initiative with 30 other companies and the Coalition for Inclusive Capitalism, to redefine and measure how companies create value. In 2019 we created NextWave, our purpose-led strategy and ambition to create long-term value for EY clients, people and society. This strategy has been used to catalyze our own transformation agenda. This year we are advancing how we measure and report on the value we create.

We believe our focus on creating, protecting and measuring long-term value has been critical to purposeful growth, with Building a better working world as our guide. It is through this lens that we conduct audits, provide results, reshape strategy, enable innovation and transformation, and help companies address tax and regulatory requirements. It keeps us focused on: developing the services and solutions that help clients deliver better outcomes for their stakeholders; investing in EY people in ways that help them acquire new skills; and giving back to the communities in which we live and work. It keeps us aligned and focused on our stakeholders' needs during these challenging times, and beyond.

Holding ourselves accountable

As we make long-term commitments - achieving net zero carbon emissions, increasing diversity, equity and inclusiveness in the workforce, and contributing to prosperity in the communities we operate in - measuring improvement and action plan results to achieve these commitments is critical. Only by measuring can we benchmark progress, improve decision-making and accountability, and increase trust.

As a member of the World Economic Forum's International Business Council (WEF-IBC), EY contributed to the collaborative effort to bring a private-sector voice to the importance of reporting on ESG issues - in a consistent and comparable way - and evolving the way we understand how business creates and protects value today. This initiative has given EY - as well as the many organizations involved in developing and supporting the metrics - the opportunity to show a commitment to a future where business success relies on improved client outcomes, as well as an inclusive, prosperous society, a protected environment, and a healthy, empowered workforce.

Value realized

We are using the WEF-IBC Stakeholder Capitalism Metrics in this year's report and taking an important step as we seek to integrate ESG performance into EY's business strategy, along with our seven actions in EY's carbon ambition. It reflects our commitment to continually improve how we operate. It is also a recognition, along with our reporting on the United Nations Global Compact (UNGC), of the importance of the United Nations Sustainable Development Goals (UN SDGs). EY continues to be a proud participant in the UNGC, and in this report I reaffirm our commitment toward its Ten Principles.

You will read here about some of the efforts we have made over the last year to support EY people, to make progress on our commitment to a net zero future, to continue our journey toward positively impacting one billion lives through EY Ripples, to continue to foster confidence and trust in the world's capital markets, and to support EY clients as they transform.

Looking ahead

While this report looks at EY's efforts over the last year, we are also continually focused on what more we can do.

Over the next year organizations will face complex and inter-related challenges - climate; diversity and social equity efforts; improving resilience, trust and transparency in operations; and using technology - data, AI, blockchain - in new, responsible and different ways.

These organizations will be reviewing their customer expectations and experiences; acquiring and divesting; and continuing to invest in people and resources. Communities around the world will also look to recover, regroup and adapt.

This is an increasingly dynamic moment and even as we discuss challenges, we see the opportunities ahead. It is a moment that calls for new investment and a determined focus on areas that we believe can catalyze recovery, improve agility and provide purposeful growth.

That is why over the next three years we have committed, under NextWave, to an investment of US\$10b in the EY organization.

The investment will help 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. The investment plan includes US\$2.5b in technology over the next three years, with a strong focus on AI, data and disruptive technologies. We will also expand EY-Parthenon and sustainability services, and invest to ensure that clients and EY people benefit from leading technology - all backed up by continued strategic acquisitions and the EY ecosystem of world-class alliances.

We know that there is still more we can do, and together we will continue to ***Build a better working world.***



A handwritten signature in black ink, appearing to read 'C. Di Sibio'.

Carmine Di Sibio
EY Global Chairman and CEO



Creating long-term value for people

59 hours average training per employee
160,000 EY Badges awarded

First MBA class
25 EY Tech MBA by Hult graduates

36% women in partner promotions
48% women in the workforce

70 wellbeing programs including focus on mental health

23 consecutive years on Fortune's '100 Best Companies to Work For®' annual list

What's next **200,000** EY Badges by FY22

200 EY Tech MBA by Hult graduates by 2022

Creating long-term value for society

60% reduction of carbon emissions

Water and land first global use assessments conducted

20 million lives positively impacted through EY Ripples

US\$119m of community investment
837,000 hours of community service

7,000+ impact entrepreneurs supported to address UN SDGs

What's next **Net zero** by 2025
100% renewable energy in EY offices by 2025
Positively impact 1 billion lives by 2030

Creating long-term value for clients

150,000 audits completed globally

Lowest global PCAOB deficiency score of Big Four (15%)

116,000+ engagements using AI-enabled products

1 trillion lines of financial data analyzed using technology based solutions

63 cybersecurity centers across 150 countries

What's next **US\$10 billion** investment over the next three years focused on audit quality, strategy, technology and people

Creating financial value

Assurance
Revenue: **US\$13.6b**
Growth: **5.8%**

Consulting
Revenue: **US\$11.1b**
Growth: **6.4%**



Strategy and Transactions
Revenue: **US\$4.8b**
Growth: **14.6%**

Tax
Revenue: **US\$10.5b**
Growth: **7.2%**



Americas
2.8% growth with total revenues of US\$17.7b

EMEIA
10.2% growth with total revenues of US\$15.7b

Asia-Pacific
13.8% growth with total revenues of US\$6.6b

02

Creating long-term value for EY people

We are committed to delivering on our promise to all EY people:
'The exceptional EY experience – it's yours to build'.



In a year when travel stopped and the economy slowed, more than 312,000 EY people continued to support each other, provide exceptional service to EY clients and contributed to our communities through some of the most difficult experiences of our lifetimes.

EY people, guided by our purpose and grounded in EY values, dedicate their time, talents and energy to their work, and we are committed to delivering on our promise to all EY people: 'The exceptional EY experience - it's yours to build'.

Investing in future-focused skills

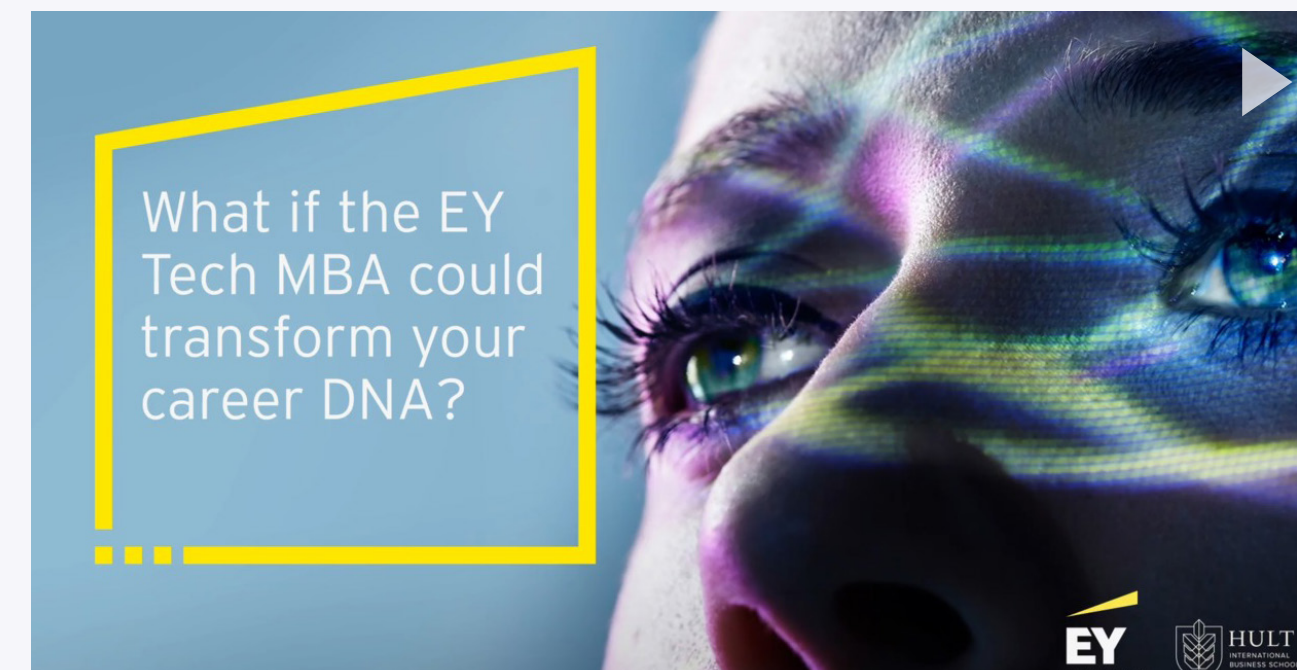
We believe that enabling EY people to gain new skills in technology, leadership and business acumen accelerates their growth, shapes their careers and prepares them – and EY clients – for the future.

In FY21 EY delivered over

18m

hours of learning compared to 16m hours in FY20.

This year we celebrated the first 25 graduates of the EY Tech MBA by Hult International Business School, the first accredited corporate MBA, available to all EY people anywhere in the world. We expect more than 200 graduates by the end of 2022.



Celebrating the first 25 graduates of the EY Tech MBA by Hult International Business School.

EY degrees are built on the **EY Badges** program through which EY people earn digital credentials in future-focused skills and then apply those new skills in practice. To date 160,000 EY Badges have been awarded and another 140,000 are in progress.

Following a unique career journey

Today there are more than 22,000 data scientists and 44,000 technology specialists in EY - AI specialists, mathematicians, data scientists, software engineers, product managers and UX designers - working alongside people with backgrounds in strategy, consulting, accounting, finance, law and tax.

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Today there are more than 22,000 data scientists and 44,000 technology specialists in EY.

