

# How can value realized today reshape tomorrow?

EY Value Realized 2023:  
reporting progress on global impact

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



## WHO WE ARE

# EY VALUES

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 and will continue to be:**

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



# THE EY PURPOSE

**The EY 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 EY people, for 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.



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# Letter from the EY Global Chairman and CEO

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The EY NextWave strategy to create long-term value for all stakeholders, stemming from our purpose of *Building a better working world*, has been an anchor in an ever-changing world.

Carmine Di Sibio

## Leading for the long-term

During my tenure as EY Global Chairman and CEO, I have seen the power of placing purpose and long-term value at the center of an organization's strategy.

Consider just a few of the challenges we've witnessed the past four years: a global pandemic, war in Europe, extreme weather events, geopolitical uncertainties and rapid technological change. Despite these and other pressures, the EY NextWave strategy to create long-term value for all stakeholders, stemming from our purpose of *Building a better working world*, has been an anchor in an ever-changing world.

In 2019, we formalized our long-term value approach in the EY NextWave strategy, and as a result, we've achieved 9.5% compound annual growth (FY 2019-2023) and reached nearly US\$50 billion in revenue in FY23, a 14.2% increase in local currency. Long-term value creation is now part of our DNA, and I am proud of the progress it has enabled for EY, highlighted in this EY Value Realized 2023 report.

This year, we continue reporting on that progress using the World Economic Forum's International Business Council (WEF-IBC) Stakeholder Capitalism Metrics. We also participate in the United Nations Global Compact, and I confirm that EY reaffirms its support of its Ten Principles in the areas of human rights, labor, environment, and anti-corruption.

Our ambition to create long-term value for clients, EY people and society led us to Project Everest this past year – a bold plan to split the EY organization into two separate organizations so we could address the changing needs of clients, our industry and other stakeholders. While Everest did not go forward, it unlocked innovation, identified strengths, and opened new and important conversations with EY clients and regulators.

Everest also identified ways to better pivot the organization and embrace game-changing technologies. For example, we recently brought together all our artificial intelligence (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 use these new capabilities to serve the broader interests of society and contribute to a more inclusive, equitable future.

## Charting a new course and building confidence in new technologies

For more than a decade, we've embedded AI into many EY global technology solutions and in 2021, we supercharged this with a US\$10 billion, three-year investment plan. This has already fueled new AI capabilities and offerings that are improving how we work with clients. AI is also playing a critical role in our commitment to continuously improve audit quality. We have embedded AI into the EY Canvas audit platform to support risk assessment, and a broader use of AI is helping EY teams challenge the effectiveness of their audit strategy and bring greater confidence and trust to the audit.

We are also actively building the EY ecosystem and now have more than 100 ecosystem relationships that keep us on the leading edge of change, help us innovate and execute quickly, and offer ever-evolving services to EY clients.

Confidence in AI is one of the current barriers to AI adoption. It's why in 2022 we formalized EY AI principles, which include accountability, security and privacy, transparency and "explainability," fairness and inclusivity, and professional responsibility. These principles guide our work with EY people, clients, and governments and other external





## Creating long-term value for EY people is a core pillar of the EY NextWave strategy and remains our focus as we support and attract the best talent in the marketplace.

stakeholders. We are integrating these principles into the EY.ai Ecosystem and are also actively engaging with governments, multinational standard-setting bodies, industry associations and civil-society organizations.

We intend to help lead the development of best practices for the responsible and trustworthy use of AI. We recognize no single organization can tackle this level of change, safely and at speed, without collaboration. We are a committed stakeholder focused on realizing benefits, while addressing the risks, as we all move into this next technological revolution.

### Understanding the critical importance of EY people

In an era of such significant technological change, it's more important than ever to recognize the most significant driver of EY success: EY people. Creating long-term value for EY people is a core pillar of the EY NextWave strategy and remains our focus as we support and attract the best talent in the marketplace. For 25 years in a row, the EY organization has been acknowledged as one of the best places to work by [Fortune](#).

We've grown the global EY organization and created more than 116,000 jobs over my tenure as CEO and are now at nearly 400,000 people strong. We are proud of the different perspectives and backgrounds across the EY organization and this year, we have introduced new DE&I metrics, such as disability inclusion, and a [global storytelling campaign](#) focused on elevating the importance of social equity.

One of the ways we help create long-term value for people is through a commitment to lifelong learning. It's why we've invested more than US\$385 million in learning and development opportunities in FY23. EY people have earned more than 410,000 new digital accreditations known as

EY Badges since we launched the program in 2017, and 274 EY people have earned EY-funded master's degrees through our fully accredited program with Hult International Business School.

We are also rolling out a program in FY24 to train all EY people on the responsible use of generative AI, as well as experimenting with copilot models to augment the work of EY professionals by boosting productivity and enhancing the employee experience.

We're 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. This, along with feedback from EY people, led us to set a global science-based target, to reduce absolute total global emissions by 40% by FY25, against an FY19 baseline. We are on track to meet this target, while offsetting more emissions than we produce and accelerating our wider transition to net zero.

The EY Ripples corporate responsibility program is the signature EY investment in communities, with the goal to positively impact 1 billion lives by 2030. The millions of hours invested by EY people mean we are on track to reach that goal, having impacted more than 127 million lives since EY Ripples launched in 2018.

### Riding the NextWave

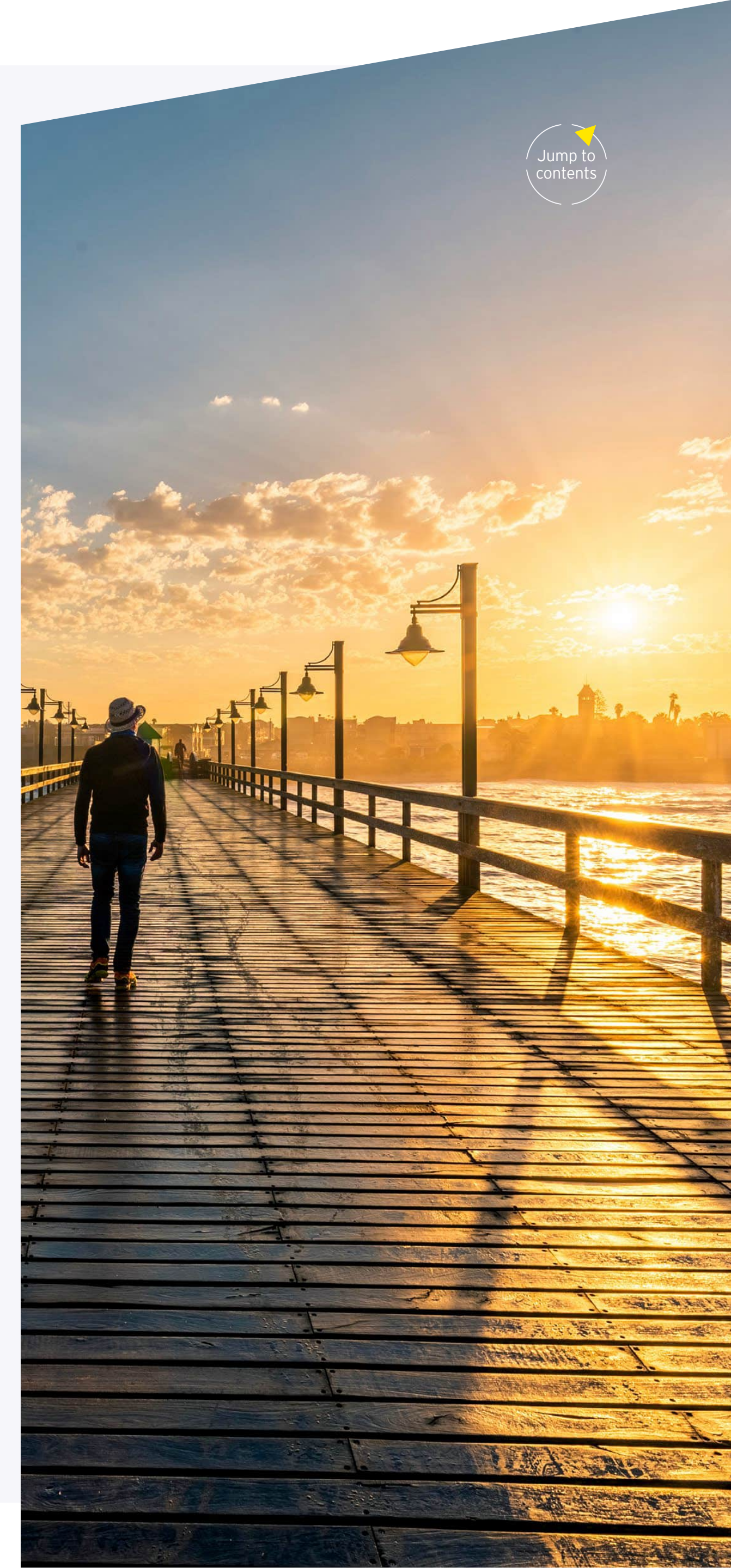
As I begin my final year at EY, I can't help but marvel at how much the EY organization has grown – and how the world has changed. Two decades ago, we had 85,000 people and US\$9 billion in revenue. Today, we have almost five times that with nearly 400,000 people and US\$50 billion in revenues. This increases 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.

During the past decade, the digital economy has grown at more than twice the rate of the global economy. ChatGPT 2.0 was released in 2019 with a 1.5-billion-word vocabulary. Today's latest release uses 14,000 times the computing power and has a more than 175-billion-word vocabulary. Shifts in globalization, changing demands from consumers and society, and the effects of climate change, all require more investment, more resilience, and more collaboration from the private and public sector alike. Organizations will need the best technology, the best talent and a hyper-focus on creating trust to continue growing successfully, and sustainably in such dynamic, transformative times.

That's why I am excited and optimistic about the EY organization's future. In a world where the opportunities unfold as fast as the risks, we have worked on building a solid foundation for growth – for all EY stakeholders. Every day, we endeavor to deliver on our ambition to be the most trusted professional services organization and our purpose of building a better working world – for EY people, clients and society. And, each year, we get better, hold ourselves accountable to our goals and recognize there is always more we can do. That's value realized.

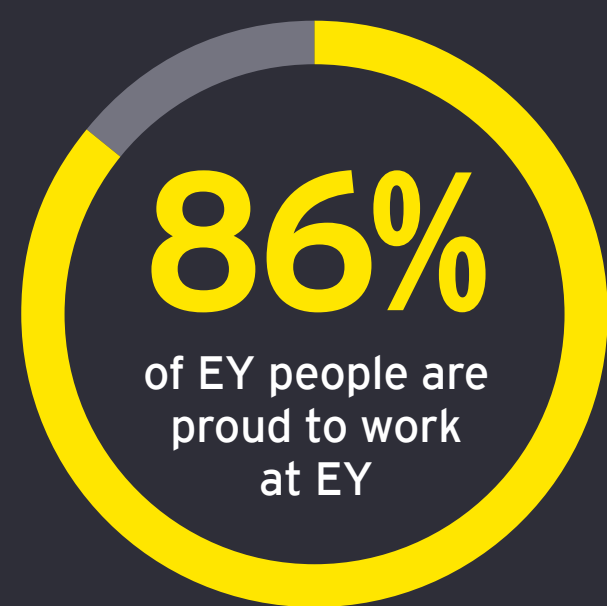
Carmine Di Sibio  
EY Global Chairman and CEO

September 2023



# Creating long-term value for all stakeholders

## PEOPLE VALUE



**US\$385m**

Total investment in training in FY23

**274**

EY Tech MBA and EY Masters graduates

**410,000+**

EY Badges awarded since program began

**4.7m**

people applied to join EY in FY23

**36%**

women in this year's PPEDD\* promotion class (FY23)

**Only Big Four**

organization on the Fortune 100 Best Companies to Work For® list every year for the last 25 years

## SOCIETAL VALUE



**US\$1b**

Continued investment to facilitate trust and transformation through assurance services

On track to meet target of **100%**

renewable energy in EY offices by 2025

**Sustainability leader**

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

**8,000+**

EY Badges in sustainability completed

**127m+**

lives positively impacted since EY Ripples launched and on track to meet 1b target by 2030

\*Partners, Principals, Executive Directors and Directors



# Creating long-term value for all stakeholders

## CLIENT VALUE

EY Fabric tech acceleration platform

**270m**

daily transactions

**1.5m**

client users

**70,000+**

technologists in EY

**100+**

ecosystem partners

**Preferred auditor**

to take companies public since 2012

**5,000+**

clients who were delivered sustainability engagements

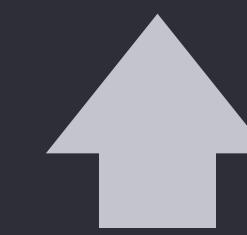
**US\$6.7b**

invested in FY22 and FY23 as part of 3-year, US\$10b commitment to audit quality, innovation, technology and people

## FINANCIAL VALUE

**US\$49.4b**

total revenues



**14.2%**

growth (LC\*\*)

One of the highest growth rates in nearly two decades

### Assurance

Growth: 11%  
Revenue: US\$15.1b

### Consulting

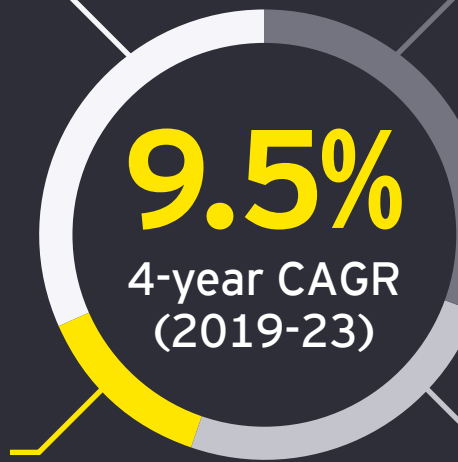
Growth: 21.6%  
Revenue: US\$16.1b

### Strategy and Transactions

Growth: 8.4%  
Revenue: US\$6.1b

### Tax

Growth: 12.2%  
Revenue: US\$12.1b



### EMEIA

Growth: 16.9%  
Revenue: US\$18.3b

### Asia-Pacific

Growth: 11.7%  
Revenue: US\$7.5b

### Americas

Growth: 12.9%  
Revenue: US\$23.6b

\*\*Local currency





Creating long-term value for EY

# PEOPLE



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# creating long-

## The exceptional EY experience – it's yours to build.

That's the promise we make to EY people: to empower them to be in the driving seat of their own experiences by fostering a diverse, equitable and inclusive culture, and providing them with the infrastructure and tools (from technology and scale to learnings and relationships) that will help them grow. We enable them to not just personalize a career, but to build their own exceptional experience. Understanding the needs and interests of EY people is critical to strengthening the EY organization and delivering on our ambition to be the most distinctive, favored employer, so that we can deliver long term value to EY people, clients, and society. This is achieved in several ways:



Meet Lotten  
EY senior manager and Uplift social equity storyteller

# term value for

Helping EY people prioritize their wellbeing helps ensure they have a more well-rounded and positive EY experience.

## Continuous listening

Knowing how people feel and what they need, is crucial to enabling their personal and professional success. Listening tools like EY People Pulse – a short experience survey we offer to all EY people three times a year – is one of the ways we do this. Through the Pulse and our other listening tools, people have told us they want a workplace where they can feel free to bring their whole selves to work, they want to be recognized and appreciated for their contributions, and that they want to be able to focus on their wellbeing and growing their career. Today, 86% of EY people are proud to work at EY. While this is slightly down on last year's 88%, our holistic, continuous People Listening and Experience program helps us know where to invest further to drive long-term value for everyone at EY.

## Prioritizing wellbeing

Helping EY people prioritize their wellbeing helps ensure they have a more well-rounded and positive EY experience. 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. Today, the global EY organization offers more than 100 wellbeing programs across four pillars: physical, mental/emotional, social and financial. These offerings include employee assistance programs and wellbeing apps that focus on sleep and exercise, physical challenges, reimbursement funds for wellness-related purchases (e.g., exercise equipment, nutritionist) and expanded coverage and support for mental health. In addition, we are actively building a culture of care that includes wellbeing education and understanding and setting boundaries. As an example of this elevated focus, EY Americas has a [Chief Wellbeing Officer](#), dedicated to meeting the physical, emotional, financial and social wellbeing needs

of EY people. We also have an extensive mindfulness network with global and regional leaders who are passionate about supporting the development and wellbeing of EY people. We continue to examine how we can demonstrate a strong commitment to self-care and supporting EY people to find the right level of balance for their life circumstances. When we identify a challenge, we seek to address it immediately, as evidenced by the commitment to act on feedback presented in an independent, comprehensive EY Oceania culture review conducted in FY23.

## Continuing lifelong learning

Learning and development is a core part of building a personalized career and the exceptional EY experience. At EY, we are investing in all EY people for today and for the future by offering learning and development programs that help to develop new skills in emerging areas like technology, AI and sustainability. In FY23, we spent US\$385 million on training and delivered 61 hours of learning per person on average.

Following the success of the [EY Tech MBA](#) and the EY Masters in Business Analytics, last year we launched another new fully accredited qualification in association with Hult International Business School – the [EY Masters in Sustainability](#). 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.

These degrees are free for EY people, regardless of rank or location, with the aim of helping them gain the knowledge, practical skills and experience they need to create long-term value for EY clients, people and society.

All of the EY Degrees are built on the [EY Badges](#) program. Today there are 227 badges on offer, from Bronze level to Platinum, across three pillars (technology, business and leadership) and 27 topics ranging from AI to sustainability



# 410,000+

## EY Badges earned since 2017

to inclusion and belonging. The badges combine a learning component with practical application, enhancing participants' ability to deliver relevant services to clients and coach their colleagues. EY people earn more than 430 EY Badges each day and have earned more than 410,000 since the program's inception in 2017. Eighty-four percent of EY people say that they are provided with learning opportunities to build skills. We are focusing further on how learning impacts skills development to understand how we can support EY people to develop the skills they want and need.

### **An experience that can take you anywhere**

Global mobility provides unique opportunities to inspire EY people with what's possible. It enables EY people to build cross-border networks to further build the global mindset they need as the next generation of transformative leaders. In addition, global mobility brings the whole of EY to clients by meeting their needs whenever or wherever they are, through strategic and resourcing mobility and business travel. Mobility4U is the EY international mobility program that allows all EY professionals to work in a multicultural environment so that they can continue to develop. Ninety-three percent of the program's participants

say their mobility experience is exceptional, and 97% of EY stakeholders in the host country say that mobility assignees make valuable contributions to their businesses and teams.

### **Building transformative leaders**

Each year we celebrate a new cohort of partner, principal, executive director and director (PPEDD) promotions. This year's class was one of the largest ever – 2,216 promotions – of which, women comprise 34% of partners and principals and 37% of executive directors and directors. These promotions reflect the strength of the EY organization and our confidence in the future. Through the EY NextWave strategy and ambition, we remain committed to investing in the next generation of leaders and giving everyone at EY opportunities to grow and develop, as evidenced by the nearly 50,000 EY people who were promoted around the world this year.

### **Enabling a unique career journey**

At EY, people can explore flexible, diverse career paths as they gain the skills and experiences they need to achieve their unique career ambitions and give leaders deeper skills insights to shape and grow our business. Building an exciting

and dynamic career includes multiple paths for people with backgrounds in diverse fields including strategy, technology, auditing, sustainability, accounting, finance, law and tax.

Today there are more than 70,000 technology professionals (ranging from mathematicians, statisticians and data scientists to AI engineers, product managers, developers and cloud specialists) working alongside people with traditional and nontraditional strategy, consulting, law, tax, sustainability and auditing backgrounds. Putting skills at the center of the EY organization's Talent strategy allows for greater agility, agency and equity – while helping EY people to explore diverse career paths and our business to access untapped potential.

### **Insights are foundational to EY employer brand**

While recruiting from this broader range of backgrounds, we recognize that peoples' expectations of work, their careers and what success means are evolving too. For EY, building a strong employer brand is critical to stand out in the market. Understanding what is appealing about the EY organization and what talent is looking for before joining an organization and what would make them stay is crucial for attracting

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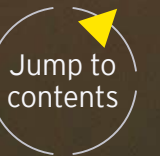
## Attracting and recruiting top talent

This year, 4.7 million people applied to work at EY, out of which 138,000 were hired. To attract and recruit top talent, maintaining an exceptional experience is critical. We're enhancing the candidate experience to leverage new technology (for example, a global applicant tracking system, candidate relationship management tools, chatbots, robotic process automation, online psychometric and gamified assessments, and video interviewing technology). We continue to streamline processes for faster, more transparent hiring, and provide an onboarding program that sets new joiners up for success from day one. As a result, 93% of recent hires have had an exceptional recruiting experience.



EY people attend a diversity, equity and inclusiveness (DE&I) event.

# EY people



The EY Alumni Network helps connect EY people, past and present, to more resources and more of the people they need to know for the future.

and retaining the best talent. This year, we launched the global EY Employer Brand Survey, measuring key attributes today's talent prioritizes, along with perceptions of EY as an employer against those attributes and compared to competitors. A sample of 9,000 people across nine countries rated the most important employer attributes, with flexible work-life balance and competitive compensation and benefits ranking the highest, followed by feeling empowered to build their own careers, support for physical and mental wellbeing, learning and development opportunities, and commitment to diversity, equity and inclusiveness. These survey results are helping us to prioritize EY resources so EY member firms can continue to attract, engage and retain the best people.

**Wherever your working world takes you**

The EY Alumni Network consists of more than 1 million people doing great things in business, as entrepreneurs, in government, in academia and in their communities. The network helps connect EY people, past and present, to more resources and more of the people they need to know for the future. There are currently more than 84,000 EY alumni working at the EY organization's largest global accounts, of which more than 7,700 are board members at the C-suite level. We are proud of EY people that go on to other careers outside EY, allowing alumni to continue to build on the legacy they created and helping EY to continue to deliver on the promise to build a better working world.

84,000

EY alumni working at our largest global accounts



EY Milestones participants celebrate their promotions.

# 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.

The EY purpose is to build a better working world, and for EY, that means one where 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. That’s why DE&I continues to be a strategic priority at EY. That is why as part of the EY performance management process, all EY leaders (PPEDDs) are encouraged to set quarterly DE&I goals, which factor into annual reviews.

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

Our overarching global DE&I priority statement is “Enrich the diversity, equity and inclusiveness of our culture, leadership and teams.”

## DE&I governance and measuring progress

To demonstrate our commitment to DE&I, the EY Global Executive, the central EY organization leadership body, signed the [Global Executive Diversity, Equity & Inclusiveness](#)

[Statement](#). Not only does this reinforce that DE&I is a key business lever, but it also ensures that we hold ourselves accountable for progress. As such, the EY Global Executive will promote representation of the broad range of differences across the EY organization globally at the most senior levels. To set a consistent path around the world we use the [DE&I Roadmap and Culture Change Continuum](#), our approach and methodology for DE&I.

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

For accountability to DE&I progress across the EY organization, we use the Global DE&I Tracker as a measurement of diversity and inclusiveness that covers a range of differences, both visible and not visible, including people’s lived experiences. It sets a business and industry

## How can a story uplift social equity?

EY Value Realized features images of EY people who participated in the EY Uplift social equity campaign. Their portraits and links to their individual stories can be found throughout this report.

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

Meet Eng  
EY partner and Uplift social equity storyteller

“

When an organization builds a culture that values all dimensions of diversity — one that provides equitable opportunities for people to grow, learn and advance — it creates an environment where everyone can thrive.

Karyn Twaronite, EY Global Vice Chair – Diversity, Equity & Inclusiveness

leading-class standard in both representation and inclusiveness goals and tracks progress across the EY organization globally and for each business unit and service line in support of our NextWave ambition and strategy.

Now in its fourth year, the Global DE&I Tracker is a key management tool that helps drive consistent DE&I actions and propels the organization collectively forward. Measurements include reviewing diversity of career and work experience and gender in leadership roles. In addition, we review aggregated data on gender and cultural background differentials in responses from internal people surveys for insights on how people experience inclusiveness at EY. We continue to see collective progress across the organization, as well as see areas where we can focus efforts and close gaps to ensure our people have access to inclusive, equitable experiences.

We continue to make progress on gender representation among EY leadership roles globally, as well as on locally relevant diversity dimensions measured at the country level, where permitted. For example, women make up 33% of the EY Global Executive and 29% of the Global Practice Group, which is a leadership body that brings together the

EY Global Executive, Area Operating Executives, Executive function leaders and Markets leaders. Among EY partners globally, 24% are women. Additionally, some EY member firms have set clear ambitions by country, with the EY UK firm aiming for 40% female partners and 20% ethnic minority partners by 2025, and the EY US firm aiming for 50% representation for women and racially and ethnically diverse partners by 2025. In China, as of last year the firm has achieved 40% women partners and 50% women in the leadership team.

### An elevated focus on social equity

The EY commitment to advance 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're 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. The GSET is sponsored by EY Global Chairman and CEO Carmine Di Sibio

and led by EY Global Vice Chair – Consulting Errol Gardner; EY Global Vice Chair – Diversity, Equity & Inclusiveness Karyn Twaronite; and EY Asia-Pacific Area Managing Partner Patrick Winter.

Composed of EY leaders from around the world, representing a wide range of backgrounds and perspectives, the GSET's work has been anchored by this statement: *We commit to advance social equity and inclusive growth. We stand against injustice, bias, discrimination and racism.*

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

## Global recognition for our DE&I efforts

EY receives recognition around the world for our DE&I efforts, a testament to our focus and commitment to make a positive impact. This past year, globally, the EY organization was shortlisted for the Inclusion & Diversity Impact award and Inclusion Award by [World50](#), and the EY Global DE&I Leader was recognized by [Diversity Global Magazine](#) as one of the Top 15 Chief Diversity Officers. EY has also been recognized in each geographic Area in which it operates, with awards spanning many individual countries, more of which can be found [here](#).



EY Uplift social equity storytelling campaign ▾



How can we open more doors to unlock opportunities for everyone?

Join the conversation to help us uplift social equity. Find out more about Derrick's story. [ey.com/socialequity](#)



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

## EY's commitment to social equity

*We commit to advance social equity and inclusive growth. We stand against injustice, bias, discrimination and racism.*

### EY IN ACTION

## Enabling all voices to be heard and valued

The EY organization is building environments where people feel free to be themselves and experience a sense of belonging – where we maximize the power of different perspectives, drive innovation, create meaningful work experiences and deliver high-quality services to clients. To help EY teams do this more intentionally in their meetings, we piloted the All in Moment (AIM). Using small, yet powerful prompts and nudges such as pausing to ask, “Have we heard from everyone who wants to speak?”, AIM is a simple team practice to remove barriers in meetings so that each person can share their views.

Understanding each other's experiences – especially when these experiences are unfamiliar to us – is the first step toward creating a more equitable work environment.



### How can a story uplift social equity?

The GSET identified early on that understanding each other's experiences – especially when these experiences are unfamiliar to us – is the first step toward creating a more equitable work environment.

More than a dozen EY people from around the world have shared their personal stories through the EY *Uplift social equity* storytelling campaign. This has spotlighted differences to build awareness and inspire reflection, conversation, learning and action – so that social equity can collectively and meaningfully be uplifted at EY and beyond.

Since publishing the campaign on social media channels, the stories have reached more than 3 million people, with more than 44,000 comments and reshares, sparking meaningful conversations inside and outside the EY organization. The EY social equity web pages have been viewed in over 100 countries.

Social equity impacts us all – and all of us can make an impact to influence positive change.



Colleagues enjoying an EY event.

### Impact of EY Uplift social equity storytelling campaign

**3 million**

people reached

**100+**

countries viewing stories

**44,000**

comments and reshares

Meet our EY colleagues courageously sharing their stories to build awareness and inspire change.



Last year (FY22), EY baseline expectations for all EY Regions and countries were set for the year-end performance management and reward processes.

**Embedding equity into the talent processes and better understanding how we can improve**

Last year (FY22), EY baseline expectations for all EY Regions and countries were set for the year-end performance management and reward processes. The baseline ensures that all member firms are meeting a consistent “minimum standard” in how equity in these two key talent processes is applied and provides a foundation to support ongoing progress. The Regions/member firms conducted a pay equity review using an EY methodology that was provided, another methodology that was vetted by the EY Total Rewards team, or a methodology that is required by governing law.



Teammates attend a team-building event.

**Inclusive Leadership for All course**

To help all EY people become more inclusive leaders, we developed an e-learning program focused on the foundational behaviors of inclusive leadership. The Inclusive Leadership for All (IL4ALL) course is available to all EY people, with more than 150,000\* people completing the full course since its launch. Building on IL4ALL, we are planning to launch the Upstanding Interventions e-learning, designed to support people in creating more inclusive and equitable environments for all by intervening in situations of potential inequity. It provides guidelines and examples on how and when to take action.

\* Last year we reported that 167,000 people completed the full course. This was incorrect; 167,000 had completed the introduction to Inclusive Leadership course and 126,000 people had completed the full course as of the end of FY22. As of this year, 150,000 people have now completed the full course since its launch.

150,000

People completing Inclusive Leadership for All course



# Boosting a sense of belonging for everybody

To better understand how EY people experience inclusiveness, an evolving set of questions has been asked in our EY People Pulse survey for several years.

Responses to inclusiveness questions are consistently among the top scoring items in the survey, telling us that EY people are feeling the impact of our efforts around the world. For example, 83% say they feel included and supported by the people they interact with each day. We pay close attention to any demographic differentials in aggregated scoring, which also factor into the EY Global DE&I Tracker results – with the aim to close any gaps and continually improve.

## Self-identification (Self-ID) capabilities

To help better understand and support the needs of all EY people, and strengthen a sense of belonging for everybody, EY continues to offer opportunities for EY people to self-identify, which enables the organization to acknowledge and recognize differences in a way many have come to expect. This also provides a deeper understanding of EY

people, so our commitment to driving greater equity in areas relating to career development can be strengthened, by monitoring and analyzing demographic trends and gaps. All information shared is optional and confidential. Currently, over 100 countries participate in gathering self-ID information across EY. As one example, in the US, Self-ID has helped us identify additional demographics and insights that inform areas for action. You can read more [here](#).

## Driving disability inclusion at EY and beyond

Hank Prybylski, EY Global Vice Chair – Transformation, serves as the Global Executive Sponsor for Disability. Today, each EY Area appoints a senior leader as Disability Executive Sponsor; together, they drive disability inclusion throughout the EY organization’s business strategies and day-to-day practices.

## Diversity4Tech Summit 2023 features EY as key sponsor

As part of the [Mobile World Congress Barcelona 2023](#), the EY organization was the headline sponsor of the Diversity4Tech Summit 2023. EY senior leaders moderated and participated in a panel discussion on [Diversity, Equity and Inclusion as the Life Blood for Innovation in The Tech Sector](#), joined by senior executives from IBM, Orange and The Valuable 500.

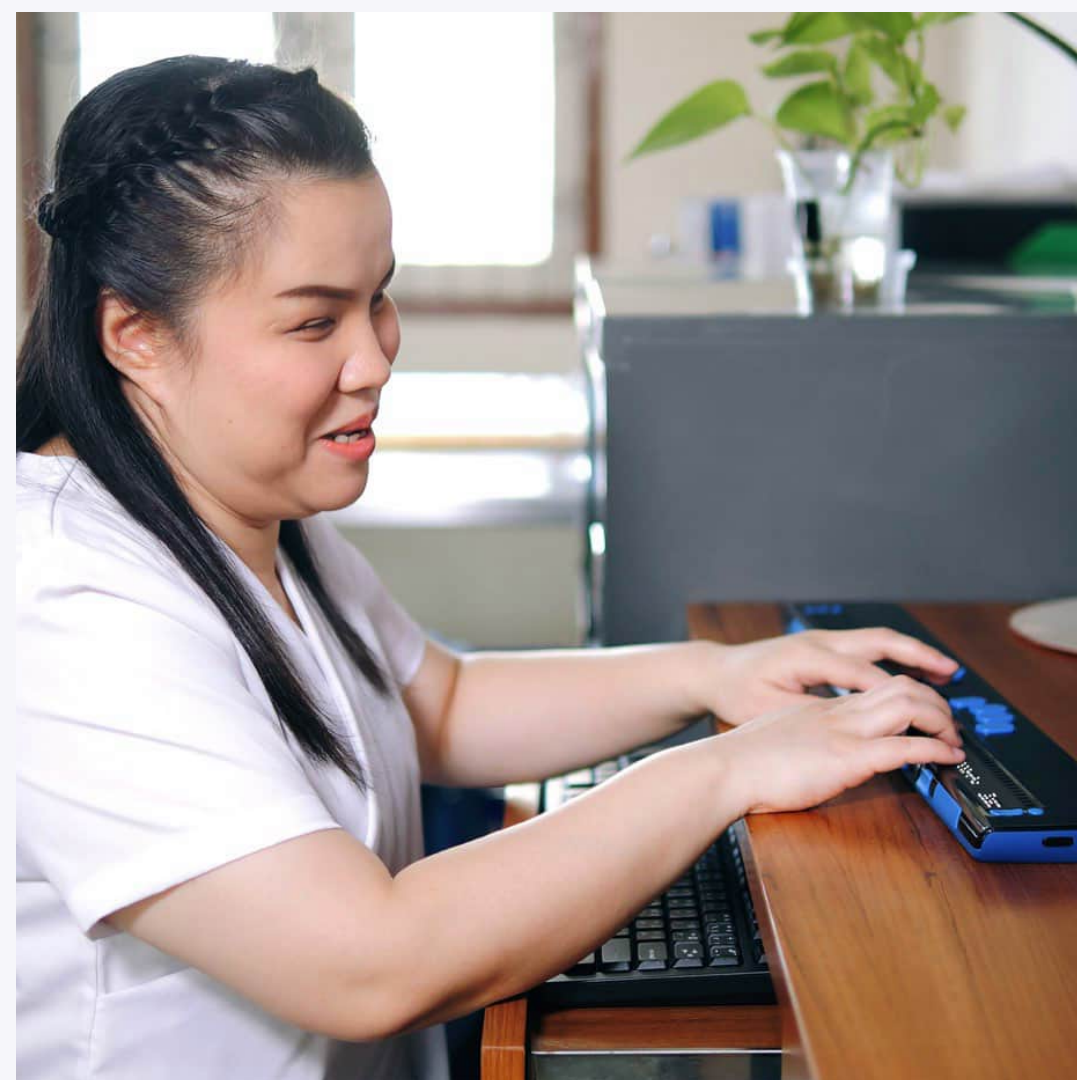
To help better understand and support the needs of all EY people, and strengthen a sense of belonging for everybody, EY continues to offer opportunities for EY people to self-identify, which enables the organization to acknowledge and recognize differences in a way many have come to expect.



Meet Chandni  
EY assistant director and Uplift social equity storyteller

EY Global Chairman and CEO Carmine Di Sibio is one of The Valuable 500's 15 Iconic Leaders – a group of CEOs committed to co-creating solutions to advance opportunities for people with disabilities.

As part of the EY organization's commitment to advancing disability inclusion in business, we continue to play an important role supporting [The Valuable 500](#) – a global initiative of 500 organizations committed to innovating together for disability inclusion. EY Global Chairman and CEO Carmine Di Sibio is one of The Valuable 500's 15 Iconic Leaders – a group of CEOs committed to co-creating solutions to advance opportunities for people with disabilities. EY was also an early adopter of Generation Valuable, a program aimed at addressing the gap in disability talent at all levels by creating an opportunity for rising leaders from each Valuable 500 company to develop and hone their skills as C-suite leaders of tomorrow. Each EY mentee was paired with a C-suite-level mentor within their Area and attended leadership workshops, conducted deep dives into each of The Valuable 500's transformation pillars and held discussions with their mentors on ways to promote and drive disability inclusion within their local markets.



**EY IN ACTION**

## EY sponsors Disability:IN 24 Hours of GAAD 2023

EY celebrated Global Accessibility Awareness Day (GAAD) by sponsoring the Disability:IN 24 Hours of GAAD 2023, a 24-hour stream of videos, interviews, and panels celebrating the ways each of us can advance digital accessibility. As part of the event, Hank Prybylski participated in a fireside chat with Microsoft's Chief Accessibility Officer Jenny Lay-Flurrie, about digital access and inclusion for the more than one billion people with disabilities worldwide. We also hosted an EY Open Doors digital accessibility webcast for all EY people aimed at helping the workforce understand why digital inclusion is important to everyone and how to create more accessible content. Broadening the conversation even further, we also posted an external piece of thought leadership about [how inclusive design uplifts equity](#).

## Embedding accessibility

To further embed accessibility throughout the EY organization:

- ▶ We've integrated office accessibility into our standards for global design and construction, so that EY offices are built to be accessible and inclusive.
- ▶ We 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.

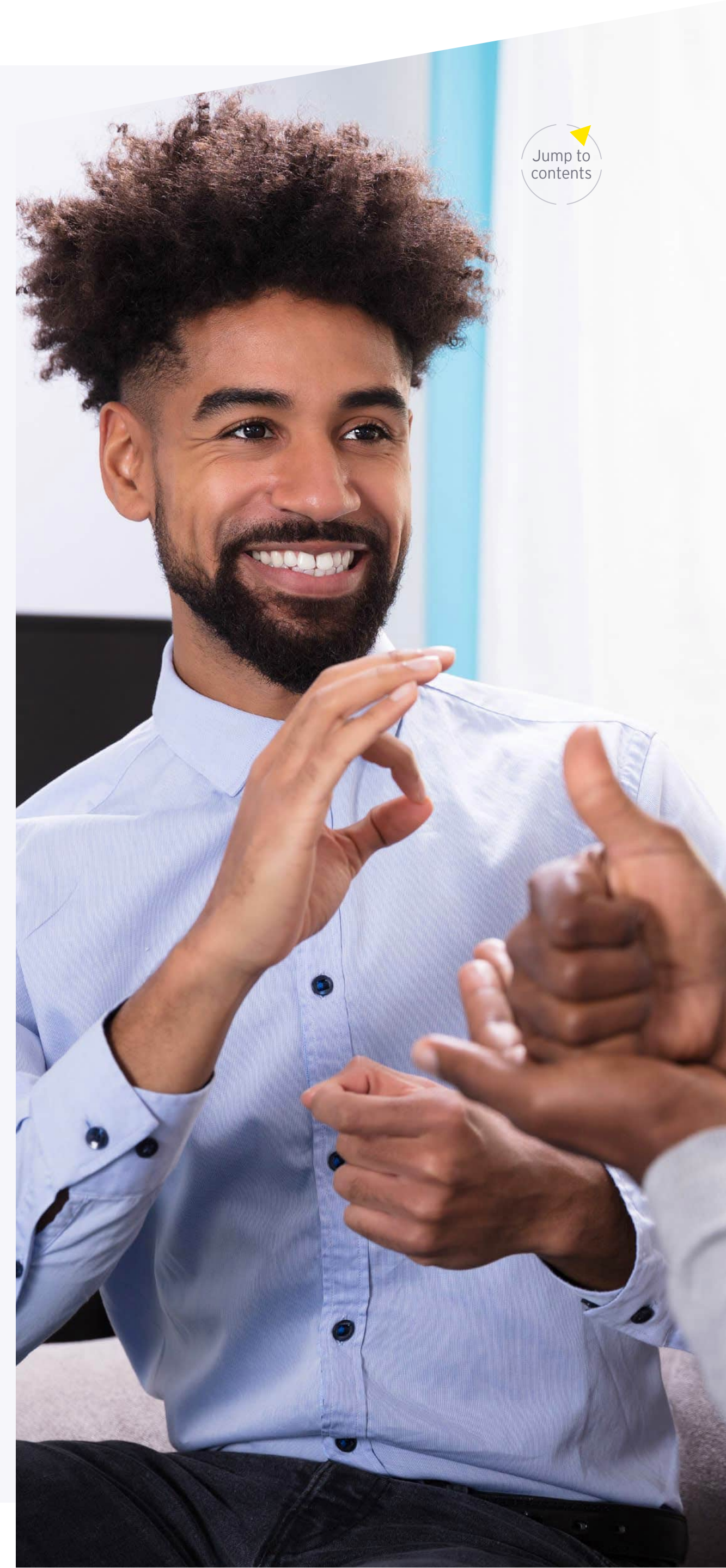
Learn more about our commitment to disability inclusiveness and accessibility [here](#).

As a proud member of The Valuable 500, we will continue to adhere to these disability inclusion standards, across categories including workforce representation, goals, training, employee resource groups (ERGs), and digital accessibility. Refer to the table below for EY disability disclosures\*.

## The Valuable 500's five global standardized disability inclusion KPIs

|  |   |   |
|--|---|---|
| <b>Workforce representation</b>        | What percentage of the company's workforce identifies as disabled/living with a disability?   | Of those who responded to a recent internal survey of EY people, 3.4% identified as having a disability. This question was asked in over 70 countries, representing 70% of EY total headcount.  |
| <b>Goals</b>                           | Which goals has the company defined specific to disability inclusion and how are business leaders measured against these goals?   | The EY Global DE&I Tracker contains questions about disability practices, such as accessibility, reasonable adjustments/ accommodations, and integration of neurodivergent professionals throughout the business. All EY leaders are encouraged to set DE&I goals, which can include disability specific goals. Progress toward meeting these goals is tracked annually.  |
| <b>Training</b>                        | Does your company provide disability inclusion training for its managers and employers?   | EY people are encouraged to complete a customized training on inclusive leadership, which integrates disability-specific content.   |
| <b>Employee resource groups (ERGs)</b> | Does your company have a disability specific ERG in place with an executive sponsor?  | EY has various disability-specific ERGs at the country, Region and Area level. For example, we have networks focused on disabilities in the Americas, Brazil, UK & Ireland, and Asia-Pacific. Some locations also have topic-specific communities, for example on deafness/hard of hearing, blindness/low vision and stammering/stuttering. One of the largest is our 1,500-member global neurodiversity community. The EY Global Vice Chair of Transformation is the Global Disability Sponsor, and there are senior-level executive sponsors in each of our three global Areas. Region, country and local chapters typically have their own executive sponsors. |
| <b>Digital accessibility</b>           | Has your company undertaken a review of the accessibility of its digital platforms and content? If not, does the company have a plan to undertake a review over the next calendar year? | Since 2019, the organization has had a Global Digital Accessibility Policy (which is monitored regularly) that mandates all new development of digital tools and content to follow WCAG 2.1 AA accessibility standards. Enterprise websites – the ey.com public website and our intranet – are fully accessible. Accessibility is integrated into our development methodology and procurement processes. We have trained our designers, developers and content creators to create accessible products and content and conduct regular accessibility reviews of our sites, tools and content.  |

\* The disclosure questions in the table are in a standard format issued by The Valuable 500, and are answered with respect to the EY organization.



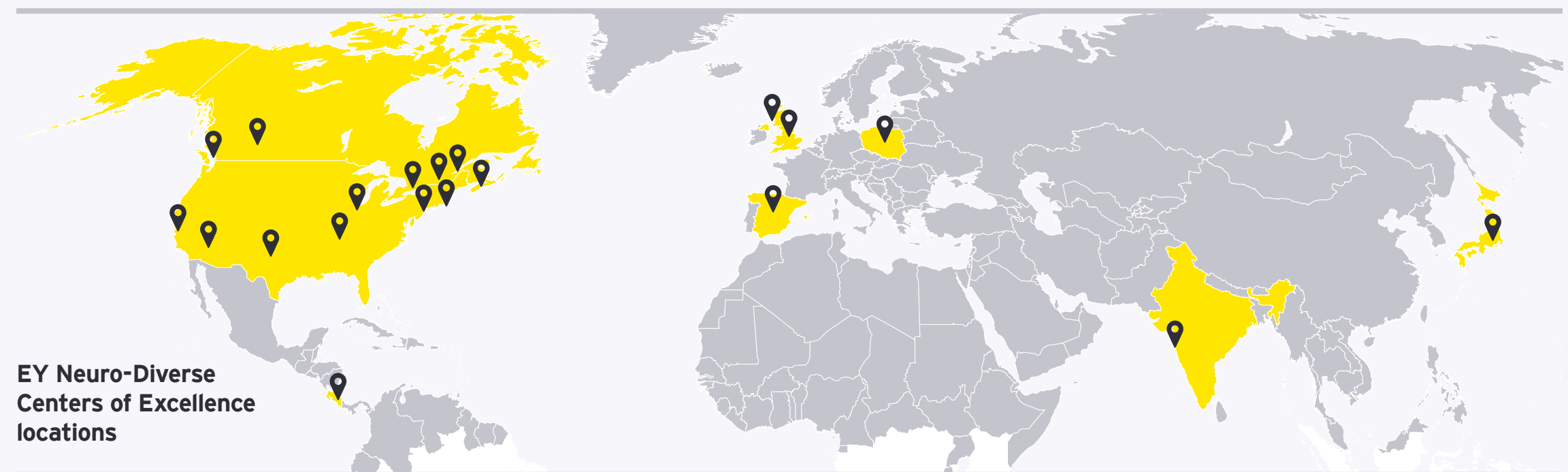
EY now has Neuro-Diverse Centers of Excellence in 20 cities across eight countries – Canada, Costa Rica, India, Japan, Poland, Spain, the UK and the US.

### A neurodiverse world is a better working world

Tapping into the talents of neurodivergent professionals in the EY Neuro-Diverse Centers of Excellence helps us accelerate EY clients' sustainable value journey and workforce transformation plans through collaborative ecosystems around the world.