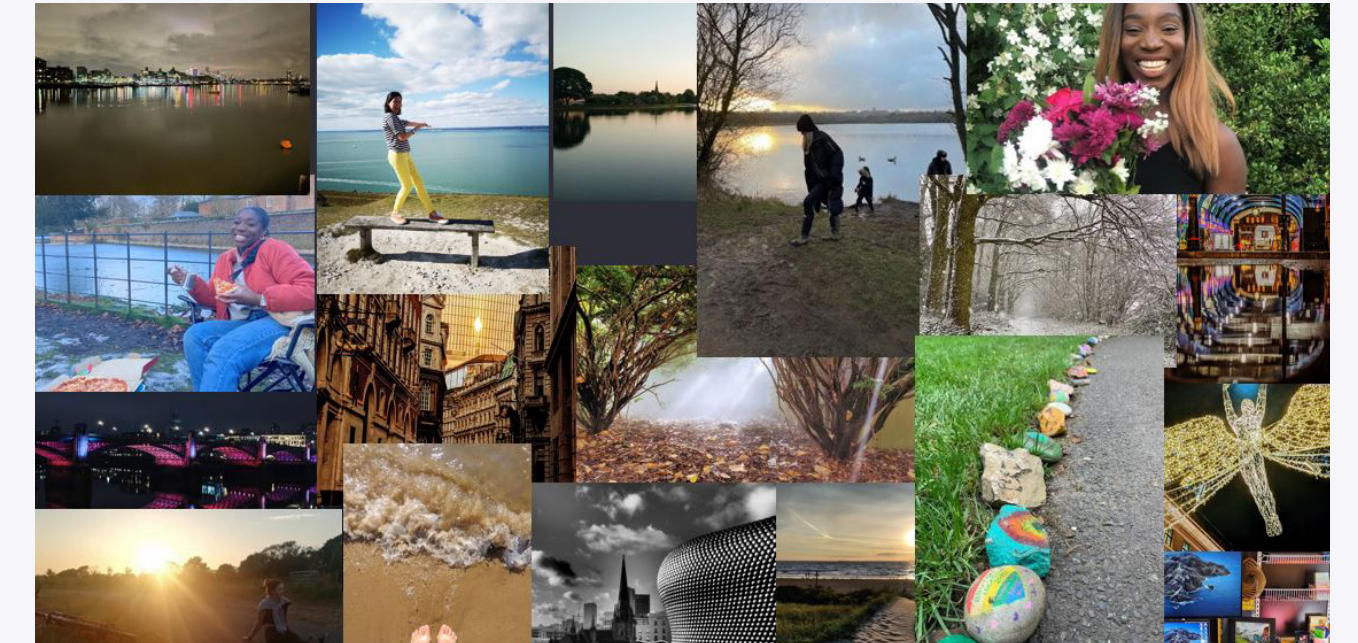
As clients' needs continue to evolve and become even more complex, we need people from a broader range of backgrounds, while providing the opportunity for EY people to redesign their typical career journey and redefine what 'success' looks like for EY people.

This year we launched the Technology Career Framework as part of the EY NextWave Careers program and will continue to expand it next year to give EY people the opportunity to design and build their **own career journey**.



EY people are given the opportunity to learn during internships, on the job and through formal training, but just as much emphasis is placed on designing valuable experiences to stretch EY people's leadership abilities. These experiences include short- and long-term international secondments, moving between service lines, and opportunities afforded by EY Ripples.

Read how EY prevented lockdown turning into locked-out for aspiring students.



Some of the finalists of the EYatHome photography competition in the UK. Participants were asked to share what they have been up to in the past year while predominantly working from home.

Checking-in with colleagues more crucial than ever

This year, as the majority of EY people continued to work from home, checking-in with colleagues became even more essential.

We introduced short, just-in-time listening tools, alongside 'EY People Pulse' (which replaced the EY Global People Survey) to track how people are feeling, and what they need in terms of practical help.

We also deployed EY's global wellbeing strategy, which focuses on four pillars: physical, mental/emotional, social and financial, and the intersection between them. Currently we are providing EY people with the resources they need to prioritize wellbeing while tracking over 70 wellbeing programs and initiatives throughout different EY member firms.

Tracking over

70

wellbeing programs and initiatives throughout different EY member firms.

The importance of a diverse, equitable and inclusive workplace

Diversity, equity and inclusiveness are core to who we are and how we work. We hold a collective commitment to foster an environment where all differences are valued, practices are equitable and everyone experiences a sense of belonging – where people are inspired to team and lead inclusively in their interactions every day.

To help EY clients tackle their toughest challenges we need the best ideas from the broadest group of people, and the EY value of inclusiveness underpins our actions to create meaningful work experiences for all EY people.

Defining Diversity & Inclusiveness (D&I) at EY

Diversity is about differences. At EY we think broadly about differences, such as nationality, language, education, gender identity/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. There are also differences according to geography, service line, sector and function. Inclusiveness is about leveraging differences to create an environment where all EY 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.

This remains true even as we increasingly work in hybrid (a combination of home, office and client) environments - EY leaders are focused on ensuring that opportunities are equitable, differences are valued, people feel supported, and all voices are heard.

To demonstrate our commitment, the Global Executive (GE), EY's highest leadership body has signed the [Global Executive Diversity & Inclusion Statement](#). Not only does this reinforce that D&I is a key business lever, it also ensures that we hold ourselves accountable for progress, starting with our actions at the top.

To drive consistent progress around the world we use the [D&I Roadmap and Culture Change Continuum](#), EY's approach and methodology for D&I that sets out our journey.

The roadmap is brought to life by the EY Global Diversity and Inclusiveness Steering Committee (GDISC), co-chaired by EY Global Chairman and CEO, Carmine Di Sibio, and EY Global Vice Chair – Diversity & Inclusiveness, Karyn Twaronite. Its members, drawn from across the organization, explore challenges, surface successful practices and collaborate on solutions.

To help all EY people become more inclusive leaders and team members, we developed a web-based learning program focused on the foundational behaviors of inclusive leadership. This year the 'Inclusive Leadership for All' course became available to the more than 312,000 people in the EY organization.

To ensure accountability to D&I progress across the EY organization and to support our NextWave ambition and strategy, we use the Global D&I Tracker. It track progress with consistent diversity and inclusiveness metrics and reporting across the EY organization globally.

The Global D&I Tracker includes:

- ▶ A global standard for D&I measurement, with research-based points of view on what 'good' looks like.
- ▶ A measurement of diversity that covers a range of differences, both visible and not visible.
- ▶ The ability to go beyond representation to also include people's lived experiences.

This is the second year using the Global D&I Tracker and we have seen progress across 80% of the EY organization.



EY people work hard every day to help build a more inclusive working world, and are proud when respected organizations [recognize our efforts.](#)

As a global organization EY has an opportunity to address the impact of inequities and injustice, and push for progress in EY and beyond. Last year, we set up the Global Social Equity Task Force (GSET).

Made up of EY leaders from around the world, representing a wide range of backgrounds and perspectives, the GSET’s work centers around this important framing statement: *We commit to advance social equity and inclusive growth. We stand against injustice, bias, discrimination and racism.*

The GSET will accelerate EY’s commitments to D&I and greater social equity through focus areas in and out of EY, including raising consciousness of social inequity and inclusiveness; challenging internal systems, processes and programs through an equity lens; building higher level inclusive leadership practices and capabilities among all EY people; and using our external relationships and platforms to inspire greater social equity and inclusiveness among clients, suppliers and communities.

EY is a founding member of the World Economic Forum’s Partnering for Racial Justice in Business initiative, a coalition of organizations committed to addressing systemic racism, globally, while building equitable and just workplaces for all.

[Read more](#)



Watch the EY UK film committing us to Black diversity. A special thank you to our Black EY UK colleagues featured in this film: Alexander, Geoff, Gill, Richard, Thesla and Thobeka as well as director Rob Akin, voiceover artist Sophia Thakur and the Black crew members who made this film possible.

One of the ways EY is standing against systemic racism in education is by helping to provide internet connectivity, digital devices and online mentoring to underserved students.

[Read more](#)

Ensuring a sense of belonging for everybody

Driving disability inclusion at EY and beyond

As part of EY’s commitment to advancing disability inclusion in business, we’re expanding our role with [The Valuable 500](#) – a global initiative of 500 organizations in national and international markets committed to putting disability on their leadership agendas.

In 2021 EY Global Chairman and CEO, Carmine Di Sibio, became one of The Valuable 500’s 13 Iconic Leaders – a group of CEOs committed to co-creating solutions to drive a change program to advance opportunities for people with disabilities.

Hank Prybylski, EY Global Vice Chair - Transformation, has been appointed as GE Sponsor for Disability. Hank’s role includes advocating for a proactive approach to disability inclusion, and looking at how the work that we do with clients can also address barriers to those with visible and invisible disabilities.



A neurodiverse world is a better working world

The more that organizations can normalize conversations around valuing people who think differently, the more they can drive innovation, increase productivity and generate a sense of belonging across the entire organization.

Supporting neurodivergent people at EY helps us accelerate clients’ technology transformation plans, and drive creativity to solve the most challenging problems.

This year [EY launched the first Neuro-Diverse Centre of Excellence \(NCoE\) in the UK](#), part of a global network of NCoEs in the US, Canada, India, Poland and Spain.



Women. Fast forward

Women. Fast forward is EY's global platform that engages EY people, clients and communities to advance gender equality across three pillars:

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

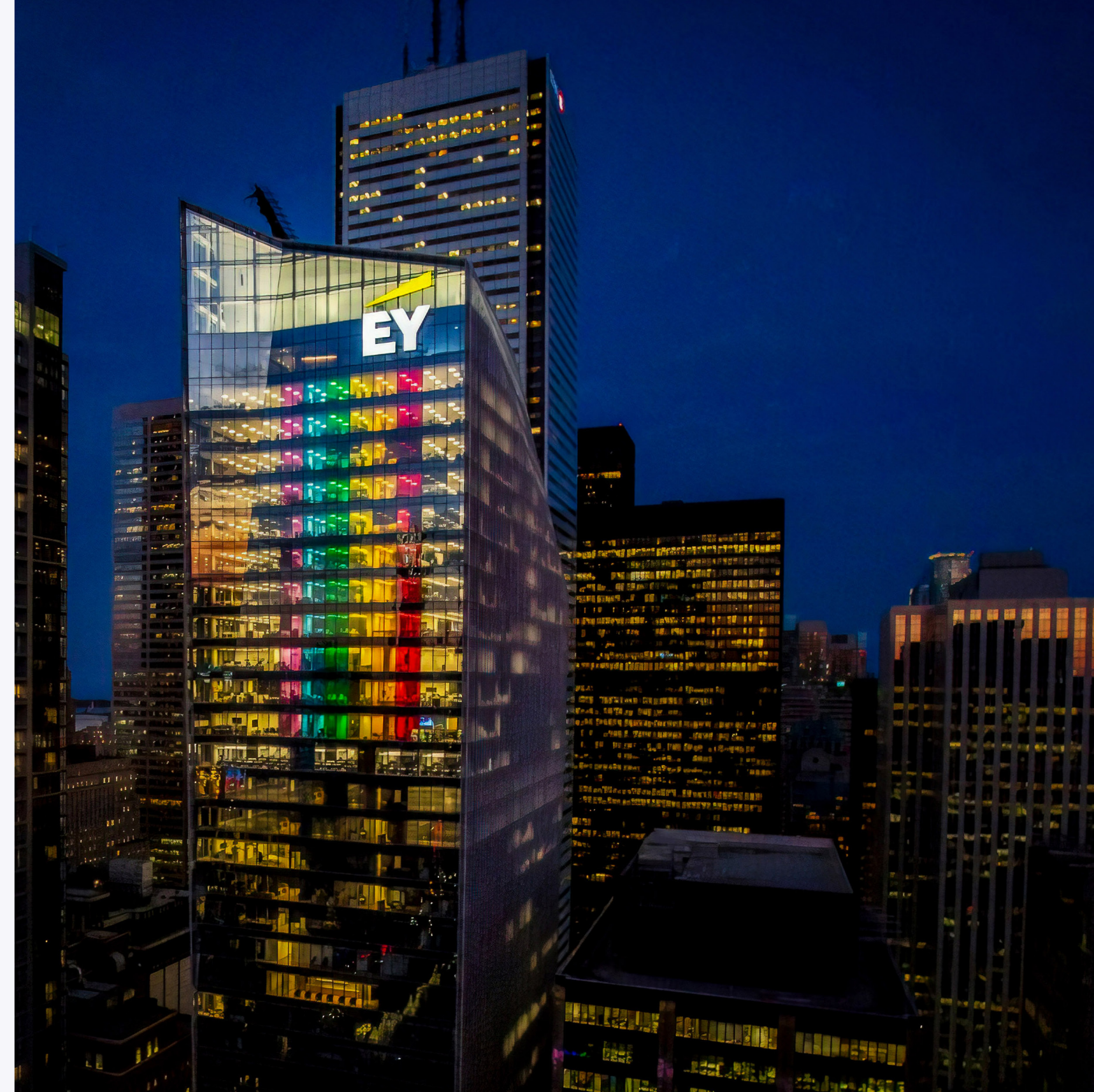
In each pillar EY brings together networks and resources to advance gender equality in organizations across all levels of decision-making and leadership.

A critical element across all three pillars is the increased strategic importance of digital fluency for all women in the workforce.

Some of the global programs under the Women. Fast forward umbrella include POWER Up™; Winning Women™; Women Athlete Business Network; EY's involvement in EQUALS and efforts to mentor and develop the next generation of women.

Congratulations to all of the athletes who competed in the Tokyo 2020 Olympic and Paralympic Games, which included people from EY – Mitsuteru Moroishi, Jessica Morrison, Timothy Masters, Uchu Tomita and Jairo Klug – and mentees from the EY Women Athletes Business Network Class of 2021. You can also find out more about EY Athlete Programs, which realize the collective leadership potential of athletes.

[Read more](#)



EY marks IDAHOTB

On the International Day Against Homophobia, Transphobia and Biphobia (IDAHOTB) 2021, EY put on a flagship 24-hour LGBT+ 'follow the sun' global celebration, which gave all EY people an opportunity to unite and show our continued support toward the LGBT+ community in and out of EY.

The event brought together thousands of EY people from across 75 countries. Throughout the broadcast, we heard from colleagues, leaders, clients and inclusion experts worldwide, reaffirming EY's commitment to LGBT+ inclusion.

03

Creating long-term value for society

EY is committed to building trust in the capital markets and having a positive impact on communities and the planet.



Addressing today's sustainability challenges, together

Sustainability is one of the defining issues of our generation. It's also a once in a lifetime innovation opportunity to create long-term value - financial, consumer, human and societal - for all stakeholders.

The EY ecosystem of more than 312,000 EY people operating across service lines, geographies, sectors and alliances is working together to address today's sustainability challenges for EY clients and in our global organization.

Discover the seven actions in EY's carbon ambition.

[Read more](#)

Supporting EY clients

EY teams are developing new global solutions for clients, based on our value-led sustainability framework, helping EY clients capture the business opportunities from sustainability and decarbonization while also protecting and creating value.

We are helping clients integrate ESG disclosure into wider strategy. This includes expanding sustainability beyond a reporting-led conversation to a value-based narrative - engaging with governments and the private sector to recognize and capture the opportunities in sustainability.

Value-led sustainability brings the collective power of EY's services and solutions to support clients as they implement and accelerate sustainability strategies and transformation, while communicating and reporting impact.

Innovation in plant-based meat could have a major role in promoting healthier food alternatives and sustainable environmental practices.

[Read more](#)

Supporting the EY organization

When Steve Varley - the first EY Global Vice Chair - Sustainability - was appointed to accelerate EY's role in helping to drive a more sustainable future, EY announced its ambitions to be carbon neutral by the end of 2020, to become carbon negative in 2021 and net zero in 2025.

We **achieved our 2020 target to be carbon neutral** by removing or offsetting globally carbon emissions equivalent to our total footprint, and are on target with our goal to become carbon negative in 2021.

In order to work toward net zero - eliminating all avoidable emissions, and removing the rest - in 2025, we worked with the **Science Based Targets initiative** to develop and validate a science-based target to reduce EY's total emissions by 40% across the entire global EY organization.

This target is aligned to the most ambitious aim of the Paris Agreement: to limit a global temperature rise to 1.5°C above preindustrial levels.



In addition, EY offices are increasingly moving to LEED (Leadership in Energy and Environmental Design) certified buildings. LEED is the most widely used green building rating system in the world, taking into consideration site sustainability, energy savings, water efficiency, CO2 reduction and indoor environment. The new EY offices in Stockholm and New York are rated LEED Platinum and Gold, respectively - the two highest certifications.

Moreover, by 2025 all EY offices will run on 100% renewable energy. We're also building sustainability into our supply chain, requiring 75% of EY suppliers (by spend) to have their own science-based emission reduction targets by 2025.

We have also taken action across EY on a number of critical sustainability issues including [Task Force on Climate-related Financial Disclosures \(TCFD\)-aligned reporting](#), [water use](#) and [land use](#).

The aim is to continuously evaluate the development and tracking of carbon, water and waste metrics, in order to monitor and reduce the environmental impact. In FY22 a global data management system will be rolled out across EY to drive further consistency, accuracy and controls in the ongoing collection, reporting and monitoring of environmental metrics.

There is also a dedicated [EY Badge](#) on Climate Change. Almost 2,000 Climate Change badges have been awarded with another 5,000 underway. More sustainability badges are also available to further educate and empower EY people, covering the Circular Economy, Impact Entrepreneurship, Responsible Business, the Sustainable Finance Transformation, and the Business Case for Sustainability.

The badges are designed to help EY people learn about the environmental, social and economic concepts underlying sustainability, and equip them with the strategies and tools to recommend sustainable solutions and create long-term value for EY clients, people and society.



By 2025 all EY
offices will run on

100%

renewable energy.



Convening a community of like-minded organizations

This year EY co-founded the S30 forum, which brings together 30 of the world's leading Chief Sustainability Officers, with a mission to 'accelerate business action on sustainability', and is part of the Sustainable Markets Initiative (SMI) from His Royal Highness Prince Charles.

EY is one of the original 11 founding partners of the SMI and is an active supporter of its Terra Carta, a charter that puts sustainability at the heart of the private sector.

We are also looking to the challenges and opportunities ahead – such as the collaboration that's needed to make the 26th UN Climate Change Conference of the Parties (COP26) a success, helping clients translate COP26 into business action and impact, and the actions needed to achieve the Paris Agreement goals.

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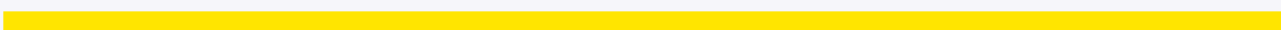
Positively impacting 55m lives

The EY Corporate Responsibility program, EY Ripples, is anchored in a long-term goal to positively impact one billion lives by 2030, by extending EY's combined knowledge and networks across three focus areas – the next generation workforce, impact entrepreneurship and environmental sustainability.

EY Ripples expanded this year to include over 1,400 new projects and initiatives, giving EY people even more opportunities to make an impact.

As a result, more than 44,000 EY people were able to devote over 422,000 hours to social and environmental impact projects, and in total, positively impact 20 million lives in FY21. Since EY Ripples was launched in 2018, we have positively impacted 55 million lives.

This year, in the continued grip of the COVID-19 pandemic, we prioritized the development of virtual experiences and on-demand tools, while also sharing insights and providing additional support to ensure that virtual provision didn't deepen the effects of the digital divide.



As well as sharing insights on how to make virtual mentoring more effective and inclusive, EY joined forces with JA Worldwide to survey nearly 6,000 young people. With Gen Z poised to reframe the future, this research shows how business and education can better support their ambitions by providing more diverse and true-to-life learning experiences.

[Read more](#)



55m

people positively impacted
through EY Ripples
since the program began.

COVID-19 has posed an existential threat to impact enterprises. EY led the development of TRANSFORM Survive & Thrive – a digital platform that has connected more than 4,300 unique users across more than 120 countries with the free resources (55 tools and resources from more than 15 organizations) they need to remain resilient, mount targeted responses to the pandemic and sustain their long-term impact.

[Read more](#)

Recognizing that our commitment and aim to positively impact one billion lives by 2030 requires scaling exponentially, we've continued to build and strengthen relationships with clients and other like-minded organizations, such as Acumen, the EU Commission, JA Worldwide, SAP, the World Bank, the World Economic Forum (WEF), Unilever, the UK Foreign Commonwealth and Development Office (FCDO) and the Council for Inclusive Capitalism.

From an inclusive business playbook to advance the inclusion of low-income and marginalized communities, to working with governments, schools and non-profits to pilot the EY STEM App - a platform to inspire 100,000 girls in STEM by 2022 - these collaborations can help build vibrant ecosystems for change.

Over the coming year, we expect EY Ripples to be more deeply integrated into the work that EY people do every day, in order to highlight the importance of integrating social impact into the core of what we do.