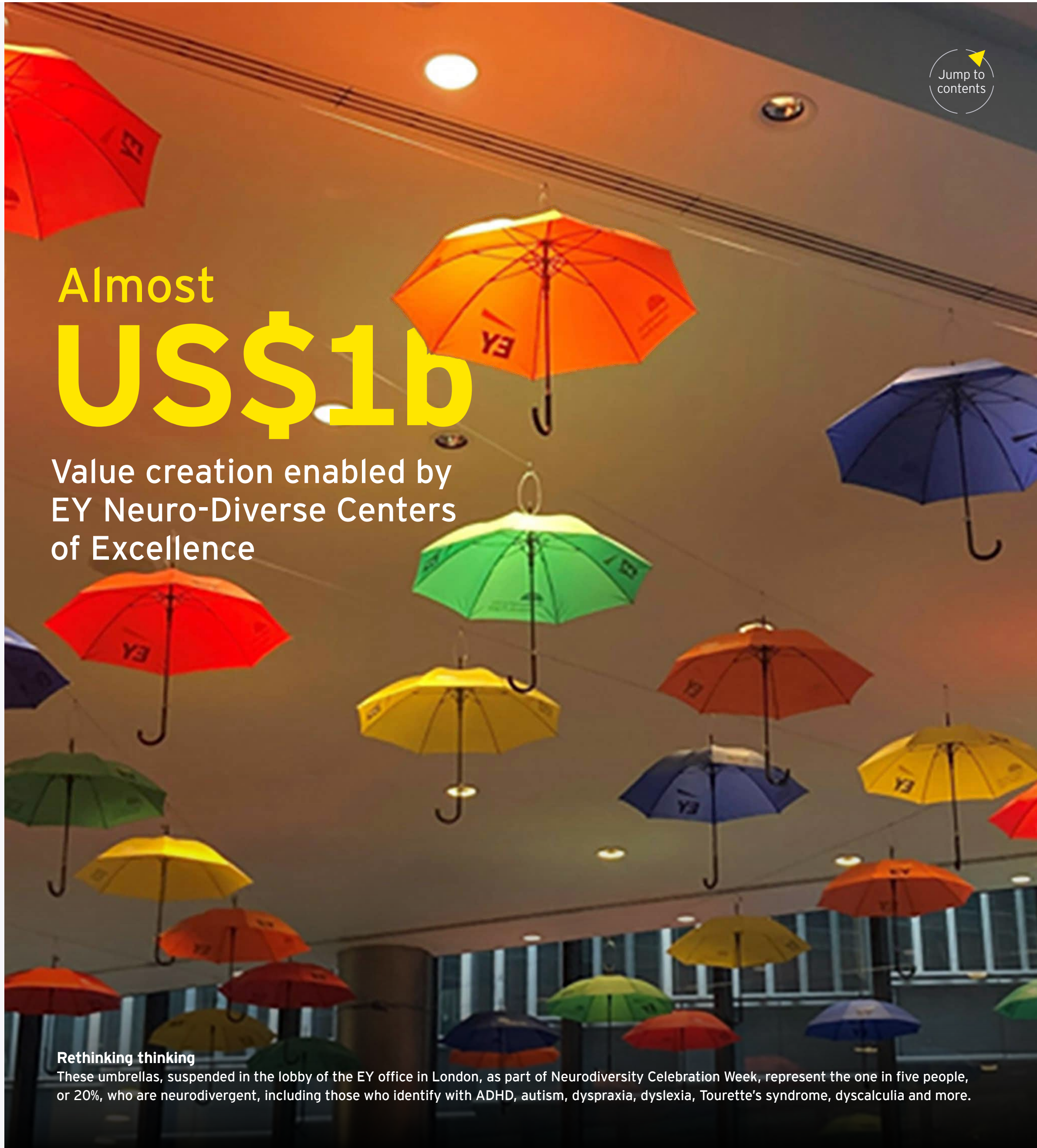
EY now has Neuro-Diverse Centers of Excellence in 20 cities across eight countries – Canada, Costa Rica, India, Japan, Poland, Spain, the UK and the US – and works with clients

to support their own scalable neurodiversity programs. Nearly 450 EY people working across these centers of excellence have helped develop creative solutions that save millions of service delivery hours and have enabled almost US\$1 billion in value creation. The EY neurodiversity model and strategy was recently designated as a Global Lighthouse recognition by the World Economic Forum for scalable and sustainable value creation through inclusion in the [Global Parity Alliance](#).



### Developing Malaysia's neurodiversity ecosystem

PETRONAS and EY have recently signed a memorandum of understanding (MoU) to jointly collaborate in developing Malaysia's neurodiversity ecosystem. The MoU outlines areas for collaboration between PETRONAS and EY in creating awareness on neurodiversity in Malaysia, promoting and facilitating organizational readiness in creating neurodiversity job opportunities, as well as providing upskilling and community support.



# Almost US\$1b

## Value creation enabled by EY Neuro-Diverse Centers of Excellence

#### Rethinking thinking

These umbrellas, suspended in the lobby of the EY office in London, as part of Neurodiversity Celebration Week, represent the one in five people, or 20%, who are neurodivergent, including those who identify with ADHD, autism, dyspraxia, dyslexia, Tourette's syndrome, dyscalculia and more.

EY continues to recognize and support the EY LGBT+ community as a vibrant part of the diverse global EY organization.

### Standing with the EY LGBT+ community

International Day Against Homophobia, Transphobia and Biphobia (IDAHOTB) is a reminder that LGBT+ people around the world still face high levels of social exclusion, inequity, discrimination and sometimes violence and incarceration – simply for being themselves. To commemorate IDAHOTB this year, local Unity (the EY LGBT+ network of 5,200 members in over 77 global locations) chapters held many IDAHOTB events and activities around the globe. Some of these include the Colors of the Rainbow photography competition, panel discussions and in-person celebrations. EY member firms have also implemented impactful benefits and tools to stand with the LGBT+ community, including a new LGBT+ benefits guide and an LGBT+ Allyship Directory.

There has been a surge in transphobia and politicization of transgender issues, in countries once seen as beacons for progress. EY people are often asked what companies and individuals can do to remove barriers for LGBT+ people at work. Three EY leaders, Moriaki Kida, Terri McDowell and Gina Mills, share [six ways to get started](#).

EY continues to recognize and support the EY LGBT+ community as a vibrant part of the diverse global EY organization.



EY people celebrating Pride.

5,200

Members of Unity,  
EY's LGBT+ network

### EY leaders among OUTstanding LGBT+ Role Model List

In FY23, several EY leaders were among the OUTstanding LGBT+ Role Model List. Moriaki Kida, EY Japan Chairperson and CEO, and Catherine Vaughan, EY Global Financial Crime and Compliance Leader, were among the Top 100 LGBTQ+ Executives; Julie Linn Teigland, EY EMEA Area Managing Partner, and Takefumi Kawasaki, EY Japan Partner, were among the Top 50 Ally Executives. The [list](#) showcases leaders and allies who are breaking down barriers and creating more inclusive workplaces across the world.

Creating long-term value for EY

# CLIENTS



# Creating long-term value for EY clients

## Creating long-term value for EY clients

We create long-term value for EY clients by helping them grow, optimize and protect value.

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 four service lines – Assurance, Consulting, Strategy and Transactions, and Tax – and broad sector knowledge, EY teams help clients to capitalize on new opportunities and manage risk to deliver responsible growth.

### Investing in technology

Unlike pure play technology service providers, the EY organization can support clients by bringing together deep business insights, multidisciplinary teams, and powerful ecosystems to harness technology for positive human impact.

Multi-year investment in disruptive technologies also includes more than US\$300m in award-winning (including AI Excellence Award Winner – Best in Machine Learning, and Intelligent Agent 2023) [EY Fabric](#) – there are now 60,000 EY clients on Fabric and more than 1.5 million unique client users; the platform processes over 270 million client and employee transactions every day. Today the EY organization

EY teams help clients to capitalize on new opportunities and manage risk to deliver responsible growth.

Meet Cyril  
EY partner and Uplift social equity storyteller



# 50 locations

## EY wavespace™ presence around the world

is one of the world's biggest consumers of cloud technology, ensuring greater flexibility, reliability and efficiency for clients.

We are proud to be recognized for [delivering value in digital business transformations using AI](#).

EY teams are also harnessing the metaverse to help create long-term business value and positive human impact. For example, the [EY metaverse lab](#) provides exceptional experiences in the metaverse, such as virtual supply chains and smart factories, to help clients de-risk their technology investments and get ahead of their competition.

The EY metaverse lab team includes people with diverse skills – 3D design, web animation, game development, art direction and human experience design. These award-winning creative technologists integrate these skills with deep knowledge and experience in AI, Internet of Things, and digital twin robotics to create extended reality environments that can meet the social and business needs of any industry or sector worldwide. In addition, [EY wavespace™](#) now provides

[EY wavespace experiences in the metaverse](#) – expanding the ability to help clients co-innovate and rapidly address business challenges.

[EY wavespace™](#) brings together business, design and technology, enabling companies to accelerate transformation, drive innovation and create measurable outcomes. EY wavespace™ is now in more than 50 locations around the world.

### Developing EY people's innovation skills to meet client demand

EY clients need more than leading-edge innovations – they also need them to be applicable in the real world and make a meaningful impact. That's why the EY organization invests in people – read about how we are [creating long-term value for EY people](#) – to build the transformative mindsets and technology skills needed to analyze, innovate, and think and act globally.

Today more than 70,000 technologists, working under the Tech@EY banner, help drive technology and data-enabled business transformation for EY clients.



### Transforming 1,800-year-old tradition with technology

EY Japan is proud to have helped bring the 1,800 year old Torikai Hachimangu Shrine in Kyushu, Japan, into the metaverse. The shrine has long been loved by the local community; at the same time it was also exploring how it could [continue to move with the times](#) and enable even more people from around the world to visit.

#### EY IN ACTION

### How will a new breed of technology protect our pets?

Integrating a modernized direct-to-consumer platform helped [transform the customer experience and accelerate growth](#) for Merck Animal Health's HomeAgain® program, a pet recovery and protection service that helps locate lost pets.

### Bringing together artists and engineers to explore society's biggest challenges

This year, the EY organization showcased "Ancestral Archives," an interactive multimedia installation by EY metaverse lab artist-in-residence Josie Williams at SXSW 2023. Developed in collaboration with EY metaverse lab and [NEW INC](#) (part of the New Museum), Williams' work leverages the learning capabilities of deep neural networks to bring Black leaders who inspired her to present-day communities.



term value for

The focus on innovation has led to more than 2,800 projects as of the end of FY23, including the EY People Experience Platform, EY Quantum Computing Lab, IoT Convergence and the EY Climate Analytics Platform.

EY people also need to be able to create, manage, respond and work as teams in ways where innovative thinking is routine. To enable that, a professional development curriculum was established that focused on emerging technologies, inspired hackathons and ideathons, and launched a Strategic Innovation Group, which is cross-service line, and identifies investment themes and decides on high-level investment decisions in innovation. The focus on innovation has led to more than 2,800 projects as of the end of FY23, including the EY People Experience Platform, EY Quantum Computing Lab, IoT Convergence and the EY Climate Analytics Platform.

### Clients are seeking a better way to operate

Business leaders today may need to transform to exploit new opportunities in a time of complex market challenges

and global political, economic and business uncertainties. Businesses are looking for a better way to operate, one that embraces technology and strengthens their resilience. Clients seek confidence to thrive in this transforming landscape and see adaptable and agile managed services as key to help unlock better business outcomes that support driving long-term and sustainable value creation.

The [EY Managed Services](#) market-leading offerings continue to expand into new solution portfolios, including Sustainability, Finance Operate, Compliance, Cybersecurity, Risk and Data. EY modular and connected managed services solutions available around the world are powered by EY teams' broad domain knowledge and experience and are enabled by advanced technology and data-driven intelligence.

### Industry reimaged

In this interconnected world, [industry](#) lines are blurring as disruptive technology – intelligent automation, AI, blockchain, advanced analytics – open up new possibilities. EY industry insights and solutions can help clients seize the emerging opportunities to reframe the future of their businesses.

EY has launched EY Nexus – a cloud-ready platform that enables financial services organizations – like [Nationwide](#) – to quickly deploy [new products and solutions](#).

When their competitors feared the worst, family enterprise Plaza Premium Group turned to EY teams to unlock the benefits of growth. Find out how they [reshaped airport hospitality for a new generation](#).

### Empowering EY Tax professionals with EY Tax Copilot

This year we launched [EY Tax Copilot](#) to help EY tax professionals deliver services and provide value to clients while responsibly using Microsoft's AI-enabled capabilities in accordance with the EY global code of conduct, policies, professional standards and regulatory requirements. EY Tax Copilot is just one of the ways we provide EY people with advanced technology skills; others include programs like the EY Tech MBA – the first-of-its-kind, fully accredited corporate MBA focused on a future-focused curriculum based on emerging and disruptive technologies.

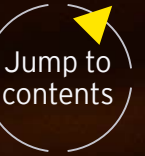
### EY helps businesses prepare for the quantum computing revolution

EY Quantum Computing Lab has built a suite of leading-class solutions that have already had a profound impact on drug discovery, DNA sequencing, business optimization and cybersecurity risk assessment, unlocking opportunities for EY and clients. From quantum machine learning to quantum mechanics, and beyond, EY Quantum is helping businesses seize new opportunities and prepare for the quantum computing revolution. Learn how organizations can [ensure their enterprise is prepared for the quantum shift](#).



EY Entrepreneurship Access Network participants gather to celebrate.

clients





The EY organization's differentiated vision and strategy, and capabilities in sustainability and climate change services were recognized by HFS Research (No. 1 for execution among 18 firms).

**Collaborate. Co-create. Innovate.  
The EY Partner Ecosystem**

We have always said that in an inter-connected world, no single organization has all the answers. That's why the [EY Partner Ecosystem](#) is a fundamental part of the EY client proposition, helping to provide the right technology, capabilities and insights – through [award-winning](#) collaboration, co-creation and innovation – to help clients create long-term value and transform at speed and scale.

EY is the 2023 Microsoft Global Advisory Services Partner of the Year (for the fourth consecutive year).

Read how EY [transformed Suzuki's customer relationship management system](#) into a Microsoft automated solution fit for the future.

**Value-Led Sustainability**

Value-Led Sustainability is the EY organization's commitment to helping business create value for sustainability – as well as helping sustainability create value for business. EY teams have a legacy of more than 20 years in providing sustainability and ESG services.

**Raising the bar for action and progress with clients**

The bar has risen for ambition, accountability and action, and with it, the need for companies to respond with credible plans, evidenced action and progress. This year the EY Climate Change and Sustainability Services (CCaSS) teams completed 5,000 client engagements worldwide, a 66% increase over FY22. There are approximately 5,000 EY professionals dedicated to sustainability and climate change around the world and 3,200 of them in dedicated EY service offerings. They work across the full range of sustainability issues identifying risk, creating new products and markets, and responding to policy and regulatory change.

The EY organization's differentiated vision and strategy, and capabilities in sustainability and climate change services were recognized by HFS Research (No. 1 for execution among 18 firms); and as a leader in IDC's inaugural MarketScape on ESG Strategy Services (February 2023), and the Verdantix Green Quadrant (July 2023).

For clients, the net-zero transition requires the transformation of business strategies, investment, models and markets. Innovation and technology underpin EY solutions and services. [The EY Climate Analytics Platform](#),

5,000

EY professionals dedicated to sustainability and climate change

**Recognition for award-winning client technology**

Find out more about our [analyst recognition](#) – including being a [leader in The Forrester Wave: AI Service Providers](#), a [market leader in the HFS Metaverse Horizons Report 2023](#), and a [leader in the IDC MarketScape: Worldwide AI Services 2023](#) – for our [award-winning](#) client technology.



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The EY Climate Analytics Platform can help organizations meet regulatory and market requirements and support futureproofing assets and activity considering climate change.

an online tool to provide clients with on-demand granular data on climate-related risks linked to Intergovernmental Panel on Climate Change (IPCC) climate scenarios, was launched covering all geographies, with forward looking risk assessments up to the year 2100. It can help organizations meet regulatory and market requirements and support futureproofing assets and activity considering climate change. We were proud to extend and deepen several of our existing alliances to provide decarbonization solutions in collaboration, including GHG tracking with IBM, insurance industry ESG disclosure requirements with SAP, and value chain carbon traceability with Microsoft. The EY organization was also awarded Microsoft's Sustainability Change Maker Partner of the Year, recognizing outstanding Microsoft-based delivery during the past year.

#### EY IN ACTION

### Global efforts

- ▶ EY South Africa expanded its capabilities through the [acquisition of EBS Advisory](#), a market-leading ESG advisory services organization, providing ESG and sustainability advisory services to public and private sector clients, business, investors and financial institutions.
- ▶ EY India's [EY ESG Compass](#) is a comprehensive digital ecosystem that helps organizations evaluate their ESG maturity levels and adapt a sector-specific strategy, using the power of analytics.
- ▶ In EY Australia, the [EY Net Zero Center](#) has had a significant impact in helping some of Australia and New Zealand's largest carbon emitters take the first steps in their decarbonization journeys.
- ▶ Read about EY [work with Hindustan Unilever](#) that creates competitive differentiation through sustainability and ESG metrics.

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## Can racing be an extreme way to raise awareness of climate change?

The EY organization is the proud [Official Sustainability Partner](#) of Extreme E, an international off-road racing series showcasing electric SUVs in some of the world's most challenging locations. The series uses motorsport as a platform to highlight the impact of climate change and promote electric vehicle adoption. Extreme E also delivers grassroots, [long-term projects](#) improving environmental outcomes in each of its locations. The EY organization has supported Extreme E since inception, and has worked with the series to raise visibility of key cross-sector sustainability issues such as the energy transition and e-mobility, and support leaders across industry and government to form new ecosystems and create sustainable value. The EY CCaSS team produces Extreme E's annual [sustainability report](#) and has developed its Social and Environmental Impact Assessment framework.



Creating long-term value for

# SOCIETY



# Creating long-term value for society

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Leading businesses know sustainability and decarbonization aren't just commitments or targets. They are business imperatives, that build trust and transparency, and create sustainable, inclusive economic growth.

## Creating long-term value for society

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.

### Creating sustainable growth

Leading businesses know sustainability and decarbonization aren't just commitments or targets. They are business imperatives, that build trust and transparency, and create sustainable, inclusive economic growth. At EY, the principle of value-led sustainability – creating long-term value for all stakeholders; protecting and creating value for business, people, society and the world as a whole – brings the collective power of the EY organization's services and solutions to support clients as they implement and accelerate sustainability strategies and transformation.

The EY organization is 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.

Meet Reeba  
EY senior manager and Uplift social equity storyteller

# 43%

## FY23 reduction of our absolute emissions globally

### Acting on the EY carbon ambition

The EY organization's foremost commitment is to decarbonize its business and work with clients to do the same – decoupling greenhouse gas (GHG) emissions from growth – and integrating climate action as a catalyst to wider social and economic benefits. To enable this, we are connecting the EY social impact program, EY Ripples, DE&I and client service development to our sustainability ambitions and those of EY clients.

Without decarbonization, the objectives set out in the Paris Agreement cannot be achieved, and with it our ability to protect the planet from the worst impacts of climate change.

Already, we are seeing the impacts. During FY23, global scientific understanding and public engagement of the climate and nature crises significantly increased. Frequent and more severe extreme weather events occurred globally as stark findings in the Intergovernmental Panel on Climate Change (IPCC) Synthesis Report warned of GHG emissions continuing to rise from unsustainable energy and land use, lifestyles and consumption.

This reinforced our view that sustainability is everybody's business. A drive to decarbonize is at the heart of the EY sustainability strategy. The EY carbon ambition is to reach net zero in 2025 with a 40% reduction in absolute GHG emissions across Scopes 1, 2 and 3 emissions (against an FY19 baseline) for the EY organization globally. We have set out a seven-point action plan to move from ambition to progress. Read more about the plan [here](#).

The EY organization has reduced absolute GHG emissions globally by 43% against an FY19 baseline; at the same time growing EY by 40% over the same period.

We are translating ambition into evidenced action to catalyze wider net-zero and SDG progress, including in how clients, suppliers and partners are enabled to act. Progress requires

multi-year integrated investment, behavior change, innovation in tools, technology and in training; collaboration with our people, suppliers, alliance partners and stakeholders. During FY23, the EY organization:

- ▶ Remained focused on reducing absolute GHG emissions as the primary objective of the EY carbon ambition through taking actions against our seven-point plan to reach net zero in 2025.
- ▶ Increased the proportion of electricity consumed globally from renewable sources to 50% – great progress toward the goal of reaching 100% renewable energy by 2025, and important in balancing an increase in energy consumption from employees returning to the office. We recognize the challenge of reaching 100% renewable energy, however, remain committed to procuring local renewable energy where market conditions permit.
- ▶ Maintained air travel GHG emissions below target and remain on track toward a 35% reduction in travel-related GHG emissions by 2025 despite the gradual lifting of travel restrictions and a need to reconnect face-to-face with EY clients, colleagues and other stakeholders.
- ▶ Continued to invest in high-quality offsets to mitigate our residual emissions, reducing or removing more carbon than we emit. Decarbonization commitments and actions, such as those of the EY organization, from the private sector can act as a catalyst for wider net-zero economic investment and SDG progress in developing and developed economies. These commitments support private sector engagement and investment in emerging tools, technologies and low-/zero-carbon developments to remove or avoid carbon GHG emissions such as blue carbon, clean cookstoves and biochar.
- ▶ Expanded our technology investment to enable targeted employee, leadership and client engagement, embedding behavior change that challenges the organization to



# term value for



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# SOCIETY

We're committed to providing opportunities for everyone in the EY organization to learn, engage, reskill or upskill to support clients and the EY organization in the transition to a net-zero economy.

consider its carbon footprint in everything it does. The EY organization enhanced its EY Engagement carbon calculator, which supports EY employees and clients to have a proactive conversation about the right amount of engagement-related travel to support mutual goals. We are also engaging with the largest EY clients with an objective to formalize a hybrid client service approach that seeks to reduce carbon emissions, improve team member wellbeing and increase efficiency. The EY Sustainable Travel Approval Tool was launched, live in more than 40 countries, which provides greater visibility on both the financial and carbon footprint impact of business travel. Internal quarterly reporting of our GHG emissions was launched via a carbon measurement system, enabling increased visibility of our progress and targeted interventions.

We continue to report annually to 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 Taskforce on Climate-Related Financial Disclosures \(TCFD\) report](#).

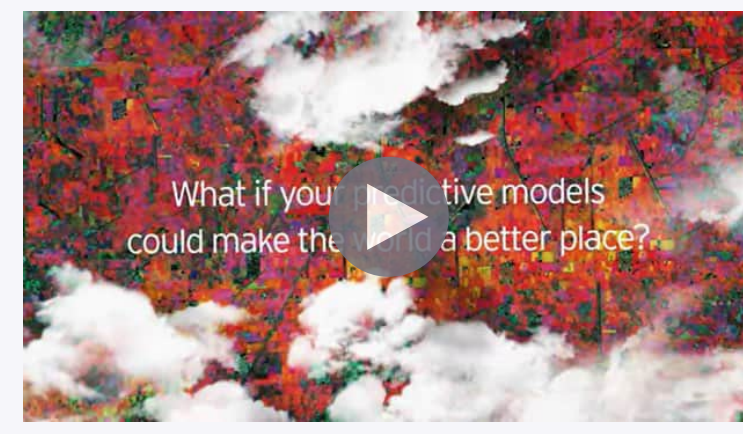
### Driving inclusive opportunities to learn and contribute

Because we believe sustainability is everybody's business, we're committed to providing opportunities for everyone in the EY organization to learn, engage, reskill or upskill to support clients and the EY organization in the transition to a net-zero economy. This year, we celebrated the first cohort of graduates of the EY Masters in Sustainability by Hult, with 19 students across the globe spanning a range of career stages and all areas of the EY organization. Alongside the first cohort of EY Masters in Sustainability graduates, EY has awarded more than 8,000 sustainability-related EY badges – free internal applied learning modules open to all EY people. With more than 3,000 awarded in FY23 alone, it demonstrates the opportunity and appetite for EY people to expand their knowledge and skills in support of clients. Further, in FY23, over 34,000 EY people completed the Sustainability Now! course – a fundamental learning course designed to foster an awareness of sustainability efforts within EY and to lay the groundwork for the inclusion of sustainability strategies in our work with EY clients. EY people completed badges in topics such as environmental and social impacts of climate change,

sustainable finance, inclusive business and other key issues, demonstrating EY people's appetite to expand their knowledge and skills.