Waste for Warmth is pioneering innovative technology that transforms waste thermoplastics into tent insulation. Offering a more sustainable and inclusive approach to winterizing refugee camps, EY teams have helped Waste for Warmth demonstrate the feasibility of the concept and prepare for scale.

[Read more](#)

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Over the coming year, we expect EY Ripples to be more deeply integrated into the work that EY people do every day.

To counter the threat of deepening inequality, a new inclusive business playbook, developed by Acumen and EY, provides a practical framework and inspirational case studies to encourage a more systemic focus on the needs of low-income and marginalized communities.

[Read more](#)

Building trust in the capital markets

All EY services help to build trust, whether directly through the work undertaken by EY teams or indirectly through what that work allows others to achieve.

Commitment to audit quality

One of the specific ways **EY Assurance** helps build trust is through the Sustainable Audit Quality (SAQ) program, EY's commitment to conducting globally consistent, high-quality audits sustained over time. EY Audit teams deliver high-quality, analytics-driven audits with independence, integrity, objectivity and professional skepticism to provide third-party assurance over an organization's reporting. With assurance, users can rely on the information available to inform business decisions, and protect and create long-term value.

Since SAQ's launch in 2015 there have been significant advances in technology, which have supported the development of a data-first audit approach and EY Digital Global Audit Methodology.

In addition, the EY Canvas online audit platform is now used across 100% of EY audits and connects 120,000 EY professionals with more than 350,000 client users, while the EY Helix platform analyzed 625b lines of financial data in 2020.

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In EY we continue to draw on both a skilled talent pool and state-of-the-art technologies to develop an audit process that goes beyond standard practice.

Part of EY's commitment to quality is a policy of continuous improvement, which includes implementing innovations in our risk and audit procedures regarding the prevention and detection of fraud. In EY we continue to draw on both a skilled talent pool and state-of-the-art technologies to develop an audit process that goes beyond standard practice. Some specific developments include:

- ▶ Mandating the use of data analytics for fraud testing in audits for all listed entities globally.
- ▶ Enhancing risk assessments and audit scoping by using more external data and information to enable more nimble responses to external risk indicators, such as short selling and whistleblowers, and ongoing checks on management probity.
- ▶ Using electronic confirmations for audit evidence wherever possible, moving in time to matching the company's records of banking transactions with those provided to EY by the bank.
- ▶ Mandating annual forensics training for all audit professionals that incorporates the experiences of EY forensics professionals.
- ▶ Requiring the use of forensic specialists in the audit on a targeted-risk basis.

While the primary responsibility for the prevention and detection of fraud is with client management and supervisory boards, audits should play more of a role in the future to detect material frauds. In order to strengthen the focus on fraud, we are developing a proprietary fraud risk assessment framework for EY member firms to use with audit committees and those charged with governance.

We believe that these improvements are imperative for the audit profession as a whole, and are designed to address client and audit risk, improve the EY system of Quality Management, and support standard-setting enhancements, as well as lead the way in advancing the audit profession.



External and internal inspections

Both externally and internally, our inspection results continue to improve, demonstrating that our global system of audit quality control operates effectively, and audit quality remains paramount.

- ▶ We have achieved the first International Forum of Independent Audit Regulators (IFIAR) 25% reduction target for the 2019 IFIAR survey in listed public-interest entities (PIE) deficiency rates and we are on track for achieving the second 25% reduction target for the 2023 IFIAR survey.
- ▶ Based on publicly available information for the most recent inspections results, EY has the lowest rate out of the Big Four of the Public Company Accounting Oversight Board (PCAOB) inspection findings globally, at 15% overall.

Internal inspections are performed on engagements each year through our annual Audit Quality Review (AQR) program as an important element of assessing the system of quality control at the member firm, regional and global levels. We have had continuous improvements in these results since 2015. In 2020, 96% were compliant or with immaterial findings, which is in line or better than our peers that publicly disclose this information.



04

Creating long-term value for EY clients

EY teams help clients grow, optimize and protect value. To do so we bring together service lines, sector knowledge, data, technology, and our ecosystem to bring all of EY's capabilities to meet clients' diverse needs.



Today EY people in more than 150 countries create long-term value for clients by helping them not only address today's challenges but also understand emerging trends, mitigate risks and seek out opportunities in a post-pandemic world.

We believe that a purpose-led strategy is the path to growth in the post COVID-19 environment – a strategy that takes into account multiple stakeholders and addresses key issues of trust, trade, technology, sustainability and puts people at the center of every decision.

[Read more](#)

Investing in technology and data

EY continues to innovate and create, using technology and data, new solutions and services for clients. For example, EY's Safe Return App is helping people across Latin America [return to work with confidence](#) and supporting Latin America's broader economic recovery.

We are also helping Teva Pharmaceutical manage third-party risk better by using [data analytics and workflow design](#) to re-engineer compliance as a driving force for better decision-making and change.

And Birra Peroni, the Italian beer company, is the first industrial organization to use [EY OpsChain Traceability](#), an EY blockchain as-a-service offering on [blockchain.ey.com](#), to mint unique non-fungible tokens (NFTs) for each new batch of beer, enabling greater visibility and efficiency across its supply chain.



EY investments are also delivering significant digital innovation in areas like audit – effectively digitizing the end-to-end audit process – supporting client technology platforms such as the EY Global Tax Platform, and driving solutions like Diligence Edge, which uses AI to revolutionize M&A due diligence.

We also enable EY developers (including ecosystem and vendor developers) to create their own applications and products - the EY Client Technology Platform houses the building blocks, patterns and services that are reused in a large number of products so developers can quickly create solutions at scale.

We are proud of the many independent evaluations from analysts - for example this year Forrester named EY a Leader in the June 2021 The Forrester Wave™: Innovation Consulting Services, Q2 2021.

[Read more](#)

Today nearly 80% of business-critical platforms are hosted on the cloud across 160 countries, meaning we can connect and work more efficiently than ever before, and more easily provide the best of what EY has to offer to every client.

Building alliances, catalyzing collaboration

No one organization today has all of the services and capabilities clients need. That is why EY continues to expand our knowledge, skills and pool of talented people through both acquisitions and an ecosystem of alliances.

There are more than 30 technology and industry alliances and more than 100 technology and innovation relationships in EY today. This ecosystem allows us to combine both emerging and widely used technologies with our capabilities to develop new offerings for clients.

We will continue to build on our ecosystem of strategic alliances, including with Microsoft and SAP, which were expanded in FY21. Eight new alliances were added in FY21, including expanding capabilities in industry solutions, digital, cybersecurity and supply chain through agreements with Fadata, Nottingham Spirk, Tanium and CrowdStrike.

EY US announces a new vaccine management solution, powered by Microsoft technologies, to support safe, secure and equitable distribution of COVID-19 vaccines.

[Read more](#)



What organizations should be doing differently now, next and beyond

Closely linked to EY's investments in technology are the investments in [innovation](#). The EY Transformation Zone brings together teams from across EY to drive a cohesive, strategic focus on innovation for all of EY, and ensure a coordinated and consolidated approach.

EY wavespace™ brought together industry leaders in building a cell and gene therapy platform to fight disease.

[Read more](#)

The team challenges what organizations should be doing differently in 6 months, 3 years, 10 years and beyond, and investigates what disruptive, emerging technologies can achieve. Projects currently underway range from large bets to smaller ideas that are quick to implement and require relatively low investment.

How COVID-19 has triggered a sprint toward smarter health care.

[Read more](#)



EY helped US citizens impacted by COVID-19, clearing

350,000

unemployment claims and building a virtual job center to **accelerate reemployment.**

Helping organizations transform

Business is changing rapidly, and one of the biggest needs that EY clients have today is to transform.

Today [EY-Parthenon](#) is the world's fifth largest strategy consulting organization in terms of revenue, and more than 6,500 EY-Parthenon people help clients across the world to successfully transform their businesses.

Looking ahead we will continue to expand capabilities to help clients not just develop their strategic visions but to see them through to strategy execution. That means continuing to expand into key markets and build out the portfolio of strategy services and solutions.

The EY-Parthenon global sector coverage now spans education, consumer products, financial services, public sector, private equity and retail - for example, we advised UK fashion retailer ASOS, helping it to become [more resilient and better prepared for the future](#).

“

Today EY-Parthenon is the world's fifth largest strategy consulting organization in terms of revenue.

05

EY leadership teams



The EY Global Executive

The EY **Global Executive** is the highest EY leadership body, 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.

Carmine Di Sibio

EY Global Chairman and Chief Executive Officer

Andy Baldwin

EY Global Managing Partner – Client Service

Steve Krouskos

EY Global Managing Partner – Business Enablement

Trent Henry

EY Global Vice Chair – Talent

Jay Nibbe

EY Global Vice Chair – Markets

Nicola Morini Bianzino

EY Global Chief Client Technology Officer

Hank Prybylski

EY Global Vice Chair – Transformation

Marie-Laure Delarue

EY Global Vice Chair – Assurance

Errol Gardner

EY Global Vice Chair – Consulting

Kate Barton

EY Global Vice Chair – Tax

Andrea Guerzoni

EY Global Vice Chair – Strategy and Transactions (SaT)

Kelly Grier

EY Americas Area Managing Partner

Patrick Winter

EY Asia-Pacific Area Managing Partner

Julie Teigland

EY Europe, Middle East, India and Africa (EMEIA)
Area Managing Partner

Alice Chan

Chair of the Global Accounts Committee

Rajiv Memani

Chair of the Global Emerging Markets Committee

Jack Chan

Emerging Market Committee Member

Jessie Qin

Member firm partner on rotation

Area and Regional Managing Partners

EY legal entities are organized into similarly-sized – in terms of both people and revenues – business units called Regions. These Regions, led by Regional Managing Partners, are grouped into geographic Areas: Americas, EMEIA and Asia-Pacific.

Americas

Kelly Grier
EY Americas Area Managing Partner

Julie Boland
USA – Central

Rich Jeanneret
USA – East

Frank Mahoney
USA – West

Janet Truncale
Financial Services Organization

Jad Shimaly
Canada

Doron Sharabany
Israel

Manuel Solano
Latin America – North

Ted Acosta
Latin America – South

EMEIA

Julie Teigland
EY EMEIA Area Managing Partner

Ajen Sita
Africa

Jacek Kedzior
Central, Eastern and Southeastern Europe &
Central Asia (CESA)

Marcel van Loo
Europe West

Omar Ali
Financial Services Organization

Rajiv Memani
India

Abdulaziz Al-Sowailim
Middle East North Africa (MENA)

Jesper Almstrom
Nordics

Hywel Ball
UK & Ireland

Asia-Pacific

Patrick Winter
EY Asia-Pacific Area Managing Partner

Nam Soon Liew
Asean

Gary Hwa
Financial Services Organization

Jack Chan
Greater China

Moriaki Kida
Japan

Yong Keun Park
Korea

David Larocca
Oceania

Global Governance Council

The Global Governance Council consists of senior client-serving partner-ranked professionals drawn from member firms across EY and currently three (of possible six) independent non-executive members. These senior EY professionals who otherwise do not hold senior management roles, are elected by their peers.

Americas

Americas Financial Services Organization
Udanda Clark, Shelly Fliehe, Laura Giovacco

Canada
Glenn Parkinson

Central
Malcomb Coley, Andrew Lee

East
Becky Carey, Gaurav Gupta, Angie Kelly

Israel
Itzik Morovits

Latin America – North
Margarita Salas

Latin America – South
Gustavo Rousseaux

West
Mark Jain, Marney MacKenna, Phillip Mazzie

National Practices
Barak Ravid, Ayan Roy

EMEIA

Africa
Shailen Ramgoolam

CESA
Natalia Starygina, Eirinikos Platis

EMEIA Financial Services Organization
Paul Nijssen, Philip Vermeulen, Aidan Walsh

Europe West
Marc Cosaert, Ole Halfpap, Pierre Jouanne,
Helen Pelzmann, Francisco Javier Sanchez Ramos

India
Jayesh Sanghvi

MENA
Yasmeen Muhtaseb

Nordics
Carina Marie G. Korsgaard

UK & Ireland
Alison Duncan, John Higgins

Asia-Pacific

Asean
Susanti Susanti, Vincent Toong

Asia-Pacific Financial Services Organization
Warrick Gard, Swee Yen Yeoh

Greater China
Vincent Chan, Dilys Chau

Japan
Koji Fujima, Seiko Sugimoto

Korea
Dong Chul Kim, Sang Il Bae

Oceania
Brad Tozer, Trent van Veen (Presiding Partner)

Global Independent Non-Executives

CK Chow
Jurgen Kluge
David Thorburn

Industries

Our sector focus means EY teams can help clients better anticipate market trends, identify the implications for their businesses, and deliver sector-specific solutions. Andres Saenz, as EY Global Vice Chair – Industry, oversees the work that EY teams do across our industry sectors.

Andres Saenz

EY Global Vice Chair – Industry

Randall J. Miller

Advanced Manufacturing & Mobility

Kristina Rogers

Consumer

Serge Colle

Energy & Resources

Gary Hwa

Financial Services

George Atalla

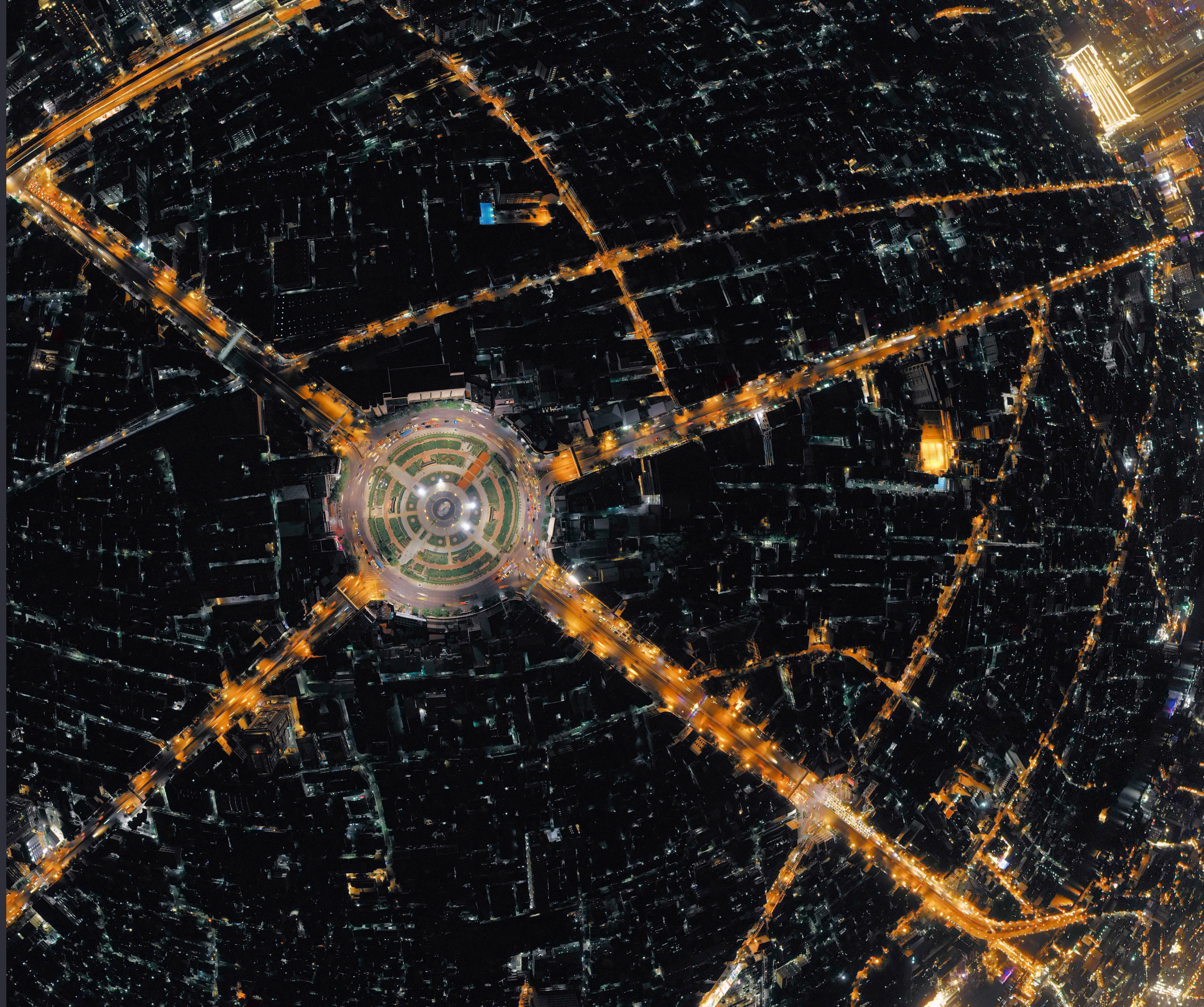
Government & Public Sector

Pamela Spence

Health Sciences & Wellness

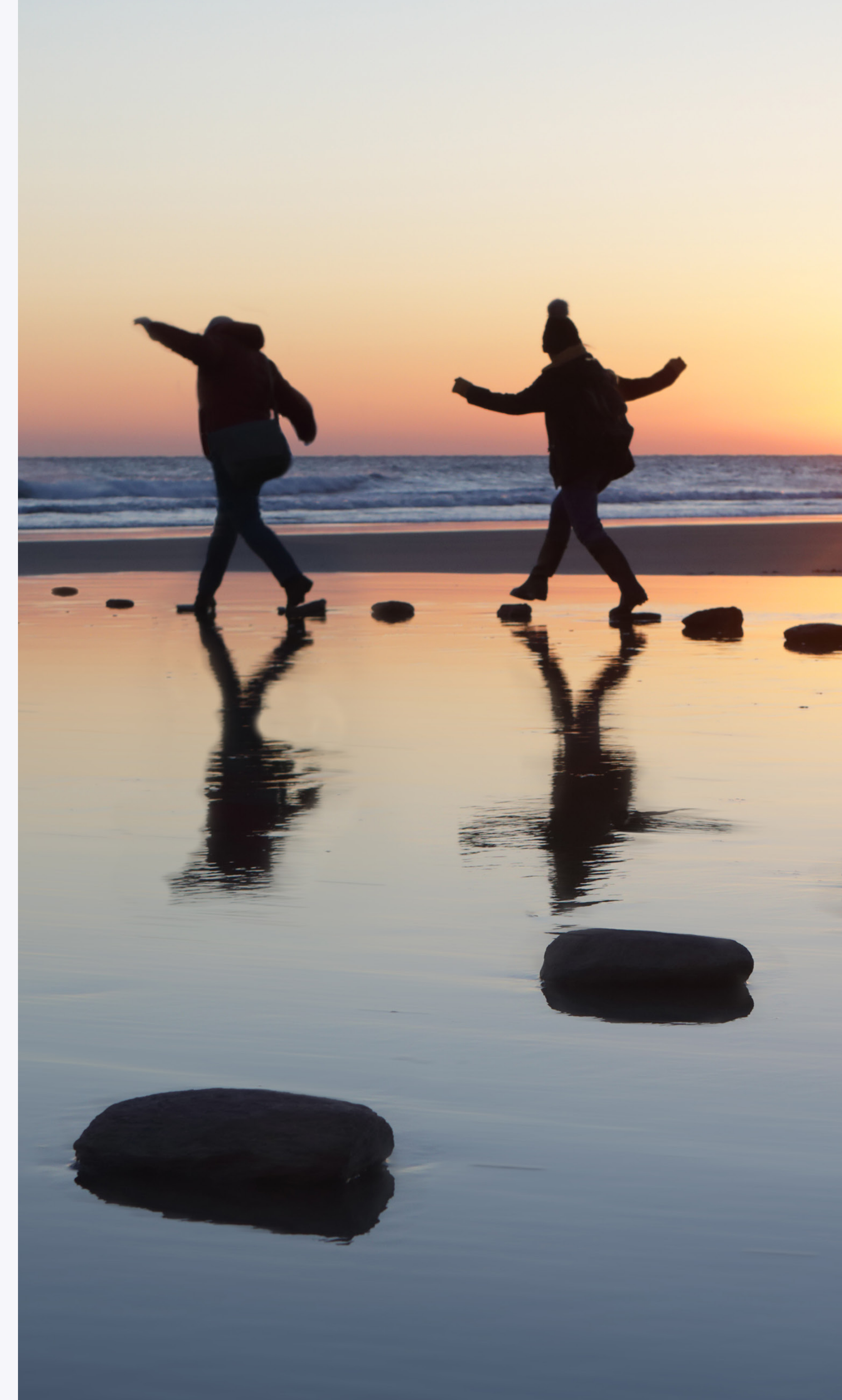
Bill Stoffel

Private Equity



06

WEF-IBC Stakeholder Capitalism Metrics and UNGC Ten Principles - summary tables



As part of EY’s membership in the World Economic Forum’s International Business Council (WEF-IBC), we participated in a collaborative effort to identify a set of metrics to help standardize disclosures around ESG reporting. For the first time, EY is implementing the [WEF-IBC Stakeholder Capitalism Metrics](#) in this report.