The EY [Open Science Data Challenge](#) invites university students, early career professionals and EY people to find tangible solutions for global sustainability issues using satellite data, AI and other technologies. The [2023 challenge](#) generated more than 13,000 registrations from more than 110 countries and 632 universities, with the mission of harvesting data to help solve world hunger. Participants used satellite data from Microsoft's Planetary Computer to predict the effects of climate change on rice production, helping farmers, communities and countries grow more food. Through collaboration with leading professionals, challenge participants honed their skills in programming, algorithmic processes and artificial intelligence to create new tools to help feed the world.

EY is also proud to support employee-led networks focused on the sustainability and ESG agenda. Sustainability@EY is a global community of action with more than 5,000 members, encouraging EY people to grow their knowledge of key issues, understand how we are helping clients with their own transition, and encouraging positive action. Other employee-led networks connect EY people across sustainability themes, client issues and geography. Examples include the Eco-Innovators, staffed by passionate volunteers whose mission is to use smart thinking and smart technology to solve the climate and ecological crisis. The Sustainable Supply Chain Global Community of Interest brings together practitioners interested in building more sustainable supply chains. In addition, the EY Oceania Sustainability Action Network aims to inspire and empower people in EY Oceania to protect and restore our planet through socially and environmentally responsible choices.



### EY celebrates finalists and winners of 2023 Open Science Data Challenge

The EY 2023 Open Science Data Challenge inspired participants to make the world a better place by addressing the severe problem of food security.



The bar has risen for sustainability ambitions, accountability and action, and with it, the need for governments and companies to respond with credible plans, evidenced action and progress.

### Shaping transformation through collaboration

EY operates at the intersection of government policy, investment, corporate response, civil society and market transformation. With the regulatory environment rapidly evolving, including new International Sustainability Standards Board (ISSB) standards, and a Taskforce on Nature-related Financial Disclosures (TNFD) framework, EY plays an active role in supporting informed discussion and development of frameworks and standards. This includes working closely with the Sustainability Accounting Standards Board, GRI, European Financial Reporting Advisory Group (EFRAG), TCFD, ISSB and United Nations Framework Convention on Climate Change. Our capabilities in convening and collaborating across public and private sector groups supports accelerating action on sustainability, through leadership and involvement in key stakeholder groups, engaging with policy makers, industry, citizens and government. These include WEF Alliance of CEO Climate Leaders, WEF Futures Council, World Business Council for Sustainable Development and the Sustainable Markets Initiative. In FY23, the S30, a forum comprised of Chief Sustainability Officers from some of the world’s most influential companies, expanded to nearly 40 company members to accelerate business action on sustainability. At both COP27 (focused on climate change) and COP15 (focused on nature and biodiversity), EY specialist teams supported clients and policy makers in informing discussions, and supporting business engagement. EY teams will also take an active role at COP28 in Dubai in late 2023. With a focus on action, and a just transition, it is expected to be the largest COP meeting to date, combining the representatives of government, business and citizens, to address the action needed to respond to the [Global Stocktake](#). A global EY team of specialists from our sustainable finance, climate change, cities, energy and carbon markets practices will support stakeholders, policymakers and clients with a comprehensive program of insights and analysis.



EY volunteers serving the community.

### Considering climate risks and opportunities

EY also published its first [global TCFD report](#) this past year. The process of preparing the research and analysis for the TCFD report provoked self-reflection. Taking stock of our climate governance, considering our climate strategy and risk, and tracking progress against our GHG emissions goals highlight both the achievements for which we can be justifiably proud and where we need to focus our efforts to move faster. The [report](#) provides more information on how we’re assessing and addressing climate impacts for EY people, operations and clients.

### An evolving approach to assessing and reporting on sustainability impact

The bar has risen for sustainability ambitions, accountability and action, and with it, the need for governments and companies to respond with credible plans, evidenced action and progress. Companies are being called to consider a more comprehensive approach to understand their impact and drive greater trust and transparency with their stakeholders.

## We strongly support initiatives to increase clarity, standardization and trustworthiness around nonfinancial reporting, to help drive environmental and social action.

As the regulatory reporting landscape evolves, EY is preparing for sustainability reporting requirements such as the EU's Corporate Sustainability Reporting Directive (CSRD) and the International Financial Reporting Standards (IFRS) work to develop the ISSB. We strongly support initiatives to increase clarity, standardization and trustworthiness around nonfinancial reporting, to help drive environmental and social action. EY teams also support clients on their nonfinancial reporting journeys and we are active participants in networks and working groups inputting to the development of these frameworks.

For EY sustainability ambitions, we are in the process of standing up global networks of support for increased rigor around data collection, internal controls, sustainability integration across the EY organization and strengthened

sustainability governance across the member firm structure. We are establishing the data foundation, in collaboration with EY alliance partners and clients, that will provide an auditable, single source of truth for sustainability-related metrics. Combined with reporting tools that fulfill reporting and disclosure requirements, we can identify opportunities for improvement and track performance against sustainability commitments, such as:

- ▶ Formalizing governance: Global and regional accountability could increase by directly linking compensation to progress on specific metrics related to sustainability ambitions.
- ▶ Embedding into strategy: Consistently incorporating sustainability metrics into strategy processes across all functions.

- ▶ Expanding risk management processes: Continuing to develop and deploy organization-wide and regional tools, checklists and training scenarios for sustainability-related challenges and events.

We regularly review our targets and performance in line with emerging standards to ensure our strategy is delivering on the collective action required. We are excited to continue identifying opportunities to engage with EY people, clients and broader stakeholders on this agenda and will seek to push ourselves even further in FY24 and beyond.

## Committing to nature-positivity and how targets will be monitored

As our understanding of the impacts of biodiversity loss on society, the planet and business evolves, we are committed to defining what nature-positive means for the EY organization and how related targets will be monitored. Nature ties into almost every social, cultural and economic issue that we experience because it is the fundamental component on which these things are built. We are investing in developing a nature-positive strategy that will include a commitment to assess our value chain through a science-based and location-specific methodology, setting clear and measurable targets across our value chain, transforming our services in line with nature-positive principles and evaluating and disclosing our performance authentically and transparently. We recognize that we don't yet have all the answers, but we are committed to developing a roadmap to begin, building on our existing analysis.

Through this process, we will expand our key biodiverse areas (KBAs) and water risk assessments to identify ways to mitigate these issues near the affected offices. For the third year, we have conducted these assessments for the global EY real estate portfolio, and this year we were able to utilize the EY NAT tool, which found that 6% of EY offices are in or adjacent to KBAs and 25% of offices were deemed high or extremely high baseline water stress areas. [EY NAT](#) is a geospatial tool that collects data from more than 35 nature-related maps to automate the identification of biodiversity and nature-related impacts. This will be a key input into our nature positive strategy development.



# Having a positive impact on communities

We believe we have a duty to act responsibly and in the long-term interests of all stakeholders, guided by the EY purpose of *Building a better working world*.

As a proud participant in the [United Nations Global Compact \(UNGC\)](#), the global EY organization is committed to advancing the Sustainable Development Goals (SDGs), and to aligning strategy and operations with the UNGC Ten Principles.

Through the [EY Ripples](#) program, EY people are devoting their time to SDG-focused projects, bringing together the combined skills, knowledge and experience of the global EY network in pursuit of one shared vision: to positively impact 1 billion lives by 2030. In FY23 more than 139,000 EY people shared 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. More broadly, EY invested US\$164 million

into projects dedicated to strengthening communities, and EY people contributed almost 914,000 hours to a variety of initiatives and in-kind projects.

At the same time, the EY organization continues to challenge itself to embed responsibility, inclusiveness and sustainability more deeply in everything it does. This includes through global commitments to [upholding and promoting human rights](#), and to [innovating toward a net-zero future](#).

### Collaborating for impact

We collaborate with like-minded companies on inclusion and equity, achieving together what we cannot achieve alone. This year, we had more than 70 joint client EY Ripples initiatives,

The EY organization continues to challenge itself to embed responsibility, inclusiveness and sustainability more deeply in everything it does. This includes through global commitments to upholding and promoting human rights, and to innovating toward a net-zero future.



Meet Mike  
EY partner and Uplift social equity storyteller

### Top Five SDGs impacted in FY23

|  |  |                           |   |                                    |                          |
|--|--|---------------------------|---|------------------------------------|--------------------------|
|  | <b>SDG 17:</b><br>Partnerships for the goals     | 11,990,919 lives impacted |   | <b>SDG 4:</b><br>Quality education | 7,630,184 lives impacted |
|  | <b>SDG 10:</b><br>Reduced Inequalities           | 7,714,707 lives impacted  |   | <b>SDG 13:</b><br>Climate Action   | 2,726,677 lives impacted |
|  | <b>SDG 8:</b><br>Decent work and economic growth | 7,651,466 lives impacted  | – | <b>Other SDGs</b>                  | 8,871,407 lives impacted |

Since 2015, TRANSFORM has supported more than 100 projects, impacting the lives of more than 9 million people.

including social innovation models, like [TRANSFORM](#), which unites corporates, donors, investors and academics to support visionary impact enterprises. Through TRANSFORM, we test and scale new solutions that tackle environmental challenges, improve health and wellbeing, and build inclusive economies across Africa, South Asia and Latin America. Since 2015, TRANSFORM has supported more than 100 projects, impacting the lives of more than 9 million people.

This year also saw our increased use of [digital platforms and public and private partnerships](#) to close the learning poverty gap. For example, we worked in close collaboration with India's National Council for Educational Research and Training, the Indian Ministry of Education and other stakeholders to design large-scale programs for the Digital Infrastructure for Knowledge Sharing (DIKSHA) platform. The platform delivers in-class resources, teacher training content and assessment aids. DIKSHA has been identified and declared as a Digital Global Good by the Government of India and is being offered to all interested nations.

Our ongoing partnership with Microsoft continued to help disadvantaged youth and those excluded from the workforce to get job ready. In FY23, we brought EY Future Skills workshops – an offering to upskill young

or underserved groups, equipping them with skills to navigate a changing world – to the Trust for the Americas, a non-profit that, through EY and Microsoft's collaboration, is disseminating Future Skills Workshops content across Latin America. Beneficiaries in multiple Latin American countries access training materials that are available on Microsoft's Community Training (MCT) platform, completing the workshops in either classroom settings or virtually.

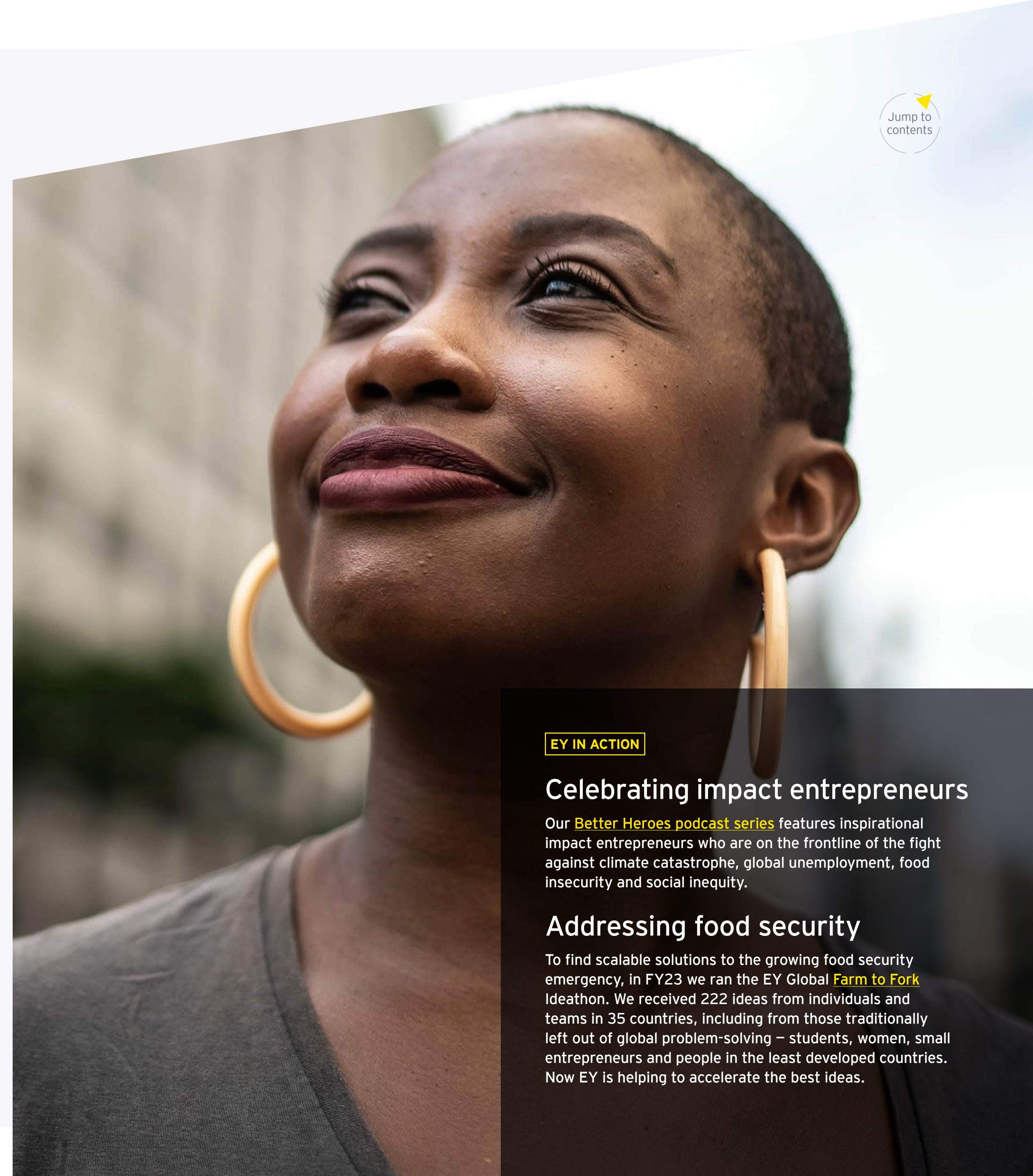
### Solving global issues through innovation

Impact entrepreneurs are shaping and disrupting the future of industries through innovative business models that combine profit with purpose. Since EY Ripples was launched in FY19, we have worked with more than 22,000 impact entrepreneurs in more than 80 countries.

This year, to inspire more EY people to support impact entrepreneurs through EY Ripples initiatives, we ran a 10-day, global "Innovate for Impact" campaign. Tens of thousands of EY people engaged with the campaign through global and regional communications, learning activities and EY Ripples initiatives. Six Future of Industry webcasts had more than 2,500 attendees from 60 countries, and three impact hives, with participation from 35 countries, impacted an estimated 300,000 lives.

## Collaborating with Nike, Citi, Microsoft and Forbes to make a difference

- ▶ This year, Nike hosted the kick-off event for the [EY Women Athletes Business Network](#), a global mentoring program that helps female athletes transition into successful entrepreneurs and business leaders.
- ▶ Our collaborative research with Citi reinforces the [long-term value of disability inclusion in Asia-Pacific](#).
- ▶ Created with Forbes BrandVoice, our [Collaborating for Impact](#) video series demonstrates the importance of mobilizing a community of organizations to support the UN SDGs by empowering impact enterprises.



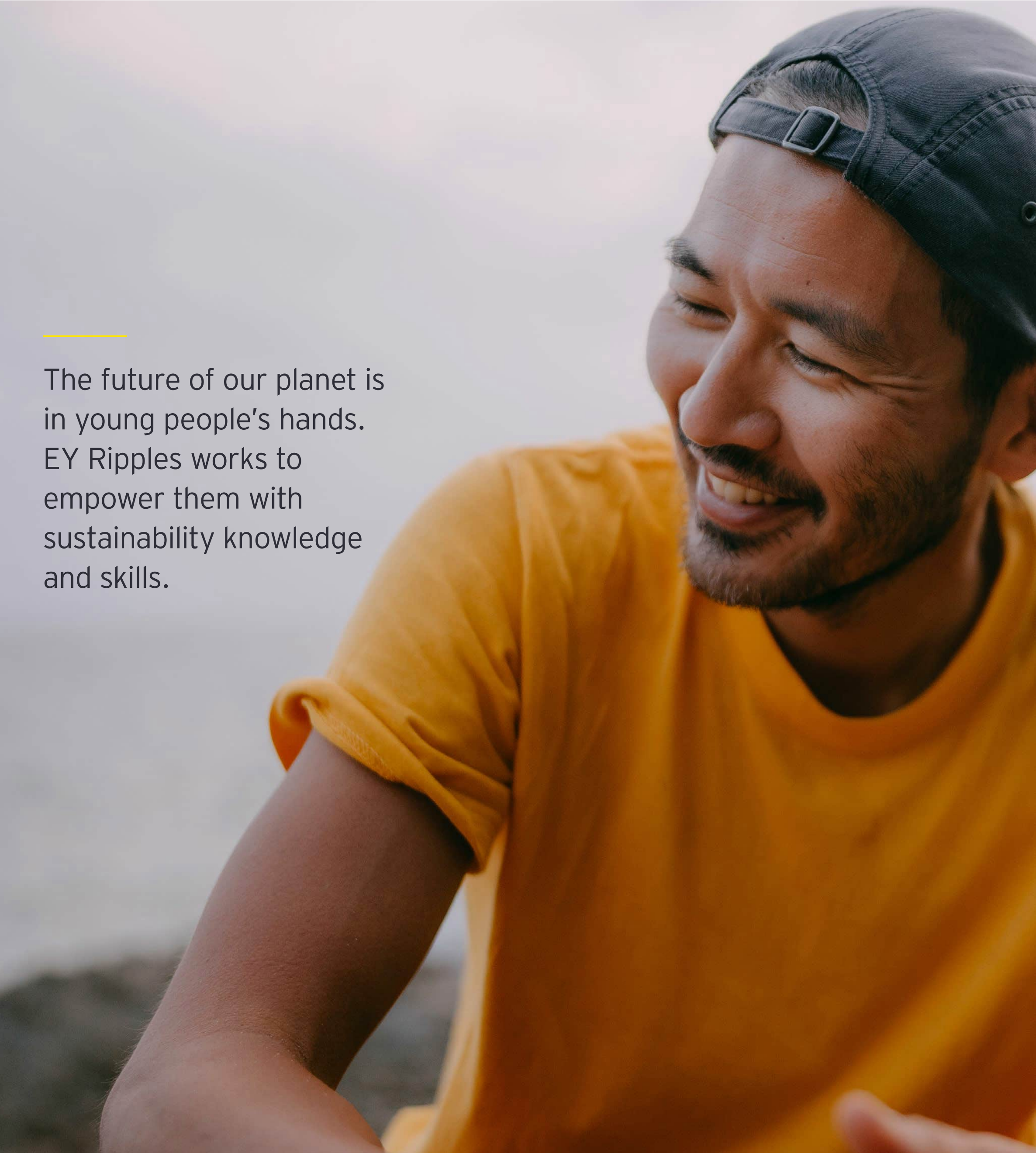
### EY IN ACTION

## Celebrating impact entrepreneurs

Our [Better Heroes podcast series](#) features inspirational impact entrepreneurs who are on the frontline of the fight against climate catastrophe, global unemployment, food insecurity and social inequity.

## Addressing food security

To find scalable solutions to the growing food security emergency, in FY23 we ran the EY Global [Farm to Fork](#) Ideathon. We received 222 ideas from individuals and teams in 35 countries, including from those traditionally left out of global problem-solving – students, women, small entrepreneurs and people in the least developed countries. Now EY is helping to accelerate the best ideas.



The future of our planet is in young people's hands. EY Ripples works to empower them with sustainability knowledge and skills.

### Preparing sustainable leaders of tomorrow

The future of our planet is in young people's hands. EY Ripples works to empower them with sustainability knowledge and skills.

In FY23, in conjunction with Microsoft, we launched the [Green Skills Passport](#). Through free, self-paced online learning, the Green Skills Passport supports the next-gen workforce to gain sustainability skills and employment in the green economy. The program is hosted on the Microsoft Community Training platform and accessible via mobile and web in low-bandwidth areas. It offers youth ages 16+ who are not engaged in education, employment or training an introduction to sustainability, green jobs and skills for employment.

### Disaster response

The EY organization recognizes the importance of private sector contribution and EY people's engagement in disaster response efforts.

The EY organization and EY people responded to the floods in Pakistan and earthquake in Turkey and Syria through financial donations.

EY people worldwide continue to support EY people in Ukraine and their communities through monetary donations, food, clothing, transport and accommodation. During the year, we extended our impact relationship with SAP, collaborating to create the [EY Emergency Response Application](#) – a pro bono application helping Ukrainian refugees in Poland obtain critical and time-sensitive information, including the list of organizations that can provide them aid and access to essential resources.

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### Assessing and amplifying the impact of the next generations

- ▶ New [research](#) from EY and JA Worldwide shows that Gen Z and Gen Alpha are looking to every local and global organization to share sustainability knowledge, provide materials, and develop and implement ideas – as well as to reduce their own carbon footprint.
- ▶ EY Ripples partnered with Code.org and Microsoft to promote [ocean education](#) through the application of AI, machine learning and coding. To teach the impacts of overfishing, students use basic programming skills to create ecosystem simulations as they restore balance to a digital marine life ecosystem. Students learn the challenges faced by marine life due to overfishing while also building coding skills and AI fluency.
- ▶ In the 5th United Nations Conference on the Least Developed Countries, the EY organization hosted a panel discussion focused on supporting the [next generation workforce](#) through the power of digital. The panel, which included representatives from UNICEF and Digital Green, examined how to develop innovative technology and solutions to help equip millions of young people with essential skills.

# Fueling the future through entrepreneurship

Entrepreneurship is the heartbeat of our global economy. Today, unprecedented shifts in how we live, work, play and build community have created both opportunities and challenges — and entrepreneurs are answering the call.

Armed with curiosity, bold ideas, emerging technologies and the passion to make a difference, entrepreneurs are creating impactful, sustainable, and innovative products and services that fuel a reimagined future.

The EY organization recognizes the social and economic impact of entrepreneurs. Founded in 1903 by two entrepreneurs, EY embraces [entrepreneurship](#) as an essential in our business by delivering targeted entrepreneurship programs through which we support intrepid founders, CEOs and leaders at every stage of growth. We offer connections, services, insights and an invaluable ecosystem to help them create long-term value, with a focus on key industries including technology, consumer products, advance manufacturing, health sciences and wellness, and financial services. This depth of experience and connection enables us to customize and scale solutions according to the needs of every entrepreneurial business EY serves.