EY’s commitment to report on the metrics is subject to the ‘disclose or explain’ principle. EY is a global organization that includes member firms that are structured as partnerships. Certain metrics may request data that may not adequately measure EY’s contribution to stakeholder capitalism. Where applicable, narratives and explanations have been provided in response to the metric.

Reporting against the WEF-IBC Stakeholder Capitalism Metrics

Principles of governance

Theme	Metric	EY disclosure
Governing purpose	1. Setting purpose	EY’s purpose is Building a better working world. The insights and quality services we provide help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promise to all our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.
Quality of governing body	2. Governance body composition	EY leadership teams include the EY Global Executive, Area and Regional Managing Partners, the Global Governance Council and Industry leaders. Refer to page 26 for more information on EY leadership groups and page 40 for gender diversity figures. The EY Global Executive is measured against EY NextWave strategy key performance indicators, including monitoring progress on diversity and inclusion goals, lives impacted through the EY Ripples program, and carbon ambition progress.
Stakeholder engagement	3. Material issues impacting stakeholders	The EY Risk Management function contributes to the global organization’s culture through the promotion of forward thinking within an articulated risk appetite to support decisions that are necessary to manage risk. In FY21, risk categories were identified based on their potential impacts on the execution of the EY NextWave strategy. These risk categories span all aspects of EY’s operations and include risk areas associated with EY’s ability to: <ul style="list-style-type: none"> ▸ Provide multi-disciplinary services to clients while complying with independence requirements ▸ Create and maintain a culture aligned to EY values ▸ Accelerate innovation and access to technology while managing risks associated with data and cybersecurity
Risk and opportunity oversight	4. Integrating risk and opportunity	Climate-related risks and opportunities are considered within the business continuity and crisis response key risk and in EY’s FY21 Task Force on Climate-related Financial Disclosures (TCFD) assessment. To understand the most critical interests of EY stakeholders, a comprehensive reassessment has been initiated of the material environmental, social and economic issues relevant to the EY organization in FY22. The results of this global materiality assessment will be a key reference that will influence the EY business strategy, goal setting, resource allocation, external disclosures and identification and management of risks.

Principles of governance

Ethical behavior	5. Anti-corruption	All EY people are required to complete anti-bribery and corruption training during their career. Please refer to the other anti-corruption policies and procedures in place in EY which are included in the table, ' Supporting the Ten Principles of the UNGC and the UN Sustainable Development Goals '.
	6. Protected ethics advice and reporting mechanisms	The EY/Ethics Hotline provides EY people, clients and others a means to report confidentially any activity or concern that may involve unethical or illegal behavior that is inconsistent with the EY Global Code of Conduct. All reports received are given careful attention by EY, and all reports are acknowledged in a timely way. A link to the hotline is prominent on EY's internal websites, and is also easily found with a simple internet search. It is available in nine languages; alternatively, there is a telephone line for which interpreters are available. We have demonstrated our commitment to the Code and the hotline with comprehensive training and communications throughout the EY network of member firms.

Planet

Theme	Metric	EY disclosure
Climate change	7. GHG emissions	EY decreased emissions by 60% in FY21. EY Scope 1, 2 and 3 emission disclosures and details on the EY carbon ambition can be found on page 14 and page 41 . Additional information on the seven actions to accomplish the EY carbon ambition to be net zero in 2025 can be found here .
	8. TCFD-aligned reporting	In FY21 EY conducted a global TCFD assessment to analyze the top climate-related risks and opportunities that impact EY and our preparedness to address them globally. This assessment included representatives from EY Real Estate, Travel, Procurement, Risk, Sustainability and Corporate Responsibility teams. This global TCFD assessment builds on the TCFD assessment conducted in FY20 by the EY US member firm in which US-specific climate-related risks and opportunities were identified. The results of the global TCFD assessment will be integrated into the EY global risk management procedures and into the EY CDP response. In FY22 the EY TCFD assessment will be refreshed and include a more detailed and quantitative scenario analysis, which will enable more actionable insights.
Nature loss	9. Land use and ecological sensitivity	Eight EY office locations, representing approximately 1% of EY office locations and approximately 1% of the global EY headcount, are in key biodiversity areas (KBA). As a global network of member firms, EY locations are predominantly in major urban and business centers. The location selection process is driven by proximity to EY clients, talent pool and business case; key selection criteria includes a Class A office building that is well located within the city and will meet the needs of clients, internal governance and enablement of the workforce. We are pleased that the recent KBA mapping analysis confirmed that most offices are not in or adjacent to key biodiversity areas. Over time, land use management action plans will be developed to reduce our impacts on these KBAs and support the local communities in which we operate. We have also recently updated the location selection process to align with EY sustainability efforts.
Freshwater availability	10. Water consumption	In the last year EY completed a WRI Aqueduct water risk assessment across 32 countries, representing 83% of the EY global organization. Of that sample, 65 offices, representing 35% of the global EY headcount, were deemed to be in high or extremely high baseline water stress areas. The most prevalent risks identified were baseline water stress, untreated connected wastewater and limited sanitation services. As a result of the assessment, 19 potential water management actions were identified for implementation. In the upcoming year, a global data management system will be implemented to track and report mega liters of water withdrawn, mega liters of water consumed, and the percentage of each in regions with high or extremely high baseline water stress. Over time water management action plans will be developed to reduce our own consumption, further reduce water-related risks and support the local communities in which we operate.

People


Theme	Metric	EY disclosure
Dignity and equality	11. Pay equality	<p>Over 97% of EY employees are included in a pay equity analyses performed at a country or regional level.</p> <p>For example, refer to the EY UK 2020 pay gap report for analysis results and progress for the UK member firm.</p> <p>EY is committed to pay equity and fair practices for EY people and has processes and policies that focus on equitable compensation. EY employee compensation is designed to be competitive in the market, and be connected to an individual’s work experience and performance, while being equitable internally. In order to be equitable internally, EY people should be similarly paid when performing similar work.</p>
	12. Wage level	An entry level wage assessment was performed and confirmed that 100% of EY employees are paid above the applicable jurisdiction’s minimum wage.
	13. D&I	<p>At EY we think broadly about differences, and are committed to building the highest-performing teams through the power of diversity and to providing equitable growth opportunities to people around the world.</p> <p>We recently implemented a voluntary, global self-identification platform across a number of countries where local law permits, enabling people to indicate gender and gender identity/expression and other diversity dimensions. While not disclosed for data privacy reasons, this information may be used to inform strategy as we strive to be more inclusive with equitable experiences for all.</p> <p>Refer to page 10 for more details on D&I in EY and page 40 for data on workforce diversity.</p>
	14. Risks for incidents of child, forced or compulsory labor	<p>EY has issued its first Global Human Rights statement. The Global Human Rights statement builds on the EY Global Code of Conduct and is informed by the United Nations Principles on Business and Human Rights. The statement addresses the rights of all EY people, including health and safety, labor rights, and diversity, equity, and inclusiveness. As we recognize the role in the communities in which EY member firms operate, the statement also considers how EY client engagements interact with human rights.</p> <p>EY will operationalize this new Global Human Rights statement through further training for all EY people, strong governance and consistent monitoring.</p> <p>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.</p> <p>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.</p> <p>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 reaffirming 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.</p> <p>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.</p>
Health and wellbeing	15. Health and safety	<p>The health and safety of EY people is paramount, and globally there are policies and procedures in place to ensure workplace safety. Fatalities and work-related injuries are not tracked globally, as the risk of accidents in EY businesses is low.</p> <p>To support the mental and physical health of EY people, EY has over 70 wellbeing services globally, many of which expanded in the last year. See page 9 for more detail.</p>
Skills for the future	16. Training provided	EY is enabling EY people with new skills to prepare for the future. Refer to page 8 for more details on EY investments in life-long learning and page 39 for data on training programs and spend.


Prosperity



Theme	Metric	EY disclosure
Employment and wealth generation	17. Absolute number and rate of employment	Absolute number and rate of employment data are available on page 40 .
	18. Economic contribution	In FY21 combined EY global revenues were US\$40b, and a significant portion of revenues are used for employee wages and benefits and compensation to the owners. Total community investment was in excess of US\$119m. EY does not currently report payments to providers of capital and governments and financial assistance received from the government, as it does not significantly demonstrate the EY contribution to economies. Refer to page 17 for information on EY’s community investment efforts beyond what can be monetized and page 41 for data on EY societal value through the number of lives impacted and community investments.
	19. Financial investment contribution	Capital expenditures across the global organization in FY21 amounted to US\$700m; however, the EY businesses are not capital intensive. For a more thorough view of EY investments refer to page 5 . Financial investment contribution is measured through CapEx as it relates to EY member firms. Share buybacks and dividend payments are not recorded at EY given that the EY organization consists of separate member firms, a number of which are private partnerships.
Innovation of better products and services	20. Total R&D expenses	Over the last three years, EY made investments of US\$8b and has committed to an expanded investment spend of US\$10b over the next three years, an increase of 25%. The investment spend is being made in vital areas such as audit quality, transformation, technology and people and will continue to help EY clients, EY people and communities innovate and transform. As a professional service organization, our innovation efforts extend beyond the traditional research and development definition; instead, our investments in developing better products and services to serve clients and EY people better captures the current focus on innovation. Refer to page 22 for more information on our innovation focus and efforts.
Community and social vitality	21. Total tax paid	Due to the EY ownership structure, a significant component of the taxes related to EY revenue is paid by the individual owners of the business and not directly by member firms. EY does not have access to the information regarding the income taxes paid by owners of the business. In general, EY individual owners pay tax at or near the highest marginal rate in their respective home jurisdictions. Other taxes paid throughout the EY global organization are not currently reported at the global level.