## EY Entrepreneur Of The Year™ and EY World Entrepreneur Of The Year™

[EY Entrepreneur Of The Year™](#) is the only global program of its kind that supports entrepreneurs as they unlock their ambitions. Established in 1986, this flagship program operates across more than 60 countries and jurisdictions. Every year, entrepreneurs from around the world are [nominated](#) to join a prestigious network of leaders through a yearlong program of service, support, and game-changing connections. EY Entrepreneur Of The Year program participants benefit from:

- ▶ A global ecosystem of over 30,000 distinguished peers and mentors
- ▶ Learning resources and insights to help navigate their growth journey
- ▶ Opportunities to raise the profile of their companies

## EY World Entrepreneur of the Year™ Class of 2023 at a glance

**\$46.7b**

combined revenues

**211k**

jobs created

**45**

countries and territories represented

EY embraces entrepreneurship as an essential in our business by delivering targeted entrepreneurship programs through which we support intrepid founders, CEOs and leaders at every stage of growth.

Meet Sabrina  
EY associate director and Uplift social equity storyteller

# US\$400m

## Aggregate revenue generated by 2023 EAN cohort companies

This program is the epitome of excellence in impact, innovation, financial performance, social responsibility and a personal commitment to their businesses and communities. Each EY Entrepreneur Of The Year program concludes with a competition and announcement of an overall winner, who goes on to represent their country or region in the ultimate global competition and event for entrepreneurs: [EY World Entrepreneur Of The Year™](#).

Program winners from around the world – representing their respective countries or regions – convene at EY World Entrepreneur Of The Year™ in Monaco to connect with fellow founders, CEOs and business leaders, attend future-forward workshops and speaker sessions with thought leaders, and celebrate their accomplishments and contributions. They continue a rigorous judging process that evaluates them on entrepreneurial spirit, purpose, growth, and impact. The new EY World Entrepreneur Of The Year™ winner is announced at the event's closing award gala.

EY Entrepreneur Of The Year™ and EY World Entrepreneur Of The Year™ winners are selected by independent judging panels comprised of successful entrepreneurs themselves.

### Entrepreneurial Winning Women™

The [EY Entrepreneurial Winning Women™](#) program champions entrepreneurs in fulfilling their bold ambitions. Every year, a group of exceptional entrepreneurs with successful enterprises and a commitment to long-term growth and scalability are chosen to participate. The program offers access to a vibrant global peer community, tools to help enable business growth, exclusive events and integration into the EY broader entrepreneurial ecosystem. Now in its 16th year, the program has built a network of over 800 entrepreneurs in 55 countries.

### Impact entrepreneurship

A special breed of innovators we call “impact entrepreneurs” are delivering better answers to global problems and purposefully driving progress toward the UN SDGs. The EY organization is [helping their life-changing businesses](#) achieve greater scale and impact. Through EY Ripples, the EY organization has worked with more than 22,000 impact entrepreneurs in more than 80 countries since 2019 to help improve their businesses’

resilience, productivity and capacity to scale sustainably, positively impacting more than 80 million lives.

### Entrepreneurs Access Network

The [EY Entrepreneurs Access Network \(EAN\)](#) is a business accelerator program for Black and Hispanic/Latino entrepreneurs. EAN aligns participants with an EY executive to provide access to webcasts, resources, capital guidance and other growth drivers for their companies. The 12-month program includes assessments, one-to-one coaching, access to online tools, networking events and promotional exposure. Since its first cohort in 2021, EAN has supported nearly 300 Black- and Hispanic/Latino-owned companies address the disparity gap for greater growth. The 2023 EAN cohort includes 70 founders representing 64 companies that have generated aggregate revenue of US\$400 million and employ approximately 3,000 workers.

## Congratulations [Doris Hsu, EY World Entrepreneur Of The Year™ 2023](#)

Chairperson and CEO Doris Hsu leads GlobalWafers Co., Ltd., one of the world's largest producers of silicon wafers used in making semiconductors. “Doris’ vision and drive not only built an industry-leading company that has created thousands of jobs and helped generate significant local and global economic impact, but her passion for building a better working world is really what this event is all about,” shared Carmine Di Sibio, EY Global Chairman and CEO, about her historic win.

Selected from among nearly 5,000 local program participants to compete in the competition, Doris is the third woman to hold the global title and the first winner from Taiwan in the award's 23-year history. Doris and the EY World Entrepreneur Of The Year Class of 2023 are creating significant long-term value, generating US\$46.7 billion in revenue and 211,000 jobs.

[Explore the unique stories](#) that have led them to success on the global stage.



Doris Hsu and Carmine Di Sibio

EY IN ACTION

## Unlocking the ambition of female athletes

The EY Women Athletes Business Network (WABN), a unique global mentoring program, was created to unlock the ambition of female athletes who have outstanding leadership potential and to provide guidance on their transition into the business world or entrepreneurship. For the [2023 cohort](#), 15 elite female athletes from around the world were selected and matched with EY business leaders. All 15 mentees were paired with a personal mentor according to their career aspirations. Mentees receive advice on career transition, and how to translate their experiences in sport into business excellence. For six months, mentors help their mentees identify individual strengths, set clear goals, design a career plan, and gain a new set of practical solutions. The EY Women Athletes Business Network is a key commitment undertaken by EY to accelerate gender equity as part of the Women. Fast forward platform.



### Women. Fast forward

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](#).

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Highly engaging and impactful! POWER Up not only was a great forum to develop awareness and get a valuable toolkit to be successful, but also helped bring a community of women professionals closer.

**Ananta Batra,**  
Director, Starbucks Coffee Company

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## Addressing barriers of gender equity with EY POWER Up™

Moving the needle for gender equity around the world begins in the workplace. EY POWER Up™ is an experience-led journey focused on addressing barriers of gender equity while developing personal leadership and aligning allies to empower women in the workplace. We facilitate conversations for some of our most prestigious clients, to empower a diverse workforce and drive lasting organizational impact. POWER Up™ is a key commitment undertaken by EY to accelerate gender equity as part of our Women. Fast forward platform.



# Building trust and confidence in capital markets

Delivering high-quality audits is critical to serving the public interest and fulfilling the EY purpose of building a better working world.

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.

Each step the auditor takes is of vital importance in a process that relies on transparent, informative and accurate financial reporting to help stakeholders make crucial decisions. EY auditors, as part of a multidisciplinary team that includes specialists in critical areas of risk, are deeply committed to their responsibility to serve investors and the public interest by delivering high-quality audits. New risks are emerging all the time – in areas such as cybercrime, data theft and climate change – while existing risks, such

as fraud, and unexpected events, such as geopolitical tensions produce increasing complexity. The organization must continuously improve to deliver high-quality audits in this ever-changing business environment. This is integral to the EY strategy and ambition to create long-term value for clients, people and society, and to fulfill the EY purpose of *Building a better working world*.

At the same time, data and technology continue to transform the audit and support the changing needs of the capital markets. EY has committed to invest US\$1 billion in a next-generation technology platform to facilitate trust, transparency and transformation. This is part of a broader, sustained focus on providing high-quality audits that respond to the changing expectations of regulators, governments,

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In Assurance, we serve the public interest by anticipating and independently assessing risk and identifying opportunities to build confidence, and ultimately enhance trust, in business and the capital markets, in support of sustainable, long-term value creation.

Marie-Laure Delarue, EY Global Vice Chair – Assurance

Meet Derrick  
EY partner and Uplift social equity storyteller



The EY combined deficiency rate for the IFIAR 2022 survey was 19% as compared to the published rate of 26%, which is an aggregate of the six largest audit organizations globally.

standard setters, audit committees and boards across the financial and nonfinancial reporting agenda. The investment program will integrate existing EY Assurance technologies under one seamless global platform while leveraging advanced technologies to transform capabilities and power a new generation of data-driven assurance services.

This integrated platform builds on the already strong foundations of the EY Assurance technology suite. It will provide new data access capabilities and advanced analytics, incorporate new forms of business intelligence and cognitive computing, and enhance the user experience for clients and EY people – all important components of helping to deliver high-quality audits.

In addition, EY member firms help build trust through the Sustainable Audit Quality (SAQ) program, which provides a framework to help address the evolving risks of the audit. SAQ is a globally consistent approach to sustaining high-quality audits across the EY network, focusing on six pillars: tone at the top, talent, technology, simplification and innovation, enablement and quality support, and accountability. It has required significant investment and created positive change for EY auditors and the companies audited.

### External and internal inspections

The EY organization remains focused on enhancing audit quality and upholding independence, informed by several factors, including evaluation of the system of quality management which includes external and internal inspection results. Continuous improvement of audit quality requires challenging the approach to audit execution, and this is done by evaluating monitoring results, including inspection findings, and taking responsive actions.

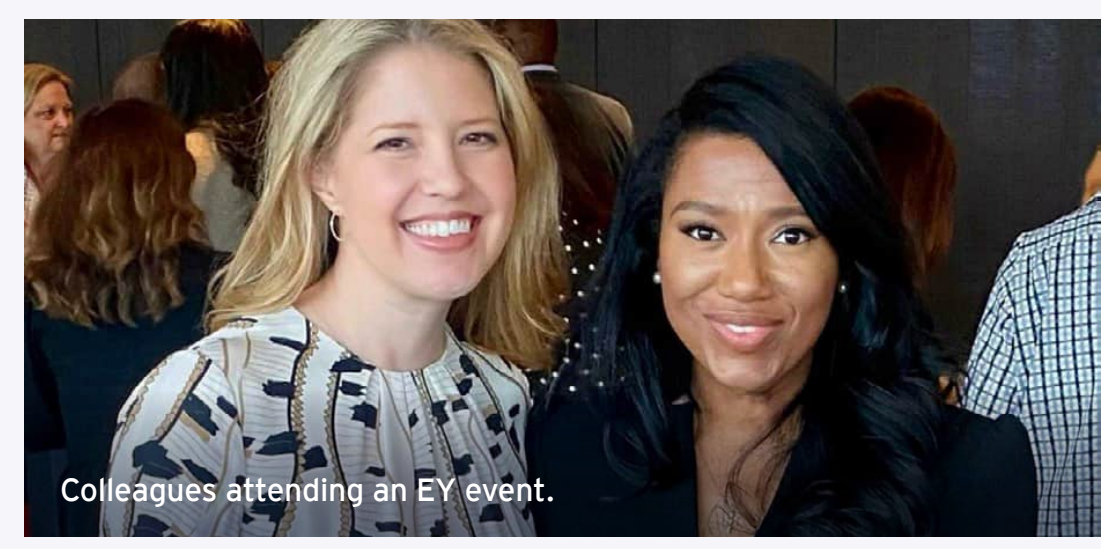
The EY organization strives to continuously improve audit quality and significant progress has been made through the EY SAQ program. The EY organization recognizes that there is additional work to be done, and internal and external inspection findings provide valuable information about measures that can be taken to continuously improve audit quality.

The EY organization achieved the first International Forum of Independent Audit Regulators (IFIAR) 25% reduction in inspections findings for 2019 and the combined deficiency rate for the IFIAR 2022 survey was 19% as compared to the published rate of 26%, which is an aggregate of the six largest audit organizations globally.

“

We have embarked on a multi-year journey of bold changes across audit teams, processes and technology aimed at enhancing the skills and experiences of EY people and, ultimately, helping to drive higher-quality outcomes. This global initiative will transform how EY teams work, drawing upon the skills of specialized talent, guided by intuitive methodology and tailored enablement — all while seamlessly leveraging data and technology.

Mike Verbeck,  
EY Assurance Global Deputy Vice Chair



Colleagues attending an EY event.

# 95%

## Percentage of compliant engagements in 2022

Internal inspections are also performed on engagements each year as part of the Audit Quality Review (AQR) program, which is an important element of assessing the system of quality control at the member firm, regional and global levels.

The results of the AQR process are summarized globally (including for Areas and Regions), along with any key areas where the results tell us that continued improvements are required. For 2022 this resulted in 95% of the engagements being compliant.

### Internal inspection results of audits in IFIAR-regulated countries

|  | 2020 | 2021 | 2022 |  | 2020 | 2021 | 2022 |
|--|------|------|------|--|------|------|------|
| Compliant engagements  | 80%  | 86%  | 86%  | Compliant engagements  | 79%  | 84%  | 85%  |
| Compliant engagements with areas for improvement identified* | 17%  | 11%  | 10%  | Compliant engagements with areas for improvement identified* | 17%  | 12%  | 10%  |
| Total compliant engagements                                  | 97%  | 97%  | 96%  | Total compliant engagements                                  | 96%  | 96%  | 95%  |
| Deficient engagements**                                      | 3%   | 3%   | 4%   | Deficient engagements**                                      | 4%   | 4%   | 5%   |

\* 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.

### Internal inspection results all audits



## How EY audits are contributing to a net-zero global economy

**The sustainable finance agenda, including reporting and assurance standards, is an important driver of a net-zero global economy, protecting environmental, social and financial value. In this regard, EY member firms take their audit roles extremely seriously.**

Although there is no single explicit standard on climate-related matters under International Financial Reporting Standards (IFRS) Accounting Standards and other generally accepted accounting principles, climate-related matters may impact several areas of accounting. While the immediate effect on the financial statements may not necessarily be quantitatively significant, there are increasing expectations from stakeholders that entities explain how climate-related matters are considered in preparing their financial statements to the extent they may be material from a qualitative perspective. This includes robust disclosures on the most significant assumptions, estimates and judgements made related to climate change. (See more information on climate accounting and disclosure considerations on page 80.)

Climate change is expected to impact businesses in the decades to come. As climate-related matters and, separately, accounting and sustainability reporting standards (including those issued by ISSB, EFRAG and the Securities and Exchange Commission (SEC)) continue to evolve, it is important for those companies to ensure that their financial statements reflect the most updated assessment of climate-related risks and their impact on the financial statements. Furthermore, companies should ensure consistency between the financial statements and information communicated to stakeholders outside the financial statements, e.g., in sustainability-related corporate disclosures, sustainability reporting standards, press releases, investor updates and other annual reporting.

More specifics on how climate change considerations may impact a company's financial reporting are available [here](#).

Today there are more than 3,200 EY professionals dedicated to providing sustainability services (through EY Climate Change and Sustainability Services (CCaSS)). EY CCaSS specialists support audits in areas such as the assessment of climate-related risks in financial statements and the



Colleagues in EY Malaysia



**5,000**  
Sustainability client  
engagements worldwide

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The EY organization has long been a supporter of evolving the corporate reporting model to help better reflect the different forms of value that companies create beyond financial value.



evaluation of complex environmental liabilities, renewal energy credits and asset retirement obligations. These specialists also work with EY audit professionals to provide assurance over sustainability reports, GHG emissions, green and climate bonds, and TCFD reports.

EY auditors also continue to be upskilled. A specific methodology has been developed to provide assurance on nonfinancial reporting based on the globally accepted International Standard on Assurance Engagements (ISAE 3000 (revised)) released by the International Auditing and Assurance Standards Board (IAASB). The EY organization is supporting the development of IAASB's future overarching international sustainability assurance standard, the ISSA 5000 "General Requirements for sustainability assurance engagements" and will answer IAASB's exposure draft. New requirements and enablers on the consideration of climate-related risks in financial statements audits performed by EY member firms have also been developed. A robust communications protocol for ensuring awareness of new and proposed standards is in place, including a weekly newsletter for all EY Assurance professionals around the world, in addition to country-specific technical alerts.

It is a key focus to train EY teams on new and proposed sustainability reporting standards (e.g., standards developed by the ISSB, the EU's European Sustainability Reporting Standards (ESRS) and the SEC's Climate Change Disclosure Standard), as well as other sustainability-related topics, including an introduction to GHG emissions; auditing metrics that support Scope 1, Scope 2 and Scope 3 GHG emissions; evaluating carbon credits; net zero; carbon neutral disclosures; and human capital metrics.

In addition, the EY organization has long been a supporter of evolving the corporate reporting model to help better reflect the different forms of value that companies create beyond financial value.

For example, the EY organization responded to recent exposure drafts from the ISSB, EFRAG and SEC by providing comprehensive and constructive feedback on the proposed standards. Where appropriate, the EY organization has also provided subject matter input on a pro bono basis to these and similar efforts – for example four people, including one EY member firm partner, were seconded full time to EFRAG's Project Task Force that developed the first set of European Sustainability Reporting Standards.

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## Integrating sustainability into what EY teams do to support clients

Building collaborative teams across disciplines is a distinctive part of how sustainability is integrated into what EY teams do to support clients with operationalizing ESG reporting and navigating the emerging sustainability reporting requirements. For example, professionals from EY Climate Change and Sustainability Services (CCaSS) and EY Financial Accounting Advisory Services (FAAS) are working to elevate the rigor needed to enhance sustainability governance, reporting policies, processes and technology to satisfy requirements in any jurisdiction. This year, approximately 3,200 EY CCaSS professionals collaborated to complete 5,000 client engagements worldwide, a 66% increase on FY22.

The EY organization also contributes to the global thinking and public discourse on climate change and sustainability by publishing research and other reports. Some examples of recent thought leadership include:

- ▶ [How can effective governance unlock value from sustainability?](#)
- ▶ [ISSB issues inaugural IFRS Sustainability Disclosure Standards](#)
- ▶ [How common metrics can drive long-term value creation](#)
- ▶ [How the nature-related regulatory disclosure landscape is evolving](#)

- ▶ [The race to net zero: why it's critical for businesses to act boldly on climate](#)
- ▶ [Why ESG performance is growing in importance for investors?](#)

And, finally, the EY organization is a member of the Net Zero Financial Services Providers Alliance (NZFSPA), which is part of GFANZ, under which a number of commitments have been made concerning planning and performing audits, a full description of which can be found [here](#).

## About the NZFSPA

NZFSPA is a global group of service providers committed to supporting the goal of global net-zero greenhouse gas emissions by 2050 or sooner, in line with the ambition to limit the global temperature increase to 1.5°C above pre-industrial levels.

### EY commitments to the NZFSPA and progress made

A measurement and reporting framework ("the framework") is used by the six largest global accounting networks<sup>1</sup> ("GPPC networks") to:

- ▶ Measure and track each network's progress against the commitments made by each network to NZFSPA, and in particular to those commitments relevant to planning and performing audits
- ▶ Demonstrate each network's commitment to its obligations under professional standards as external auditors with quality, integrity and independence

The framework has been submitted for approval by [Race to Zero](#). More details about the framework and reporting against it can be found on pages 79–83.

<sup>1</sup> The Global Public Policy Committee is the global forum of representatives from six global accounting networks, which has as its public interest objective the enhancement of quality in auditing and financial reporting.



### EY IN ACTION

## Measuring progress towards reducing emissions

A growing number of companies are setting targets for reducing their GHG emissions in line with what is needed for the world to avoid the most dangerous climate change. The Science-Based Targets Initiative (SBTi) has emerged as a de facto standard for helping companies align their targets with what is needed. But setting targets is just the start. Investors, regulators and the general public want to know if companies are making progress towards these goals, and the SBTi is developing a framework for measuring, reporting and verifying this progress. The EY organization is working closely with SBTi to explore the technical requirements for this framework, and a joint research paper on this topic will be published in the near future.

# EY leadership

# TEAMMS





# 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 Krousos**  
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
- ▶ **Marna Ricker**  
EY Global Vice Chair – Tax
- ▶ **Andrea Guerzoni**  
EY Global Vice Chair – Strategy and Transactions (SaT)
- ▶ **Julie Boland**  
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**  
EY Global Accounts Committee Chair
- ▶ **Rajiv Memani**  
EY Global Emerging Markets Committee Chair
- ▶ **Jack Chan**  
EY Global Emerging Markets Committee Member
- ▶ **Jessie Qin**  
Member firm partner on rotation

# Area and regional managing partners

EY legal entities are, as applicable, organized into geographic business units called Regions. These Regions, led by Regional Managing Partners, are grouped into geographic Areas: Americas, EMEIA, and Asia-Pacific.

## Americas

- ▶ **Julie Boland**  
EY Americas Area  
Managing Partner
- ▶ **Marcelo Bartholo**  
EY Americas Deputy Area  
Managing Principal
- ▶ **Angie Christie**  
EY US-Central Regional  
Managing Partner
- ▶ **Steve Wanner**  
EY US-East Regional  
Managing Partner
- ▶ **Frank Mahoney**  
EY US-West Regional  
Managing Partner
- ▶ **Janet Truncale**  
EY Americas Financial Services  
Organization Regional  
Managing Partner
- ▶ **Jad Shimaly**  
EY Canada Regional  
Managing Partner
- ▶ **Sharon Shulman**  
EY Israel Regional  
Managing Partner
- ▶ **Manuel Solano**  
EY Latin America Regional  
Managing Partner

## EMEIA

- ▶ **Julie Teigland**  
EY EMEIA Area  
Managing Partner
- ▶ **Rudi Braes**  
EY EMEIA Deputy Area  
Managing Partner
- ▶ **Ajen Sita**  
EY Africa Regional  
Managing Partner
- ▶ **Jacęk Kedzior**  
EY Central, Eastern and  
Southeastern Europe &  
Central Asia (CESA) Regional  
Managing Partner
- ▶ **Marcel van Loo**  
EY Europe West Regional  
Managing Partner
- ▶ **Omar Ali**  
EY EMEIA Financial Services  
Organization Regional  
Managing Partner
- ▶ **Rajiv Memani**  
EY India Regional  
Managing Partner
- ▶ **Abdulaziz Al-Sowailim**  
EY Middle East North  
Africa (MENA) Regional  
Managing Partner
- ▶ **Jesper Almström**  
EY Nordics Regional  
Managing Partner
- ▶ **Hywel Ball**  
EY UK & Ireland Regional  
Managing Partner

## Asia-Pacific

- ▶ **Patrick Winter**  
EY Asia-Pacific Area  
Managing Partner
- ▶ **Harsha Basnayake**  
EY Asia-Pacific Deputy Area  
Managing Partner
- ▶ **Nam Soon Liew**  
EY Asean Regional  
Managing Partner
- ▶ **Gary Hwa**  
EY Asia-Pacific Financial  
Services Organization Regional  
Managing Partner
- ▶ **Jack Chan**  
EY Greater China Regional  
Managing Partner
- ▶ **Moriaki Kida**  
EY Japan Regional  
Managing Partner
- ▶ **Yong Keun Park**  
EY Korea Regional  
Managing Partner
- ▶ **David Larocca**  
EY Oceania Regional  
Managing Partner



# Global Governance Council

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

## Americas

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- ▶ Americas Financial Services Organization:  
**Shelly Fliehe, Mark Jain**
- ▶ Canada:  
**Glenn Parkinson**
- ▶ Central:  
**Malcomb Coley, Angie Kelly**
- ▶ East:  
**Gaurav Gupta, Arun Subhas**

- ▶ Israel:  
**Itsik Morovits**
- ▶ Latin America:  
**Gustavo Rousseaux, Margarita Salas**
- ▶ West:  
**Marney MacKenna, Phillip Mazzie**
- ▶ National Practices:  
**Sara Elinson, Ayan Roy**

## EMEA

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- ▶ Africa:  
**Shailen Ramgoolam**
- ▶ Central, Eastern and Southeastern Europe & Central Asia:  
**Eirinikos Platis**
- ▶ EMEA Financial Services Organization:  
**Paul Nijssen**
- ▶ 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

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- ▶ Asean:  
**Susanti Susanti, Vincent Toong**
- ▶ Asia-Pacific Financial Services Organization:  
**Swee Yen Yeoh**
- ▶ Greater China:  
**Dilys Chau**
- ▶ Japan:  
**Koji Fujima, Seiko Sugimoto**

- ▶ Korea:  
**Sang Il Bae**
- ▶ Oceania:  
**Brad Tozer**
- ▶ At-large:  
**Trent van Veen (Presiding Partner)**

## Global Independent Non-Executive

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- ▶ **Sir CK Chow**
- ▶ **Tonia Lovell**

# 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
- ▶ **Bridget Walsh**  
Private Equity
- ▶ **Greg Cudahy**  
Technology, Media & Entertainment and Telecommunications

# Global Practice Group

The Global Practice Group (GPG) is a leadership body that brings together the EY Global Executive, Area Operating Executives, Executive function leaders and Markets leaders.

The GPG is organized to promote coordination and synergy within the EY network and facilitates the implementation of strategic mandates, guidelines and best practices in relation to:

- ▶ Strategy implementation and execution, including:
  - ▶ Investment priorities
  - ▶ Resource mobilization
- ▶ Alignment between the Regions in the implementation of Talent, Markets, Risks, and Service Lines principles and activities.

The GPG acts as a sounding board for strategic initiatives, policies and procedures and provides input for the agendas of the EY Global Executive and other committees.

# Global sustainability and ESG governance

## Global Sustainability Executive

The EY Global Sustainability Executive, comprised of EY leaders across EY service lines, sectors, industry and geographies, and oversees the value-led sustainability work that EY teams deliver to EY clients. It is chaired by Amy Brachio, EY Global Vice Chair – Sustainability, with representatives from across the global EY organization including, Steve Varley, EY Global Senior Advisor, and Dr. Matthew Bell, EY Global Climate Change and Sustainability Services Leader.

## Global Corporate Responsibility

The EY Global Executive has established a Corporate Responsibility Governance Council (CRGC) that acts as one of its committees. The CRGC includes seven members of the EY Global Executive and represents a cross-section of senior leaders across geographies. The CRGC has oversight of the Global Corporate Responsibility function, which operationalizes the EY Ripples program, drives progress to deliver on EY sustainability ambitions, and works toward greater transparency through the newly created Non-Financial Reporting Hub. The Global Corporate Responsibility function is led by Gillian Hinde.

## Global DE&I

The global EY organization DE&I strategy drives consistent progress around the world using the DE&I Roadmap and Culture Change Continuum, our approach and methodology for DE&I that sets out our journey. The roadmap is brought to life by the EY Global Diversity, Equity and Inclusiveness Steering Committee (GDEISC), co-chaired by EY Global Chairman and CEO Carmine Di Sibio and EY Global Vice Chair – Diversity, Equity & Inclusiveness Karyn Twaronite.

## Global Risk Management

The EY Global Risk Management function supports the global EY organization to identify, manage and monitor risk, including ESG. It provides coordinated advice and assistance on independence, conflicts, compliance, regulatory policy, security issues, as well as dealing with claims and any queries regarding ethics. The EY Global Risk Management function is led by EY Global Risk Management Leader Joe Watt.

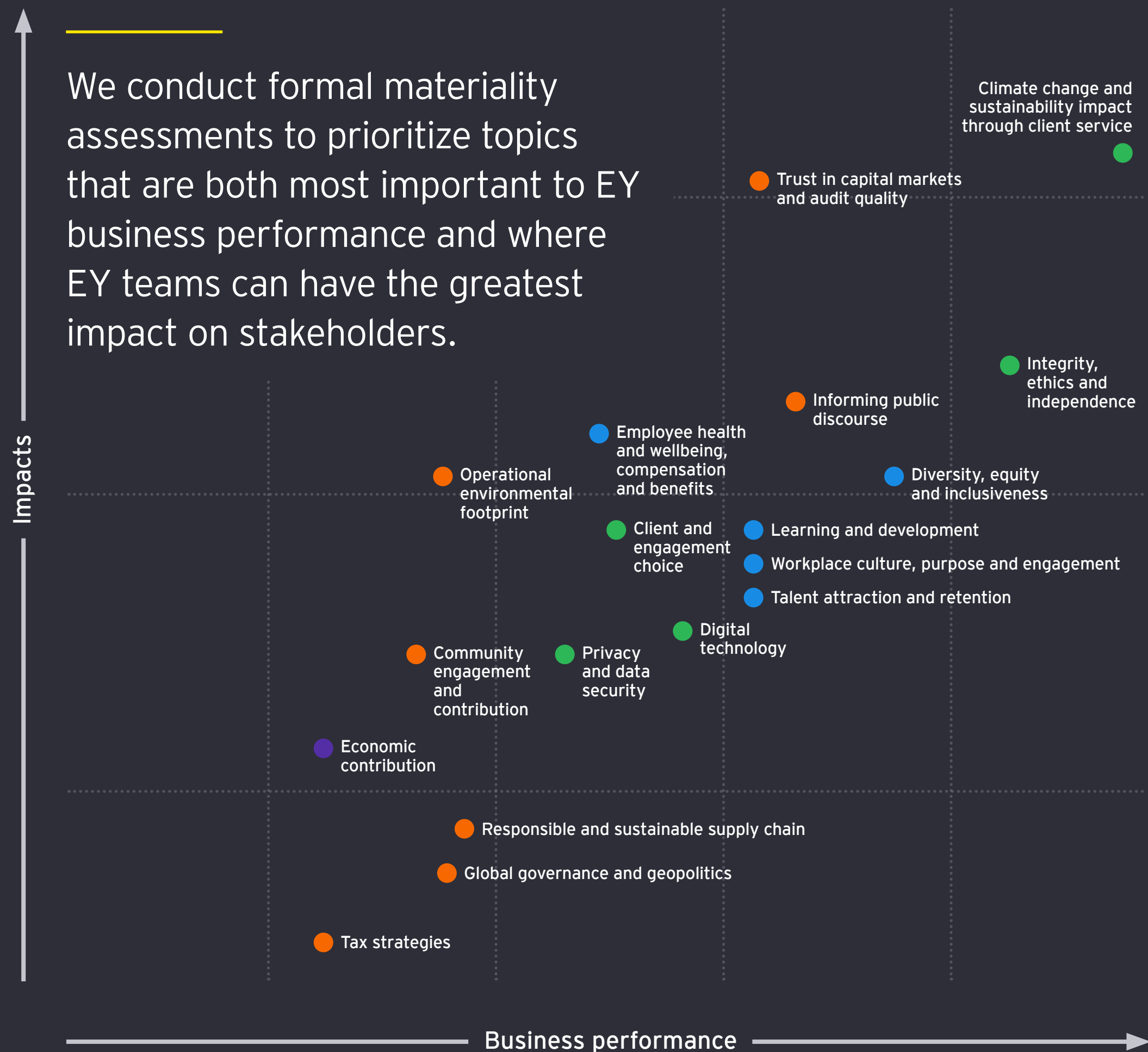
Understanding what matters to EY

# STAKEHOLDERS



## Materiality matrix

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



# Understanding what matters to EY stakeholders

Understanding the needs and interests of all stakeholders is fundamental to executing on the EY NextWave strategy and delivering on the ambition to deliver long-term value to EY people, clients and society.

To aid in this understanding, 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 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. The 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 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 with opportunity for greatest 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.

# EY material sustainability topics

See below for more details on how these topics are integrated into EY business strategy and day-to-day operations.

| Topic  | What this means at EY   |
|--|---|
| <p><b>Climate change and sustainability impact through client service</b></p> <ul style="list-style-type: none"> <li>Integration of sustainability into EY systems, processes and delivery models</li> <li>Client services and advice aligned to the scientific imperative</li> <li>Building sustainability capability across partners and people</li> <li>Evolving existing services and innovating new services, including developing tools and methodologies</li> <li>Contribution to methodologies, standards and policies</li> <li>Impacts on key global challenges including but not limited to biodiversity, circular economy, water, education, human rights, and water and food security</li> </ul> | <p>For more details on the EY focus on climate change and sustainability through client service and other critical initiatives refer to page 24 and page 30.</p> <p>Refer to page 24 and <a href="#">this article</a> for information on how the impact on key climate change and sustainability challenges is managed.</p> <p>The EY organization plays an active role in supporting informed discussion and development of frameworks and standards; refer to page 33.</p> <p>Many EY clients want to understand the greenhouse gas (GHG) emissions associated with contracted EY services. Client-related GHG emissions are regularly disclosed when requested and the EY organization is collaborating with clients to reduce these emissions going forward.</p>  |
| <p><b>Trust in capital markets and audit quality</b></p> <ul style="list-style-type: none"> <li>Providing assurance and advisory services to support the operation of capital markets</li> <li>Providing information to give confidence in financial and non-financial information</li> <li>Collaborate and advocate for better and more consistent non-financial standards</li> <li>Audit quality</li> <li>Audit independence</li> <li>Maintaining professional skepticism</li> <li>Engagement with regulators and other stakeholders</li> </ul>  | <p>EY is committed to strengthening confidence in the capital markets, and recognizes that delivering high-quality audits is critical to serving the public interest. Through the EY commitment to audit quality, coupled with our focus on continuous improvement, we enhance trust and confidence in the capital markets, which drives investment and economic growth and creates long-term value for society as a whole.</p> <p>The EY organization continues to invest in a next-generation assurance technology platform to facilitate trust, transparency, and transformation. The EY organization is also a member of the Net Zero Financial Services Providers Alliance (NZFSPA), which is part of the Glasgow Financial Alliance for Net Zero (GFANZ), under which we have made a number of commitments concerning planning and performing audits, a full description of which can be found <a href="#">here</a>.</p> <p>Refer to page 41 for more information on how EY teams may help enhance trust in the capital markets and page 24 for information on how EY teams help create long-term value for EY clients.</p> |

| Topic   | What this means at EY   |
|---|---|
| <p><b>Integrity, ethics and independence</b></p> <ul style="list-style-type: none"> <li>Code of conduct</li> <li>Independence</li> <li>Ethical decisions</li> <li>Anti-bribery</li> <li>Anti-corruption</li> </ul>  | <p>Refer to our disclosures for “Anti-corruption” and “Protected ethics advice and reporting mechanisms” on pages 72-73.</p>  |
| <p><b>Informing public discourse</b></p> <ul style="list-style-type: none"> <li>Consolidating our knowledge and leveraging our experience to develop informed views</li> <li>Separately and through industry associations, responding to regulatory and legislative proposals on key public policy issues</li> <li>Developing thought leadership to inform public debate on timely issues</li> <li>Providing information and analysis to our clients to assist them in assessing the impacts of significant public policy issues</li> </ul> | <p>EY public policy teams work to share knowledge across a range of topics through regular stakeholder engagement and thought leadership publications. Engagement opportunities from FY23 included:</p> <p>Engaging with legislators, regulators, and standard-setters on climate-related disclosures, artificial intelligence (AI), and audit policy.</p> <p>Submitting a consultation letter to global body of banking regulators (FSB) regarding cryptocurrency regulation.</p> <p>Establishing dialogues with senior government officials – including ambassadors, economic policy leaders, and diplomatic leaders – to better understand the impact of geopolitics to the EY organization and EY clients.</p> <p>Working with the audit profession to advance corporate governance globally through the submission of a consultation letter as part of <a href="#">proposed review of the G20/OECD Principles of Corporate Governance</a>.</p> <p>Publishing an <a href="#">EY report on managing the digital assets landscape</a> that highlights key considerations for policymakers and companies in the wake of recent crypto market volatility.</p> |
| <p><b>Diversity, inclusiveness and equal opportunity</b></p> <ul style="list-style-type: none"> <li>Diversity, inclusiveness and equal opportunity across a broad range of differences (as set out in the <a href="#">EY Global Executive Diversity, Equity &amp; Inclusiveness Statement</a>) and at all levels of the EY organization.</li> </ul>   | <p>Refer to page 14 for details on the EY continued commitment to creating a more diverse, equitable and inclusive workplace. This year, we have evidenced this commitment through strengthened programs and increased transparency. For example, see page 58 for details of our workforce diversity, and page 18 for details of EY efforts that impact inclusiveness for all, across all backgrounds and identities (e.g., our focus on social equity, work with The Valuable 500, LGBT+ efforts, and more).</p> <p>Key metrics that we track to measure progress are available on pages 58-60.</p>  |

## Topic

## What this means at EY

### Learning and development

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

The EY experience includes lifelong learning, with a continued focus on skills development. Refer to page 11 for information on the learning and development opportunities offered to EY people.

### Workplace culture, purpose and engagement

- ▶ Workforce engagement
- ▶ Aligning the EY culture with the EY purpose of *Building a better working world*
- ▶ Supportive and flexible workplace culture
- ▶ High-performing teams
- ▶ Innovation culture

All EY people live by a set of shared values that define who we are, and our purpose is the meaning behind the work we do every day. Both create the foundation of the EY culture – a critical element for delivering long-term value to EY stakeholders.

Refer to pages 2-3 for more information on EY values and purpose and page 10 for how this culture delivers long-term value to EY people.

This year, there has been EY investment of US\$3.6 billion of the US\$10 billion, three-year commitment in service offerings, innovation and people to help EY clients solve their increasingly complex challenges. For more information on the innovative services we offer EY clients, refer to page 24.

### Talent attraction and retention

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

The EY organization is proud of its promise to EY people – that we will provide the opportunities, the tech, the learning, the scale, and a diverse, equitable and inclusive culture to enable them to build their own exceptional experience.

Refer to page 58 for more information on hires and applicants.

While turnover is an expected aspect of the professional services business model, EY support to EY people has continued in a network of more than 1 million [alumni](#).

### Employee health and wellbeing

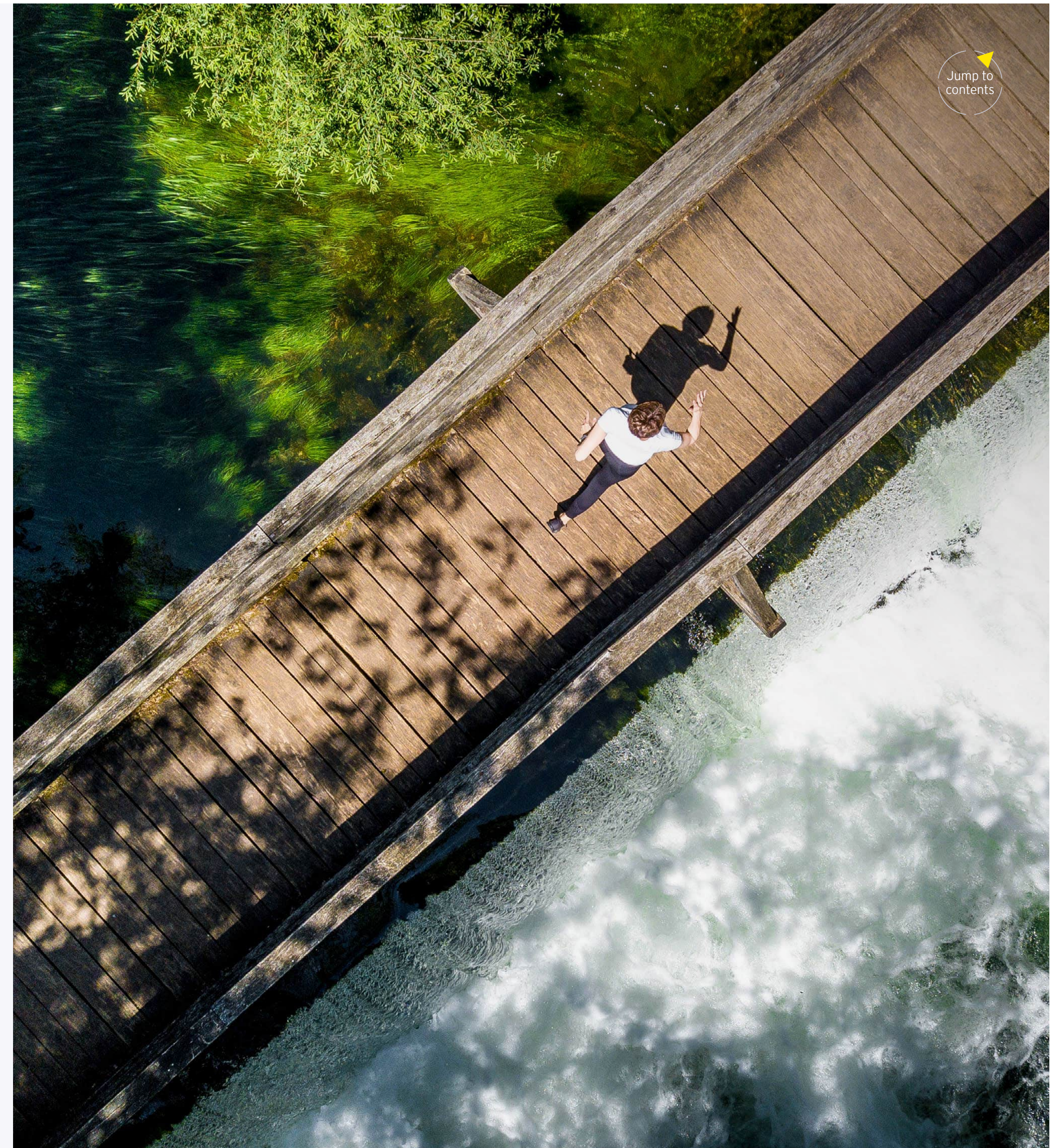
- ▶ Health and safety policies and protocols
- ▶ Wellbeing programs
- ▶ Working conditions
- ▶ Working hours and pressure

We recognize that mental health and wellbeing are key concerns for our profession. EY offerings include extensive programs that support emotional/mental, physical, social, and financial wellbeing. Refer to page 11 for more information on how we assess, address existing challenges and prioritize the wellbeing of EY people.

### Privacy and data security

- ▶ Client and employee data privacy
- ▶ Cyber security

There is EY investment in digital technology to help protect and secure client and employee data. We regularly assess and update processes and policies based on the evolving data security landscape. Further, to date, EY people have earned more than 17,000 badges in data strategy and more than 25,000 badges in cybersecurity. Additionally, all EY people must complete the Annual Data Protection and Information Security training.



EY facts and

# FIGURES



# EY facts and figures

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



Singapore charity walk

Meet Ilias  
EY alumnus and Uplift social equity storyteller



# 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 people need to build their careers in the EY organization and beyond.

## Formal learning

|   | FY21   | FY22   | FY23   |
|---|--------|--------|--------|
| <b>Learning hours delivered</b>   | 18m    | 20m    | 24m    |
| <b>Learning hours per person</b>  | 59     | 59     | 61     |
| <b>Total direct investment in training (US\$)</b>                             | \$270m | \$300m | \$385m |
| <b>Total expenditure per full time EY employee (including travel) (US\$)*</b> | \$880  | \$877  | \$996  |

\*Our annual investment in training and expenditure per full time employee has risen sharply this year as a result of an increase in person learning. Please refer to page 10 for more information on our commitment to creating long term value for our EY people.

Total direct expenditure per full time employee is derived from dividing the total direct investment expenditure by the number of employees total – this includes both client and non-client serving staff across all EY member firms and operations.

Total direct investment in training includes Global and Region (all member firm) direct spend on learning design, development and deployment of formal learning for EY employees. Spend includes travel, badges and degrees. Spend does not include the cost of:

- Learner’s time, which would conservatively be over US\$4 billion
- Time spent by non-learning professionals on content design and facilitation, which is over 1.5 million additional hours of “opportunity cost”
- Internal facilities used to deliver training
- On-the-job coaching
- Embedding self-help and educational material in our software tools used by EY client-serving staff

The average spend per employee is a global measure. Individual amounts in specific countries and practice areas vary.

## Average hours of formal learning per EY person according to rank

| Rank*  | FY21 | FY22 | FY23 |
|--|------|------|------|
| <b>PPEDD**</b>                                       | 47   | 44   | 50   |
| <b>Senior manager/associate director</b>             | 42   | 39   | 41   |
| <b>Manager/assistant director</b>                    | 51   | 48   | 51   |
| <b>Supervisory associate/senior associate/senior</b> | 57   | 54   | 56   |
| <b>Staff/Assistant/Associate</b>                     | 78   | 78   | 80   |
| <b>Intern</b>  | 53   | 59   | 61   |
| <b>Administrator</b>                                 | 12   | 9    | 12   |

\* Does not include contractors.

\*\*PPEDD – Partners/principals/executive directors/directors

## Average hours of formal learning per EY person according to gender

|                | FY21 | FY22 | FY23 |
|----------------|------|------|------|
| <b>Male</b>    | 58   | 59   | 61   |
| <b>Female</b>  | 59   | 59   | 60   |
| <b>Overall</b> | 59   | 59   | 61   |

# People value

## EY promotions

|   | FY21   | FY22   | FY23   |
|---|--------|--------|--------|
| <b>Total EY promotions</b>                                | 44,464 | 49,629 | 46,369 |
| <b>Promotions to partner/principal*</b>                   | 830    | 1,031  | 965    |
| <b>% of women among new partners/principals</b>           | 34%    | 32%    | 34%    |
| <b>% of women among new executive directors/directors</b> | 37%    | 37%    | 37%    |
| <b>% of women among new PPEDDS</b>                        | 36%    | 35%    | 36%    |
| <b>% of promoted partners in emerging markets</b>         | 30%    | 32%    | 33%    |

\*Leadership promotions are based on the announced date.

## % of women among partners/principals by EY Area

| Area                | FY21 | FY22 | FY23 |
|---------------------|------|------|------|
| <b>Americas</b>     | 25%  | 26%  | 26%  |
| <b>EMEIA</b>        | 19%  | 20%  | 20%  |
| <b>Asia Pacific</b> | 27%  | 28%  | 28%  |
| <b>Executive</b>    | 22%  | 24%  | 25%  |

## Global recruits and applicants

|                                | FY21      | FY22      | FY23      |
|--------------------------------|-----------|-----------|-----------|
| <b>Job applicants (all)</b>    | 2,180,915 | 3,864,374 | 4,694,142 |
| <b>Hiring – all employees</b>  | 102,492   | 164,751   | 137,894   |
| <b>Hiring – client service</b> | 69,179    | 120,891   | 122,084   |

## Leadership bodies by gender\*

|   | 2021  |           | 2022  |           | 2023  |           |
|---|-------|-----------|-------|-----------|-------|-----------|
|   | Total | Women/men | Total | Women/men | Total | Women/men |
| <b>Global Executive</b>                         | 18    | 33%/67%   | 18    | 33%/67%   | 18    | 33%/67%   |
| <b>Regional managing partners (RMPs)**</b>      | 22    | 9%/91%    | 22    | 9%/91%    | 22    | 9%/91%    |
| <b>Industry sector leaders</b>                  | 8     | 25%/75%   | 8     | 37%/63%   | 8     | 37%/63%   |
| <b>Global Practice Group (GPG)</b>              | 110   | 27%/73%   | 126   | 29%/71%   | 129   | 29%/71%   |
| <b>Global Governance Council</b>                | 48    | 33%/67%   | 48    | 33%/67%   | 39    | 36%/64%   |
| <b>Global Client Service Partners (GCSP)***</b> | 281   | 16%/84%   | 268   | 15%/85%   | 244   | 18%/82%   |

\* Where gender splits are reported, totals may not add up to 100% due to variances in reporting at the member-firm level. EY is committed to exploring how we can recognize and report gender splits beyond binary reporting at a global level.