We reaffirm EY's commitment to the Ten Principles of the United Nations Global Compact (UNGC), and this report doubles as the EY UNGC Communications on Progress.

Supporting the Ten Principles of the UNGC and the UN Sustainable Development Goals

UNGC principle	EY commitment	SDG impact
<p>Human rights</p>	<p>1. Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>EY has issued its first Global Human Rights statement. The Global Human Rights statement builds on the EY Global Code of Conduct and is informed by the United Nations Principles on Business and Human Rights. The statement addresses the rights of all EY people, including health and safety, labor rights, and diversity, equity, and inclusiveness. As we recognize the role in the communities in which EY member firms operate, the statement also considers how EY client engagements interact with human rights.</p> <p>EY will operationalize this new Global Human Rights statement through further training for all EY people, strong governance and consistent monitoring.</p> <p>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.</p> <p>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.</p> <p>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 reaffirming 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.</p> <p>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.</p> <p>2. make sure that they are not complicit in human rights abuses</p> <p>See UNGC Principle No. 1.</p>	 <p>The SDG icons shown are: 3 Good Health and Well-being, 4 Quality Education, 5 Gender Equality, 8 Decent Work and Economic Growth, 10 Reduced Inequalities, and 17 Partnerships for the Goals.</p>

UNGC principle	EY commitment	SDG impact
Labor	<p>3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>4. the elimination of all forms of forced and compulsory labor</p> <p>5. the effective abolition of child labor; and</p> <p>6. the elimination of discrimination in respect of employment and occupation.</p> <p>Please refer to ‘Creating long-term value for EY people’</p> <p>See UNGC Principle No. 1.</p> <p>See UNGC Principle No. 1.</p> <p>Over 97% of EY employees are included in a pay equity analyses performed at a country or regional level.</p> <p>For example, refer to the EY UK 2020 pay gap report for analysis results and progress for the UK member firm.</p> <p>EY is committed to pay equity and fair practices for EY people and has processes and policies that focus on equitable compensation. EY employee compensation is designed to be competitive in the market, to be connected to an individual’s work experience and performance, while being equitable internally. In order to be equitable internally, EY people should be similarly paid when performing similar work.</p> <p>In addition, please refer to ‘The importance of a diverse, equitable and inclusive workplace’</p>	
Environment	<p>7. Businesses should support a precautionary approach to environmental challenges;</p> <p>8. undertake initiatives to promote greater environmental responsibility; and</p> <p>9. encourage the development and diffusion of environmentally friendly technologies.</p> <p>Refer to page 14 for more information on how EY is having a positive impact on the planet and ‘Positively impacting 55m lives’.</p>	 <p>The SDG icons shown are: 6 Clean Water and Sanitation (blue), 7 Affordable and Clean Energy (yellow), 12 Responsible Consumption and Production (orange), 13 Climate Action (green), and 17 Partnerships for the Goals (dark blue).</p>

UNGC principle	EY commitment	SDG impact
<p>Anti-corruption</p>	<p>10. Businesses should work against corruption in all its forms, including extortion and bribery.</p> <p>All EY people are required to complete anti-bribery and corruption training during their career.</p> <p>The EY Global Code of Conduct sets the standard for how EY people behave and treat each other at work, how relationships are built with colleagues and clients, how services are delivered and how EY upholds and protects our reputation.</p> <p>The Code identifies resources to whom questions about unethical or unlawful behavior may be directed. It was recently enhanced to reflect EY’s commitment to inclusiveness, diversity and anti-racism, and is supported by a broad communications and training program.</p> <p>To further ensure the Code of Conduct is embedded in the organization’s culture, EY people must complete an annual declaration affirming that they have read, understood and will act in accordance with the Code of Conduct. The Code, and annual affirmation, recognize that EY personnel have a responsibility to speak up when behavior is observed that does not live up to the principles contained in the Code.</p> <p>EY is committed to the fight against corruption in all forms.</p> <ul style="list-style-type: none"> ▶ EY has an Ethics & Compliance Leader, a role within the Risk Management Executive, reporting to the Global Risk Management Leader. The role includes responsibilities for communication and education on the EY Code of Conduct as well as monitoring completion of the EY annual Code of Conduct affirmation process. ▶ Additionally, EY has appointed a Financial Crime Leader. This person is responsible for the design and implementation of EY first line anti-corruption policies and procedures and for monitoring compliance. The role also reports to the Global Risk Management Leader. ▶ There is a suite of EY policies and guidance to address financial crime and other corruption, including Anti-Bribery & Corruption, Hospitality & Gifts, and Conflict of Interest, which are supported by a robust training and communications program. The EY Global Anti-Bribery & Corruption policy is accompanied by an anti-corruption compliance program, and all EY member firm partners and employees are required to complete related anti-bribery training. ▶ EY also has a Global policy that codifies the expectation that EY people report any concerns about corruption or other behavior which does not comply with the EY Global Code of Conduct (the ‘NOCLAR’ policy, or Reporting fraud, illegal acts and other non-compliance with laws, regulations and the EY Global Code of Conduct). ▶ In addition to a strong internal culture, EY member firms practice in a highly regulated environment that includes rigorous reporting obligations of unlawful conduct (including self-reporting). <p>Externally, EY continues to play a role to combat corruption and other forms of financial crime, for example through service offerings from 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.</p> <p>EY engages in the World Economic Forum’s Partnering Against Corruption Initiative (PACI), a community that brings together representatives from governments and the public and private sectors with the single aim to address corruption, transparency and emerging risks. EY was represented in the Gatekeepers Taskforce, which developed a new ‘Unifying Framework’ for professional services, designed to strengthen policies and procedures to combat financial crime in the private sector.</p>	 

07

EY facts and figures

In EY we define our success broadly - we measure the value we create for our stakeholders (people, society and clients) alongside our financial performance.



People value

We are committed to delivering on our promise to all EY people: ‘The exceptional EY experience – it’s yours to build’. We do that by providing the support, experiences and opportunities our people need to build their careers in EY and beyond.

Formal learning

	FY19	FY20	FY21
Learning hours delivered	14m	16m	18m
Learning hours per person	54	54	59
Total investment in training (US\$m)	\$530m	\$450m	\$270m
Total expenditure per full time employee (including travel)	\$1,896	\$1,488	\$880

The decrease in combined investment and combined expenditure from FY19 to FY21 is due to the dramatic shift to virtual learning, as well as increased efficiency.

Average hours of formal learning per person according to rank

Rank*	FY20	FY21
PPEDD**	40	47
Senior Manager/Associate Director	37	42
Manager/Assistant Director	45	51
Supervisory Associate/Senior Associate/Senior	50	57
Staff/Assistant/Associate	75	78
Intern	40	53
Administrator	9	12

* Does not include contractors ** PPEDD – Partners/Principals/Executive Directors/Directors

Average hours of formal learning per person according to gender

	FY20*	FY21
Male	54	58
Female	55	59
Overall	54	59

**Due to a change in learning management systems in FY20, the gender split of the learning data for the Americas Area was unavailable. Therefore, the Americas’ learning hours are apportioned to male and female in the same proportion as FY21.*

Promotions

	FY19	FY20	FY21
Total promotions	41,336	43,800	44,464
Promotions to partner	758	600	831
% of women among new partners	28%	33%	36%
% of promoted partners from emerging markets	35%	37%	30%

We monitor our ‘attractiveness’ through a range of benchmarks.

Global recruits and applicants

	FY19	FY20	2021
Job applicants	2,227,404	1,985,000	2,180,915
Hiring – client service	69,698	76,720	69,179

Leadership groups by gender

	2019		2020		2021	
	Total	Women/men	Total	Women/men	Total	Women/men
Global Executive	16	31%/69%	18	33%/67%	18	33%/67%
Regional Managing Partners	27	4%/96%	24	8%/92%	22	10%/90%
Industry Sector Leaders	8	25%/75%	8	25%/75%	8	25%/75%
Global Practice Group*	116	24%/76%	112	27%/73%	110	27%/73%
Global Governance Council	41	25%/75%	40	28%/72%	48	33%/67%
GCSP**	300	13%/87%	298	13%/87%	289	16%/84%

* Global Practice Group brings together the EY Global Executive, Area Operating Executives, Executive function leaders and Markets leaders to ensure common understanding of EY strategic objectives across member firms and consistency of execution across the organization.

**Global Client Service Partner – lead client service coordinators on the largest EY clients across the globe

Partners/Principals/Executive Directors/Directors by gender

	2019		2020		2021	
	Total	Women/men	Total	Women/men	Total	Women/men
Partners/Principals	12,309	21%/79%	12,496	22%/78%	12,938	23%/77%
PPEDD*	18,868	25%/75%	19,663	26%/74%	20,666	27%/73%
Total people	284,018	48%/52%	298,965	48%/52%	312,250	48%/52%

* PPEDD – Partners/Principals/Executive Directors/Directors

Attrition rate – overall and by gender

	FY19	FY20	FY21
Women	20.4%	17.6%	21.0%
Men	21.0%	18.8%	22.6%
Overall	20.7%	18.2%	21.5%

At EY we think broadly about **differences**. However, not all of these differences are tracked or can be reported, particularly on a global basis. At EY we are committed to teaming and leading inclusively across all differences, and we recognize that demographic and social groups can differ widely between geographies. Demographic data beyond gender and age, where appropriate and permissible, is typically retained at the local country level. This year we have expanded our disclosure to include age as part of our commitment to continuously increase transparency.