\*\* These values are restated from last year's report.

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

We monitor our “attractiveness” through a range of benchmarks.

We continue to focus on our percentage of women in leadership roles across the EY organization, including RMPs and on GCSPs. For example, on GCSPs we have made progress over the last year and look to continue to build on that positive momentum.

# People value

## PPEDD and people gender representation\*

|                            | 2021    |           | 2022    |           | 2023    |           |
|----------------------------|---------|-----------|---------|-----------|---------|-----------|
|                            | Total   | Women/men | Total   | Women/men | Total   | Women/men |
| <b>Partners/principals</b> | 12,938  | 23%/77%   | 13,668  | 24%/76%   | 13,932  | 24%/75%   |
| <b>PPEDD**</b>             | 20,666  | 27%/73%   | 22,289  | 28%/72%   | 22,934  | 28%/72%   |
| <b>Total people</b>        | 312,250 | 48%/52%   | 365,399 | 48%/52%   | 395,442 | 48%/52%   |

\*Where gender splits are reported, totals may not add up to 100% due to variances in reporting at the member firm level. The EY organization is committed to exploring how we can recognize and report gender splits beyond binary reporting at a global level.

\*\*PPEDD – Partners/principals/executive directors/directors

Attrition tracks similarly across genders and is down overall — which reflects our efforts to create more consistently positive, equitable experiences across genders.

## Attrition rate – overall and by gender\*

|                | FY21  | FY22  | FY23  |
|----------------|-------|-------|-------|
| <b>Women</b>   | 21.0% | 23.8% | 20.4% |
| <b>Men</b>     | 22.6% | 25.8% | 21%   |
| <b>Overall</b> | 21.5% | 24.9% | 20.7% |

\*Where gender splits are reported, totals may not add up to 100% due to variances in reporting at the member firm level. The EY organization is committed to exploring how we can recognize and report gender splits beyond binary reporting at a global level.

# People value

## Workforce data\* – by role\*\* (FY23)

|                           | Women | Men   | 30 years old and younger | 31 to 50 years old | Over 50 years old |
|---------------------------|-------|-------|--------------------------|--------------------|-------------------|
| <b>Hires</b>              | 47.6% | 51.7% | 78.9%                    | 19.4%              | 1.2%              |
| <b>Attrition</b>          | 20.4% | 21%   | 67.8%                    | 28.4%              | 2.3%              |
| <b>Client serving</b>     |       |       |                          |                    |                   |
| <b>Partner</b>            | 24.2% | 75.3% | 0%                       | 62.6%              | 37%               |
| <b>Executive director</b> | 30.4% | 69.6% | 0%                       | 66.5%              | 33.1%             |
| <b>Senior manager</b>     | 38.2% | 61.8% | 3%                       | 88.6%              | 8.3%              |
| <b>Manager</b>            | 42.6% | 57.3% | 27.7%                    | 68.9%              | 3.2%              |
| <b>Senior</b>             | 46%   | 53.9% | 64.6%                    | 34.2%              | 1.1%              |
| <b>Staff/assistant</b>    | 52%   | 47.7% | 90.6%                    | 8.5%               | 0.5%              |

## Workforce data\* – by role\*\* (FY23)

|  | Women | Men   | 30 years old and younger | 31 to 50 years old | Over 50 years old |
|--|-------|-------|--------------------------|--------------------|-------------------|
| <b>EY internal support services, such as Global and Area leadership; Technology; Talent; Finance; Brand, Marketing and Communications; Knowledge; Markets; and Risk Management</b> |       |       |                          |                    |                   |
| <b>Director</b>  | 48.7% | 51.2% | 0.1%                     | 52.1%              | 47.7%             |
| <b>Associate director</b>  | 56.4% | 43.6% | 0.5%                     | 71.2%              | 28.2%             |
| <b>Assistant director</b>  | 55.1% | 44.8% | 4%                       | 81%                | 14.9%             |
| <b>Supervising associate</b>   | 57.3% | 42.5% | 14.5%                    | 76.2%              | 9.2%              |
| <b>Senior associate</b>  | 60.6% | 39.4% | 38%                      | 55.2%              | 6.5%              |
| <b>Associate</b>   | 63.1% | 36.7% | 67.3%                    | 26.8%              | 5.7%              |
| <b>Administration</b>  |       |       |                          |                    |                   |
| <b>Administrative ranks</b>  | 85%   | 14%   | 19%                      | 53%                | 28%               |

\* Global figures are aggregated except where otherwise noted. Due to rounding, there may be some minor discrepancies in totals. Where gender splits are reported, totals may not add up to 100% due to variances in reporting at the member-firm level. EY is committed to exploring how we can recognize and report gender splits beyond binary reporting at a global level.

\*\*Excludes interns and contractors

# Societal value

EY Ripples, the EY Corporate Responsibility program, is anchored in a long-term goal to positively impact 1 billion people by 2030. Since EY Ripples was launched in 2018, we have positively impacted more than 127 million lives.

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

## Lives impacted\*

|              | FY21 | FY22 | FY23 |
|--------------|------|------|------|
| <b>Total</b> | 20m  | 27m  | 46m  |

\*"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.

## Top 5 SDGs by Lives impacted in FY23

|   | FY23       |
|---|------------|
| <b>SDG 17: Partnerships for the goals</b>     | 11,990,919 |
| <b>SDG 10: Reduced Inequalities</b>           | 7,714,707  |
| <b>SDG 8: Decent work and economic growth</b> | 7,651,466  |
| <b>SDG 4: Quality education</b>               | 7,630,184  |
| <b>SDG 13: Climate Action</b>                 | 2,726,677  |
| <b>Other</b>                                  | 8,871,407  |

## Community investment\*

|   | FY21 (restated) | FY22 (restated) | FY23          |
|---|-----------------|-----------------|---------------|
| <b>Hours invested by EY people*</b>       | 602,000         | 847,000         | 914,000       |
| <b>Value of time contributions (US\$)</b> | \$38m           | \$60m           | \$55m         |
| <b>Cash investments (US\$)</b>            | \$81m           | \$99m           | \$109m        |
| <b>Total (US\$)</b>                       | <b>\$119m</b>   | <b>\$159m</b>   | <b>\$164m</b> |

\*Hours reported include time contributions beyond EY Ripples (e.g., other skilled and traditional volunteering activities and pro bono activities).

\*\*Previous years have been restated in this report due to an updated measurement approach for Corporate Responsibility staff hours in FY23. Staff hours are now classified as a cash investment (non-time-based cost) opposed to previously recorded as hours invested by EY people (time-based investment).



# Societal value

We measure our GHG emissions and offsets to validate progress toward our carbon ambition to become net zero in 2025.

## Greenhouse gas (GHG) emissions (tCO<sub>2</sub>e)\*

|  | FY19      | FY21    | FY22    | FY23    |
|--|-----------|---------|---------|---------|
| <b>Total emissions (location-based)</b>                | 1,354,000 | 394,000 | 597,000 | 777,000 |
| <b>Total emissions (market-based)</b>                  | N/A*      | N/A*    | 563,000 | 744,000 |
| <b>Scope 1</b>   | 8,000     | 10,000  | 18,000  | 20,000  |
| <b>Scope 2 (location-based)</b>                        | 159,000   | 106,000 | 148,000 | 152,000 |
| <b>Scope 2 (market-based)</b>                          | N/A*      | N/A*    | 114,000 | 119,000 |
| <b>Scope 3</b>   | 1,187,000 | 278,000 | 431,000 | 605,000 |
| <b>Category 3: Fuel- and energy-related activities</b> | 17,000    | 20,000  | 26,000  | 25,000  |
| <b>Category 5: Waste generated in operations</b>       | 19,000    | 20,000  | 18,000  | 20,000  |
| <b>Category 6: Business travel</b>                     | 952,000   | 47,000  | 230,000 | 395,000 |
| <b>Category 7: Employee commuting</b>                  | 199,000   | 191,000 | 157,000 | 165,000 |

\*Not available prior to FY22

We measure our GHG emissions and offsets to validate progress toward our carbon ambition to become net zero in 2025. GHG emissions are calculated in line with the EY global carbon footprint methodology. This is based on the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). For further details on our methodology, please refer to page 85.

## GHG emissions intensity

|   | FY21   | FY22   | FY23   |
|---|--------|--------|--------|
| <b>Emissions (location-based) per dollar revenue (tCO<sub>2</sub>e/US\$000)</b> | 0.0099 | 0.0131 | 0.0157 |
| <b>Emissions (market-based) per dollar revenue (tCO<sub>2</sub>e/US\$000)</b>   | N/A*   | 0.0124 | 0.0151 |
| <b>Emissions (location-based) per employee (tCO<sub>2</sub>e/FTE)</b>           | 1.3    | 1.7    | 2.0    |
| <b>Emissions (market-based) per employee (tCO<sub>2</sub>e/FTE)</b>             | N/A*   | 1.6    | 1.9    |

\*Not available prior to FY22

# Societal value

## Energy consumption (MWh)

|   | FY21    | FY22    | FY23    |
|---|---------|---------|---------|
| <b>Total energy consumption</b>               | 397,500 | 452,600 | 475,400 |
| <b>Non-renewable sources</b>                  | 299,500 | 317,300 | 320,800 |
| <b>CNG</b>                                    | 0       | 600     | 1,300   |
| <b>Diesel</b>                                 | 6,200   | 8,000   | 6,200   |
| <b>LPG</b>                                    | 0       | 15,000  | 16,200  |
| <b>Natural gas</b>                            | 45,800  | 27,800  | 32,600  |
| <b>Petrol</b>                                 | 5,200   | 17,600  | 16,800  |
| <b>Purchased electricity</b>                  | 199,900 | 153,800 | 155,000 |
| <b>Heating and cooling</b>                    | 42,300  | 95,000  | 92,600  |
| <b>Renewable sources</b>                      | 98,000  | 135,300 | 154,600 |
| <b>PPAs and renewable energy certificates</b> | 98,000  | 135,300 | 154,600 |
| <b>Self-generated renewable energy</b>        | 0       | 0       | 0       |

## Energy intensity (MWh/US\$000)

|  | FY21   | FY22   | FY23   |
|--|--------|--------|--------|
| <b>Energy consumption per dollar revenue</b> | 0.0099 | 0.0100 | 0.0096 |

## Greenhouse gas emissions mitigation projects financed through carbon credits

|  | FY21    | FY22    | FY23    |
|--|---------|---------|---------|
| <b>Total carbon credits cancelled (tCO<sub>2</sub>e)</b> | 528,000 | 724,000 | 933,000 |
| <b>Mitigation activity type (%)</b>                      |         |         |         |
| <b>Reduction</b>   | 58      | 86      | 78      |
| <b>Removal</b>   | 42      | 14      | 22      |

## Land use assessment\*

|   |                            | FY21 | FY22 | FY23 |
|---|----------------------------|------|------|------|
| <b>Total offices in key biodiverse areas (KBAs)</b> | <b>Direct intersection</b> | 8    | 10   | 12   |
|   | <b>With buffer zone</b>    | NR** | NR   | 49   |
| <b>Percent of offices in KBAs</b>                   | <b>Direct intersection</b> | 1%   | 1%   | 1%   |
|   | <b>With buffer zone</b>    | NR   | NR   | 6%   |
| <b>Percent of workforce in KBAs</b>                 | <b>Direct intersection</b> | 1%   | 1%   | NR   |
|   | <b>With buffer zone</b>    | NR   | NR   | 4%   |

\* In FY23, the land use assessment approach was updated to include a buffer zone to include sites that fall outside of a direct intersection of a KBA. Future assessments will be reported in line with FY23's approach for a better understanding of the EY footprint.

\*\*Not reported

## Water use assessment\*

|   | FY22 | FY23 |
|---|------|------|
| <b>Offices in high/extremely high risk-areas</b>              | 199  | 206  |
| <b>Percent of offices in high/extremely high-risk areas</b>   | 24%  | 25%  |
| <b>Percent of workforce in high/extremely high-risk areas</b> | 40%  | 40%  |

\*In FY22, the scope of the water use assessment was expanded to include all global offices. To ensure accurate comparison, only FY22 and beyond will be included for reference.

# Societal value

EY member firms play the combined role of a major global employer, providing stable, high-quality jobs to a combined number of more than 395,000 people.

## People by service line

|                                  | FY20 vs. FY21 | FY21           | FY21 vs. FY22 | FY22           | FY22 vs. FY23 | FY23           |
|----------------------------------|---------------|----------------|---------------|----------------|---------------|----------------|
| <b>Assurance</b>                 | 1.7%          | 100,891        | 11.0%         | 112,019        | 7.4%          | 120,274        |
| <b>Tax</b>                       | 0.2%          | 63,631         | 11.9%         | 71,231         | 11.3%         | 79,290         |
| <b>Consulting</b>                | 15.4%         | 82,398         | 33.0%         | 109,571        | 9.5%          | 119,982        |
| <b>Strategy and Transactions</b> | 5.3%          | 20,086         | 21.3%         | 24,355         | 8.5%          | 26,430         |
| <b>Practice support</b>          | -1.2%         | 45,244         | 6.6%          | 48,223         | 2.6%          | 49,466         |
| <b>Total</b>                     | <b>4.4%</b>   | <b>312,250</b> | <b>17.0%</b>  | <b>365,399</b> | <b>8.2%</b>   | <b>395,442</b> |

## People by Area

|   | FY21 vs. FY20 | FY21           | FY22 vs. FY21 | FY22           | FY23 vs. FY22 | FY23           |
|---|---------------|----------------|---------------|----------------|---------------|----------------|
| <b>Americas</b>                           | 4.0%          | 78,967         | 15.5%         | 91,189         | 4.6%          | 95,351         |
| <b>EMEIA</b>                              | 3.4%          | 121,325        | 16.5%         | 141,307        | 8.7%          | 153,216        |
| <b>Asia-Pacific</b>                       | 0.0%          | 58,953         | 10.1%         | 64,903         | 8.0%          | 70,068         |
| <b>GDS* – Client Service</b>              | 21.2%         | 39,328         | 32.7%         | 52,207         | 15.5%         | 60,281         |
| <b>GDS – Enablement</b>                   | -0.3%         | 7,330          | 15.2%         | 8,443          | 12.8%         | 9,523          |
| <b>Executive services and functions**</b> | -8.7%         | 6,347          | 15.8%         | 7,350          | -4.7%         | 7,003          |
| <b>Total</b>                              | <b>4.4%</b>   | <b>312,250</b> | <b>17%</b>    | <b>365,399</b> | <b>8.3%</b>   | <b>395,442</b> |

\* 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.



# Societal value

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

|   | 2020 | 2021 | 2022 |
|---|------|------|------|
| <b>Compliant engagements</b>  | 80%  | 86%  | 86%  |
| <b>Compliant engagements with areas for improvement identified*</b> | 17%  | 11%  | 10%  |
| <b>Total compliant engagements</b>                                  | 97%  | 97%  | 96%  |
| <b>Deficient engagements**</b>                                      | 3%   | 3%   | 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.

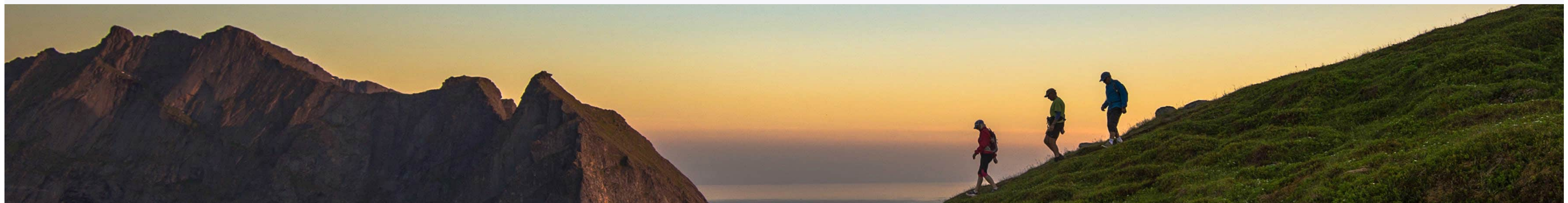
\*\* Findings in procedures or documentation that are material to the financial statements or auditor's reports or were not performed in accordance with EY policies.

## Internal inspection results all audits

|   | 2020 | 2021 | 2022 |
|---|------|------|------|
| <b>Compliant engagements</b>  | 79%  | 84%  | 85%  |
| <b>Compliant engagements with areas for improvement identified*</b> | 17%  | 12%  | 10%  |
| <b>Total compliant engagements</b>                                  | 96%  | 96%  | 95%  |
| <b>Deficient engagements**</b>                                      | 4%   | 4%   | 5%   |

\* 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.



# Client value

EY teams help clients grow, optimize and protect value.

## Fortune Global 500 – percentage of companies in index served

|                            | FY21 | FY22 | FY23 |
|----------------------------|------|------|------|
| <b>Audit client</b>        | 24%  | 27%  | 28%  |
| <b>Non-audit client</b>    | 60%  | 60%  | 64%  |
| <b>All other companies</b> | 16%  | 13%  | 8%   |
| <b>Total</b>               | 100% | 100% | 100% |

## Forbes Global 2000 – percentage of companies in index served

|                            | FY21 | FY22 | FY23 |
|----------------------------|------|------|------|
| <b>Audit client</b>        | 27%  | 27%  | 26%  |
| <b>Non-audit client</b>    | 46%  | 51%  | 60%  |
| <b>All other companies</b> | 27%  | 22%  | 14%  |
| <b>Total</b>               | 100% | 100% | 100% |

## EY audit market share of IPOs (global)

|                                   | 2020 | 2021 | 2022 |
|-----------------------------------|------|------|------|
| <b>EY ranking by deal numbers</b> | 1    | 1    | 1    |
| <b>EY ranking by proceeds</b>     | 2    | 1    | 1    |



# 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)

|                                  | FY21 vs. FY20 in LC* | FY21 | FY22 vs. FY21 in LC | FY22 (as reported) | FY22 (as adjusted**) | FY23 vs. FY22 in LC | FY23 |
|----------------------------------|----------------------|------|---------------------|--------------------|----------------------|---------------------|------|
| <b>Assurance</b>                 | 2.5%                 | 13.6 | 8.9%                | 14.4               | 14.4                 | 11.0%               | 15.1 |
| <b>Tax</b>                       | 3.9%                 | 10.5 | 10.5%               | 11.3               | 11.2                 | 12.2%               | 12.1 |
| <b>Consulting</b>                | 3.5%                 | 11.1 | 27.1%               | 13.8               | 13.8                 | 21.6%               | 16.1 |
| <b>Strategy and Transactions</b> | 10.4%                | 4.8  | 25.4%               | 5.9                | 5.8                  | 8.4%                | 6.1  |
| <b>Total</b>                     | 4.0%                 | 40.0 | 16.4%               | 45.4               | 45.2                 | 14.2%               | 49.4 |

\*Local currency

\*\*The FY22 revenue shown in the above table is US\$255 million lower than reported in the FY22 press release, as for comparability with FY23, we have restated to exclude business units no longer part of EY operations in FY23. The FY22 total restated revenue is US\$45,165 million, which is comparable to the FY23 reported total revenue of US\$49,354 million with a growth of 14.2% vs. FY22.

## Four-year CAGR (FY19-23)

9.5%

## Revenue growth by market type (LC)

|                          | FY21 | FY22  | FY23  |
|--------------------------|------|-------|-------|
| <b>Emerging markets</b>  | 5.5% | 16.2% | 18.1% |
| <b>Developed markets</b> | 3.7% | 16.4% | 13.4% |
| <b>Total</b>             | 4.0% | 16.4% | 14.2% |

## Revenue by Area (US\$b)

|                     | FY21 vs. FY20 in LC | FY21 | FY22 vs. FY21 in LC | FY22 (as reported) | FY22 (as adjusted**) | FY23 vs. FY22 in LC | FY23 |
|---------------------|---------------------|------|---------------------|--------------------|----------------------|---------------------|------|
| <b>Americas</b>     | 2.9%                | 17.7 | 19.3%               | 21.1               | 21.1                 | 12.9%               | 23.6 |
| <b>EMEIA</b>        | 3.8%                | 15.7 | 14.4%               | 17.1               | 16.8                 | 16.9%               | 18.3 |
| <b>Asia-Pacific</b> | 8.1%                | 6.6  | 13.1%               | 7.2                | 7.3                  | 11.7%               | 7.5  |
| <b>Total</b>        | 4.0%                | 40.0 | 16.4%               | 45.4               | 45.2                 | 14.2%               | 49.4 |

\*Local currency

\*\*The FY22 revenue shown in the above table is US\$255m lower than reported in the FY22 press release, as for comparability with FY23, we have restated to exclude business units no longer part of EY operations in FY23. The FY22 total restated revenue is US\$45,165m, which is comparable to the FY23 reported total revenue of US\$49,354m with a growth of 14.2% versus FY22.

## Revenue from emerging markets (US\$m)

| FY21  | % of total | FY22  | % of total | FY23  | % of total |
|-------|------------|-------|------------|-------|------------|
| 6,723 | 16.8%      | 7,643 | 16.8%      | 8,207 | 16.6%      |

# DNV assurance verification letter



DNV Business Assurance USA, Inc. (DNV)  
155 Grand Ave, Oakland, CA 94612

## Independent Assurance Statement

### Introduction

DNV Business Assurance USA, Inc. (DNV) has been commissioned by the management of EYGS LLP ("EYGS") to provide limited level assurance of Selected Performance Information as presented in the EY 2023 Value Realized Report ("The Report") for the reporting year ended June 30, 2023. The assurance was carried out June through September 2023.

EYGS has sole responsibility for preparation of the data contained in the Report. DNV, in performing our assurance work, is responsible to the management of EYGS. Our assurance statement, however, represents our independent opinion and is intended to inform all stakeholders including EYGS.

### Level of Assurance

We performed a limited assurance engagement in accordance with the *International Standard on Assurance Engagements (ISAE) 3000 revised – Assurance Engagements other than Audits or Reviews of Historical Financial Information*, issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17029:2019 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing, and are less in extent than for a reasonable assurance engagement; the level of assurance obtained is substantially lower than would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced, but not reduced to very low.

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable measurement techniques may result in different quantifications between different entities.

DNV's assurance engagements are based on the assumption that the data and information provided by EYGS to us as part of our review have been provided in good faith. This includes but is not limited to sales and acquisitions, square footage, occupancy rates, data coverage, and financial/operational control. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

### Assurance Methodology

DNV is a leading provider of sustainability services, including verification of GHG emissions data and other environmental metrics. Our environmental and social assurance specialists work in over 100 countries.