Workforce data* - by role (FY21)

	Women	Men	Under 30 years old	30 to 50 years old	Over 50 years old
Hires	46.3%	53.7%	28.2%	24.7%	47.2%
Attrition	21.0%	22.6%	29.0%	17.3%	21.6%
Client-serving					
Partner	23.1%	76.9%	0.0%	63.9%	36.1%
Executive Director	29.0%	71.0%	0.0%	65.8%	34.2%
Senior Manager	37.7%	62.3%	1.1%	86.7%	12.2%
Manager	42.9%	57.1%	16.6%	70.8%	12.6%
Senior	46.2%	53.8%	38.5%	32.7%	28.8%
Staff/Assistant	52.5%	47.5%	40.7%	15.7%	43.6%
Administrative	85.5%	14.5%	13.6%	51.0%	35.4%
EY internal support services such as: Global and Area leadership, Technology; Talent; Finance; Brand, Marketing and Communications; Knowledge; Markets; and Risk Management					
Director	46.7%	53.3%	0.1%	52.9%	47.0%
Associate Director	56.3%	43.7%	0.2%	71.5%	28.3%
Assistant Director	56.4%	43.6%	2.1%	77.4%	20.5%
Supervising Associate	57.7%	42.3%	8.3%	71.9%	19.9%
Senior Associate	59.2%	40.8%	23.6%	55.7%	20.7%
Associate	62.3%	37.7%	38.3%	28.9%	32.8%

*Excludes interns and contractors

Societal value

EY Ripples, the EY Corporate Responsibility program, is anchored in a long-term goal to positively impact one billion people by 2030. Since EY Ripples was launched in 2018, we have positively impacted 55 million lives.

Lives impacted*

	FY20	FY21
Total	15,519,458	20,342,797

Lives impacted by SDG in FY21

SDG 8: Decent work and economic growth	10,714,726
SDG 17: Partnerships for the goals	2,882,280
SDG 3: Good health and well-being	2,144,809
SDG 4: Quality education	1,061,480
SDG 6: Clean water and sanitation	888,928
Other	2,650,574

*'Lives impacted' figures encompass 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.

Under the EY ambition to create long-term value for society, we measure community investment.

Community investment

	FY19	FY20	FY21
Hours invested by EY people (000's)*	745	790	837
Value of time contributions (US\$m)	48	52	48
Cash investments (US\$m)	64	74	71
Total (US\$m)	113	126	119

* Hours reported include time contributions beyond EY Ripples (e.g., other skilled and traditional volunteering activities, pro-bono activities and Corporate Responsibility functional staff time).

We measure our greenhouse gas emissions and offsets to validate progress toward our carbon ambition to become carbon negative in 2021 and net zero in 2025.

Greenhouse gas emissions*

	FY19	FY20	FY21
Total emissions (tCO2e)	1,354,000	976,000	394,000
Emissions per employee (tCO2e/FTE)	4.8	3.3	1.3
Scope 1 GHG protocol (tCO2e)	8,000	9,000	10,000
Scope 2 GHG protocol (tCO2e)	159,000	132,000	106,000
Scope 3 GHG protocol (tCO2e)	1,187,000	835,000	278,000
Emissions per dollar of revenue (kgCO2e/US\$000)	0.0371	0.0263	0.0099

*Greenhouse gas emissions are calculated in line with the EY global carbon footprint methodology. This is based on the Greenhouse Gas (GHG) Protocol developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD), using its 'location-based' approach to reporting scope 2 emissions. Emissions calculations use **2021 conversion factors** published by the UK Department for Business, Energy & Industrial Strategy or locally published factors where appropriate. Conversion factors used to calculate emissions from air travel include the impact of 'radiative forcing'. Emissions from office energy consumption are estimated using activity data representing 83% of the global office portfolio.

In 2021 additional categories of scope 3 emissions have been included to align our reporting with our Science Based Target. Figures for each of the three reported years (above) include emissions relating to the following scope 3 categories: business travel; employee commuting; remote working; waste generated in operations; and fuel and energy related activities.

EY member firms play the combined role of a major global employer, providing stable, high-quality jobs to a combined number of more than 312,000 people.

People by service line*

	FY18 vs. FY19	FY19	FY19 vs. FY20	FY20	FY20 vs. FY21	FY21
Assurance	6.0%	94,220	5.3%	99,239	1.7%	100,891
Tax	9.9%	59,577	6.6%	63,484	0.2%	63,631
Consulting	12.8%	67,477	6.3%	71,397	15.4%	82,398
Strategy and Transactions	14.5%	17,461	7.2%	19,072	5.3%	20,086
Practice support	4.2%	45,283	1.1%	45,773	-1.2%	45,244
Total	8.6%	284,018	5.3%	298,965	4.4%	312,250

* The service line information above is in the new EY structure (Advisory is now named Consulting, and Transaction Advisory Services is named Strategy and Transactions). The total FY20 revenue and people data are the same as reported last year; the split by service line includes a reclassification of US\$92m of revenue and 351 people from Consulting to Strategy and Transactions. This is to realign parts of the Strategy businesses so that FY21 is reported consistently with FY20.

People by Area

	FY18 vs. FY19	FY19	FY19 vs. FY20	FY20	FY20 vs. FY21	FY21
Americas	6.8%	75,117	1.1%	75,951	4.0%	78,967
EMEIA	7.0%	114,266	2.7%	117,306	3.4%	121,325
Asia-Pacific	9.1%	56,253	4.8%	58,960	0.0%	58,953
GDS* - Client Service	21.9%	22,914	41.6%	32,446	21.2%	39,328
GDS - Enablement	21.5%	8,988	-18.2%	7,354	-0.3%	7,330
Exec services and functions**	-3.4%	6,480	7.2%	6,948	-8.7%	6,347
Total	8.6%	284,018	5.3%	298,965	4.4%	312,250

*Global Delivery Services (GDS) is the EY internal shared services organization, consisting of legal entities ultimately owned by a number of EY member firms. GDS entities support EY member firms across the world by providing support capabilities to their client-serving account teams as well as internal enablement support services. **Includes EY internal support services, such as Global and Area leadership, Technology; Talent; Finance; Brand, Marketing and Communications; Knowledge; Markets; and Risk Management.

EY auditors are deeply committed to their responsibility to serve investors and the public interest by delivering high-quality audits. EY member firms have an important responsibility to promote trust and confidence in the capital markets by addressing risk and complexity, and identifying opportunities to enhance trust in business. EY auditors follow a broad set of global audit quality control policies and practices, as well as additional policies in accordance with professional standards set by local and national regulators.

Internal inspection results of audits in IFIAR-regulated countries

	2018	2019	2020
Compliant engagements	75%	77%	80%
Compliant engagements with immaterial findings*	19%	17%	17%
Total compliant engagements	94%	94%	97%
Deficient engagements**	6%	6%	3%

Internal inspection of all audits

	2018	2019	2020
Compliant engagements	72%	75%	79%
Compliant engagements with immaterial findings*	21%	19%	17%
Total compliant engagements	93%	94%	96%
Deficient engagements**	7%	6%	4%

*Such findings may result in the need for additional audit procedures or documentation. However, given their nature, these matters would not be expected to have a significant impact to the overall audit conclusion. ** Findings in procedures or documentation that are material to the financial statements or auditor's reports or were not performed in accordance with EY policies.

We attribute the decrease in inspection findings to key quality initiatives:

- ▶ Establishment of the SAQ program
- ▶ Investment in Quality Network and global quality coaches
- ▶ Enhancement of project management tools, engagement cadence and the achievement of milestones
- ▶ Performing deep root cause analysis, and issuance of additional guidance and enablement to support EY teams to address findings
- ▶ Focus on strong executive supervision of the audit

Client value

We help clients grow, optimize and protect value.

Fortune Global 500 – percentage of companies in index served

	FY19	FY20	FY21
Audit client	23%	23%	24%
Non-audit client	61%	61%	60%
All other companies	16%	16%	16%
Total	100%	100%	100%

Forbes Global 2000 – percentage of companies in index served

	FY19	FY20	FY21
Audit client	27%	27%	27%
Non-audit client	45%	46%	46%
All other companies	28%	27%	27%
Total	100%	100%	100%

EY audit market share of IPOs (global)

	2018	2019	2020
EY ranking by deal numbers	1	1	1
EY ranking by proceeds	3	2	2

To measure how EY is delivering an exceptional experience to clients, we use the Global Brand Survey. It tracks our ambition to be the No. 1 brand among professional services organizations as measured by favorability across clients and non-clients. For the latest survey, more than 4,400 EY clients and prospects across the world were interviewed. In FY21 we established a clear lead as the most favored global professional services brand.

Brand favorability

	2017	2019	2021
EY global ranking	Tied 1	Tied 1	#1
Best brand in EY Regions	15 (54% of 28 Regions)	15 (63% of 24 Regions)	16 (67% of 24 Regions)

Financial value

Our ability to achieve our ambition and fulfill our purpose depends on our sustained and sustainable financial success.

Revenue by service line* (US\$b)

	FY18 vs. FY19 in LC**	FY19	FY19 vs. FY20 in LC	FY20	FY20 vs. FY21 in LC	FY21
Assurance	4.4%	12.6	3.1%	12.8	2.5%	13.6
Tax	8.6%	9.5	5.1%	9.8	3.9%	10.5
Consulting	9.2%	10.2	4.9%	10.5	3.5%	11.1
Strategy and Transactions	15.5%	4.1	2.8%	4.1	10.4%	4.8
Total	8.0%	36.4	4.1%	37.2	4.0%	40.0

* The service line information above is in the new EY structure (Advisory is now named Consulting and Transaction Advisory Services is named Strategy and Transactions). The combined FY20 revenue and people data are the same as reported last year, the split by service line includes a reclassification of US\$92m of revenue and 351 people from Consulting to Strategy and Transactions. This is to realign parts of the Strategy businesses so that FY21 is reported consistently with FY20. **Local currency

Revenue by Area (US\$b)

	FY18 vs. FY19 in LC*	FY19	FY19 vs. FY20 in LC	FY20	FY20 vs. FY21 in LC	FY21
Americas	8.5%	16.7	3.4%	17.2	2.9%	17.7
EMEIA	7.1%	14.1	3.4%	14.2	3.8%	15.7
Asia-Pacific	8.8%	5.5	8.2%	5.8	8.1%	6.6
Total	8.0%	36.4	4.1%	37.2	4.0%	40.0

*Local currency

7-year CAGR (FY14-21)

7.3%

Revenue growth by market type

	FY19	FY20	FY21
Emerging markets	10.7%	6.0%	5.5%
Developed markets	7.4%	3.7%	3.7%
Total	8.0%	4.1%	4.0%

Revenue from emerging markets (US\$m)

	FY19	% of total	FY20	% of total	FY21	% of total
	6,239	17.1%	6,358	17.1%	6,384	16.0%

EY | Building a better working world

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

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