In that respect, the Selected Performance Information have been evaluated against the following reporting criteria:

- ▶ World Business Council for Sustainable Development (WBCSD)/World Resources institute (WRI) Greenhouse Gas Protocol, Corporate Accounting Standard REVISED EDITION
- ▶ WBCSD/WRI Corporate Value Chain (Scope 3) Accounting and Reporting Standard

DNV used a risk-based approach throughout the assurance engagement, concentrating on the areas that we believe are most material for both EYGS and its stakeholders. DNV applied a materiality threshold of five percent for all GHG emissions and Energy Consumption. DNV applied International Standards Organization (ISO) guidance for determining the sample size.

The following methods were applied during the assurance of EYGS' Selected Performance data and management processes

- ▶ Review of documentation, data records and sources relating to data claims
- ▶ Review of the processes and tools used to collect, aggregate, and report on data and metrics
- ▶ Interview of managers and data users representing relevant functions for supporting the data management processes
- ▶ Assessment of data systems and controls, including:
  - ▶ Selection and management of all relevant data
  - ▶ Processes for collecting, processing, consolidating, and reporting the data
  - ▶ Systems and processes that ensure the accuracy of the data
  - ▶ Design and maintenance of the data systems
  - ▶ Systems and processes that support the data information systems data
- ▶ Performed sample-based audits of the processes for generating, gathering, and managing the data
- ▶ Examination of the data to develop evidence for the assessment of the data and assertions made
- ▶ Evaluation of whether the organization conforms to the reporting criteria
- ▶ Evaluation of whether the evidence and data are sufficient and support EYGS' claims

### Assurance Opinion

Based on the processes and procedures conducted with a limited assurance, there is no evidence that the data assertions set forth in Selected Information are not materially correct and are not a fair representation of the data and information, and have not been prepared in accordance with the calculation method referenced.

### Independence

DNV was not involved in the preparation of any part of EYGS's data or report. This is our second year providing assurance for EYGS. We adopt a balanced approach towards all stakeholders when performing our evaluation.

For and on behalf of DNV Business Assurance USA, Inc.  
Katy, Texas  
**September 01<sup>st</sup>, 2023**

D'Silva,  
Natasha

Digitally signed by  
D'Silva, Natasha  
Date: 2023.08.31  
16:58:49 -07'00'

**Natasha D'Silva**  
Principal

Nagarajan,  
Sathishkumar

Digitally signed by Nagarajan  
Sathishkumar  
Date: 2023.08.31 16:09:14  
+08'00'

**Sathishkumar Nagarajan**  
Technical Reviewer

*This Statement is for the sole use and benefit of the party contracting with DNV Business Assurance USA, Inc. to produce this Statement (the "Client"). Any use of or reliance on this document by any party other than the Client shall be at the sole risk of such party. In no event will DNV or any of its parent or affiliate companies, or their respective directors, officers, shareholders, employees or subcontractors, be liable to any other party regarding any statements, findings, conclusions or other content in this Statement, or for any use of, reliance on, accuracy, or adequacy of this Statement.*

# DNV assurance verification letter

## Selected Information:

The scope and boundary of our work is restricted to the key performance indicators included within the Report (the "Selected Information"):

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used EY Global Basis of Preparations (the "Criteria") for:

- ▶ Global Carbon Footprint<sup>1</sup>
- ▶ Ripples Participant
- ▶ Diversity Equity and Inclusion (DEI)
- ▶ Training
- ▶ GPG Gender Diversity metric

Details on basis of reporting can be found beginning on page 85 of the EY Value Realized 2023 report.

The list of KPIs in scope and its performance data for EYGS is set out below. We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on EY's website for the current reporting period or for previous periods.

## Societal value data

### Greenhouse Gas Emissions

|                                  |         |
|----------------------------------|---------|
| Total emissions (location-based) | 777,000 |
| Total emissions (market-based)   | 744,000 |
| Scope 1                          | 20,000  |
| Scope 2 (location-based)         | 152,000 |
| Scope 2 (market-based)           | 119,000 |

### Scope 3 Emissions Breakdown

|   |         |
|---|---------|
| Category 3: Fuel- and energy-related activities | 25,000  |
| Category 5: Waste generated in operations       | 20,000  |
| Category 6: Business travel                     | 395,000 |
| Category 7: Employee commuting                  | 165,000 |

### Greenhouse Gas Emissions Intensity

|  |        |
|--|--------|
| Emissions (location-based) per dollar revenue (tCO <sub>2</sub> e/US\$000) | 0.0157 |
| Emissions (market-based) per dollar revenue (tCO <sub>2</sub> e/US\$000)   | 0.0151 |
| Emissions (location-based) per employee (tCO <sub>2</sub> /FTE)            | 2.0    |
| Emissions (market-based) per employee (tCO <sub>2</sub> /FTE)              | 1.9    |

### Energy Consumption (MWh)

|                          |         |
|--------------------------|---------|
| Total energy consumption | 475,400 |
| Non-renewable sources    | 320,800 |
| Renewable sources        | 154,600 |

### Energy Intensity

|                                       |        |
|---------------------------------------|--------|
| Energy consumption per dollar revenue | 0.0096 |
|---------------------------------------|--------|

### Greenhouse gas emissions mitigation projects financed through carbon credits

|   |         |
|---|---------|
| Total carbon credits cancelled (tCO <sub>2</sub> e) | 933,000 |
|---|---------|

### Mitigation activity type (%)

|           |    |
|-----------|----|
| Reduction | 78 |
| Removal   | 22 |

### EY Ripples

|                            |          |
|----------------------------|----------|
| Participants in EY Ripples | >139,000 |
|----------------------------|----------|

## People value data

### Gender Diversity of the EY Global

|   | Total   | Women/Men |
|---|---------|-----------|
| Partners/Principals                                   | 13,932  | 24%/75%   |
| PPEDD   | 22,934  | 28%/72%   |
| Total People  | 395,442 | 48%/52%   |
|   | Total   | Women/Men |
| Gender Diversity of the Global Practice Group Members | 129     | 29%/71%   |

### Attrition rate

|         |       |
|---------|-------|
| Women   | 20.4% |
| Men     | 21%   |
| Overall | 20.7% |

### Promotions

|  |     |
|--|-----|
| % of women among new partners/principals | 34% |
|--|-----|

### Gender representation by rank

|                       | Women/Men   |
|-----------------------|-------------|
| Partner               | 24.2%/75.3% |
| Executive Director    | 30.4%/69.6% |
| Senior Manager        | 38.2%/61.8% |
| Manager               | 42.6%/57.3% |
| Senior                | 46%/53.9%   |
| Staff/Assistant       | 52%/47.7%   |
| Director              | 48.7%/51.2% |
| Associate Director    | 56.4%/43.6% |
| Assistant Director    | 55.1%/44.8% |
| Supervising Associate | 57.3%/42.5% |
| Senior Associate      | 60.6%/39.4% |
| Associate             | 63.1%/36.7% |
| Administrative Ranks  | 85%/14%     |

### Formal Learning

|  |        |
|--|--------|
| Learning hours delivered   | 24m    |
| Learning hours per person  | 61     |
| Total investment in training (US\$)                                | \$385m |
| Total expenditure per full time employee (including travel) (US\$) | \$996  |

### Average hours of formal learning per EY person according to rank

|   |    |
|---|----|
| PPEDD   | 50 |
| Senior Manager/Associate Director             | 41 |
| Manager/Assistant Director                    | 51 |
| Supervisory Associate/Senior Associate/Senior | 56 |
| Staff/Assistant/Associate                     | 80 |
| Intern  | 61 |
| Administrator                                 | 12 |

### Average hours of formal learning per EY person according to Gender

|        |    |
|--------|----|
| Male   | 61 |
| Female | 60 |

<sup>1</sup> Criteria for Global Carbon Footprint is based on World Business Council for Sustainable Development (WBCSD)/World Resources institute (WRI) Greenhouse Gas Protocol, Corporate Accounting Standard REVISED EDITION

## WEF-IBC Stakeholder Capitalism

# METRICS



## WEF-IBC Stakeholder Capitalism Metrics – summary tables

As part of EY membership in the World Economic Forum’s International Business Council (WEF-IBC), we include the [WEF-IBC Stakeholder Capitalism Metrics](#) in this report.

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

Meet Joseph  
EY partner and Uplift social equity storyteller

# Reporting against the WEF-IBC Stakeholder Capitalism Metrics

## Principles of governance

| Theme                            | Metric  | EY disclosure   |
|----------------------------------|---|---|
| <b>Governing purpose</b>         | <b>Setting purpose</b>                        | <p>The EY organization exists to build a better working world, helping create long-term value for clients, people and society and build trust in the capital markets.</p> <p>Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.</p> <p>Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.</p>  |
| <b>Quality of governing body</b> | <b>Governance body composition</b>            | <p>EY leadership teams include the EY Global Executive, Area and Regional Managing Partners, the Global Governance Council, industry leaders and the Global Practice Group. Refer to page 47 for more information on EY leadership groups and page 58 for gender diversity figures.</p> <p>The EY Global Executive is measured against EY NextWave strategy key performance indicators, including monitoring progress on diversity, equity and inclusiveness goals, lives impacted through the EY Ripples program, and carbon ambition progress.</p> <p>As part of EY efforts to fully integrate sustainability into our strategic priorities, we are continuing to strengthen our formal governance structure for greater oversight and accountability over material topics, which includes a reconstituted Corporate Responsibility Governance Council.</p> |
| <b>Stakeholder engagement</b>    | <b>Material issues impacting stakeholders</b> | <p>To understand the most critical interests of EY stakeholders, we completed a comprehensive reassessment of the material environmental, social and economic issues relevant to the EY organization in FY22.</p> <p>The results of this global materiality assessment are informing the EY business strategy, goal setting, resource allocation, external disclosures, and identification and management of risks. The materiality assessment will be updated in FY24 as part of regulatory readiness preparation and in line with double materiality standards.</p> <p>For more details on the materiality assessment process, results and how the EY organization is addressing material topics, refer to pages 52-54.</p>   |

## Principles of governance

| Theme                   | Metric                 | EY disclosure  |
|-------------------------|------------------------|--|
| <b>Ethical behavior</b> | <b>Anti-corruption</b> | <p>In addition to the annual training on the EY Code of Conduct, the EY organization has a suite of policies and guidance to address conflicts of interest and financial crime, including the Anti-Bribery Global Policy and the Hospitality &amp; Gifts Global Policy, supported by robust training and communications program. Annual Financial Crime learning is mandatory for all EY people.</p> <p>The EY organization also has a global policy codifying the requirement that EY people report any concerns about corruption or other behavior that does not comply with the EY Global Code of Conduct or applicable laws and regulations (the NOCLAR policy, or Reporting fraud, illegal acts and other non-compliance with laws, regulations and the EY Global Code of Conduct).</p> <p>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> <p>The EY Global Anti-Bribery Policy is accompanied by an anti-corruption compliance program, which is reviewed on a quarterly basis, and applicable to all EY member firms, partners and employees.</p> |



# Reporting against the WEF-IBC Stakeholder Capitalism Metrics

## Principles of governance

| Theme                   | Metric  | EY disclosure  |
|-------------------------|---|--|
| <b>Ethical behavior</b> | <b>Protected ethics advice and reporting mechanisms</b> | <p>The EY organization provides mandatory annual training on the EY Global Code of Conduct and its associated ethics program, supported by communications throughout the EY network of member firms.</p> <p>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, or to ask questions about ethical concerns. All reports received are given careful attention, and all reports are acknowledged in a timely way.</p> <p>A link to the hotline is prominent on EY internal websites, and is also available through an <a href="#">external link</a>. Reports may be submitted in any language.</p> <p>EY/Ethics is operated by an independent external organization, NAVEX, which provides confidential and, if so desired, anonymous hotline reporting solutions for organizations worldwide. NAVEX collects information from the reporter and then passes the report to EY escalation channels for follow-up and investigation. According to the EY Global Code of Conduct, the EY organization does not permit retaliation of any kind for good faith reports of perceived illegal or unethical behavior. Also set forth by the EY Global Code of Conduct is the understanding that no client or external relationship is more important than the ethics, integrity and reputation of the EY organization, and we will withdraw from working for any clients that put EY people under undue pressure or threaten them in exercising their professional duties, and employees are encouraged to speak up whenever they are aware of such behavior.</p> <p>The EY NOCLAR policy (Reporting fraud, illegal acts and other non-compliance with laws, regulations and the EY Global Code of Conduct) also provides guidance on both internal and external mechanisms for reporting concerns.</p> <p>The EY organization additionally has global guidance which establishes that member firms are responsible for implementing procedures to receive, investigate and resolve complaints and allegations about (a) failures to perform engagements in accordance with laws, regulations, and professional standards to which they are subject; and (b) non-compliance with the EY policies including those with respect to relevant ethical requirements.</p> |

## Principles of governance

| Theme                                 | Metric  | EY disclosure   |
|---------------------------------------|---|---|
| <b>Risk and opportunity oversight</b> | <b>Integrating risk and opportunity into business process</b> | <p>The EY organization takes a comprehensive and forward-looking approach to the enterprise risk management process that seeks to protect and enhance the EY organization's positioning in the market.</p> <p>The EY Risk Management function contributes to long-term value and trust creation through enabling responsible growth in a fast-changing world within EY leadership's appetite for risk. Given the fluid and multidimensional ways in which a risk or risks can materialize in any jurisdiction, the EY organization benefits from a wide-ranging network of professionals that can rapidly respond as and when needed.</p> <p>Engagement across Global, Area, Region and member firm levels is critical to identify and actively monitor matters as close to real time as possible. The EY global risk categories are assessed through regular senior business leadership reviews and overseen by the Global Executive. For example, the Global Chairman and CEO is the executive sponsor for the key risk categories: macroeconomic and geopolitical, and insider threat and culture and business conduct.</p> <p><b>The EY organization has identified 15 key risk categories:</b></p> <ul style="list-style-type: none"> <li>▶ Financial crime</li> <li>▶ Business continuity and crisis response</li> <li>▶ Insider threat and culture and business conduct</li> <li>▶ Regulatory and public policy</li> <li>▶ Data protection and data ethics</li> <li>▶ Cybersecurity</li> <li>▶ Information technology</li> <li>▶ Program governance and execution</li> <li>▶ Third party</li> <li>▶ Talent management</li> <li>▶ Service innovation</li> <li>▶ Macroeconomic and geopolitical</li> <li>▶ Client acceptance and continuance</li> <li>▶ Independence</li> <li>▶ ESG</li> </ul> <p>The EY organization utilizes Archer, a tech-enabled risk management solution, to manage the planning, monitoring and mitigation of each key risk category. Through ongoing internal consultation, the ESG risk category has been a focus and further developed during FY23 to include a range of subcategories across strategy execution, regulatory compliance, climate risk, market relevance, additional third-party acceptance and continuance criteria and employee sentiment.</p> <p>The ESG risk assessment has surfaced numerous ways in which EY operations or market positioning could be threatened from ESG risks, and specifically climate-related risks. Climate-related risks threaten to impact businesses and communities with which the EY organization works around the world, which is why a TCFD assessment was performed to evaluate potential implications for our work with clients and broader stakeholders. For more information about our TCFD analysis, see page 33.</p> |

# Reporting against the WEF-IBC Stakeholder Capitalism Metrics

## Planet

| Theme                 | Metrics                           | EY disclosure   |
|-----------------------|-----------------------------------|---|
| <b>Climate change</b> | <b>Greenhouse (GHG) emissions</b> | <p>The EY organization decreased GHG emissions by 43% in FY23 compared to the FY19 baseline year. Over this same period, Scope 1 and 2 emissions have increased 3%, Scope 3 travel-related emissions decreased by 59% and Scope 3 other emissions have decreased by 11%.</p> <p>To reflect the increasing proportion of electricity that is procured from renewable sources, in FY23, Scope 2: purchased electricity GHG emissions using a market-based method have been reported. This method includes consideration of contractual arrangements under which the EY organization procures electricity from specific suppliers or sources, such as renewable energy.</p> <p>EY Scope 1, 2 and 3 emission disclosures and details on the EY carbon ambition can be found on page 62 and page 31.</p> <p>In FY23, we continued to implement a GHG emissions tracking system across member firms, and we obtained external assurance over our GHG emissions inventory. For more information on GHG emissions tracking, refer to page 62. Details of the external assurance can be found on page 68.</p> <p>The EY organization has set an ambition to be net zero in 2025 and is delivering its carbon ambition and continues to actively reduce its absolute GHG emissions in line with its SBTi-validated 1.5°C pathway.</p> <p>Additional information on the seven actions to accomplish the EY carbon ambition to be net zero in 2025 can be found <a href="#">here</a>.</p> |
|                       | <b>TCFD implementation</b>        | <p>EY published its first <a href="#">global TCFD report</a> this past year. The process of preparing the research and analysis for the TCFD report provoked self-reflection. Taking stock of our climate governance, considering our climate strategy and risk, and tracking progress against our GHG emissions goals highlight both the achievements for which we can be justifiably proud and where we need to focus our efforts to move faster. The <a href="#">report</a> provides more information on how we're assessing and addressing climate impacts for EY people, operations and clients.</p>   |

## Planet

| Theme              | Metrics                                    | EY disclosure  |
|--------------------|--|--|
| <b>Nature loss</b> | <b>Land use and ecological sensitivity</b> | <p>Annually, the EY organization conducts an analysis to review EY office locations to understand if they are in or adjacent to key biodiversity areas. This year's analysis used the internally developed <a href="#">EY NAT tool</a> to conduct the assessment, which is a geospatial tool that collates data from more than 35 nature-related maps to automate the identification of biodiversity and nature-related impacts.</p> <p>The analysis determined that 49 EY office locations, representing approximately 6% of EY office locations and approximately 4% of the global EY headcount, are within the buffer zone key biodiversity areas (KBAs). This is an increase from last year's assessment due to the addition of a buffer zone, when previous years included sites which fell directly within a KBA.</p> <p>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.</p> <p>We are pleased that the recent KBA mapping analysis confirmed that most offices are not in or adjacent to key biodiversity areas. Land use management action plans are under development and the location selection processes continue to align with EY sustainability efforts.</p> |
|                    | <b>Fresh water availability</b>            | <b>Water consumption</b>   |

# Reporting against the WEF-IBC Stakeholder Capitalism Metrics

## People

| Theme                       | Metric         | EY disclosure  |
|-----------------------------|----------------|--|
| <b>Dignity and equality</b> | <b>D&amp;I</b> | <p>We are committed to nurturing an environment where differences are valued, practices are equitable, and everyone experiences a sense of belonging at the EY organization. To demonstrate commitment to DE&amp;I, the EY Global Executive signed the <a href="#">Global Executive Diversity, Equity &amp; Inclusiveness Statement</a>, reinforcing DE&amp;I as a key business lever, and ensuring that the EY organization holds itself accountable for progress.</p> <p>The EY organization set a consistent path around the world through the <a href="#">DE&amp;I Roadmap and Culture Change Continuum</a>, the approach and methodology for DE&amp;I. This is brought to life by the EY Global Diversity, Equity and Inclusiveness Steering Committee (GDEISC), made up of senior leaders from around the world who explore challenges, surface successful practices and collaborate on meaningful solutions.</p> <p>For accountability to DE&amp;I progress across the EY organization, the Global DE&amp;I Tracker is used as a measurement of diversity and inclusiveness that covers a range of differences, both visible and not visible, including people's lived experiences.</p> <p>We also continue to scale our Neuro-Diverse Centers of Excellence and work with clients to support their own neurodiversity programs. As part of the EY organization's role with The Valuable 500 – a global initiative of 500 organizations committed to innovating together for disability inclusion, the EY organization has published expanded disability disclosures and commitments this year. Refer to page 18 for details on disability inclusion.</p> <p>Our DE&amp;I focus spans all levels of the EY organization, including the EY partnership where we are committed to strategies to support a greater balance and mix in terms of gender and other locally-defined diversity dimensions. This year, EY is expanding our disclosures to include the percentage of women among new partners, across the three areas of the EY global organization.</p> <p>Refer to page 14 for details on DE&amp;I at EY and page 58 for data on workforce diversity.</p> |

## People

| Theme                       | Metric              | EY disclosure  |
|-----------------------------|---------------------|--|
| <b>Dignity and equality</b> | <b>Pay equality</b> | <p>In 2022, a standard pay equity analysis methodology and resources to support this work was made available across all EY locations. This supports consistency in assessing pay levels between men and women across all EY employees. The Regions/countries conduct a pay equity review which either uses this new methodology, another methodology that was vetted by the EY Total Rewards team, or a methodology that is required by local governing law.</p> <p>The EY organization is committed to pay equity for EY people as part of broader social equity efforts driven through our talent processes. This focus on pay equity enables us to advance on the broader topic of pay equality. Equity in opportunities, advancement and compensation is a business imperative, and we work hard to promote fair practices for all EY people. In direct support of our commitment, we have processes and policies that focus on equitable compensation. An employee's compensation is designed to be competitive in the market based on the role they are performing, to be connected to an individual's knowledge, skills, experience and performance, while being equitable internally. To be equitable internally, people should be similarly paid for similar skills when performing similar work, across genders. Member firms comply with the various applicable statutory reporting obligations on pay gaps at the country level, e.g., <a href="#">UK</a> and <a href="#">Ireland</a>, where pay gap reports are published annually.</p> |
|                             | <b>Wage level</b>   | <p>An entry-level wage assessment was performed and confirmed that 100% of EY employees are paid above the applicable jurisdiction's minimum wage.</p>   |

# Reporting against the WEF-IBC Stakeholder Capitalism Metrics

## People

| Theme                       | Metric  | EY disclosure  |
|-----------------------------|---|--|
| <b>Dignity and equality</b> | <b>Risks for incidents of child, forced or compulsory labor</b> | <p>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.</p> <p>Over the course of the last year, the EY organization has:</p> <ul style="list-style-type: none"> <li>▶ Launched a training for all EY people to promote further understanding of human rights in the context of business.</li> <li>▶ 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.</li> <li>▶ Refreshed the HR toolkit following recommendations collected from EY people during listening sessions.</li> </ul> <p>EY 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. 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>In FY24, we will continue to focus on operationalizing the statement including:</p> <ul style="list-style-type: none"> <li>▶ Revisiting our human rights statement to ensure it remains relevant</li> <li>▶ Engaging with the relevant business functions and working groups to address potential human rights risks</li> <li>▶ Encouraging the uptake of recently launched training for all EY people</li> </ul> |

## People

| Theme                        | Metric                   | EY disclosure   |
|------------------------------|--------------------------|---|
| <b>Health and wellbeing</b>  | <b>Health and safety</b> | <p>The health and safety of EY people is paramount and is supported by global policies and procedures in place to ensure workplace safety.</p> <p>To support the mental and physical health of EY people, the EY organization has over 100 wellbeing programs globally, many of which expanded in the last year. The programs span across physical, social, mental emotional, and financial wellbeing. Refer to page 11 for more detail.</p>  |
| <b>Skills for the future</b> | <b>Training provided</b> | <p>The EY organization is investing in its people's development so they can build the transformative mindsets and tech skillsets needed to deliver exceptional client service and thrive. EY Badges give our people the opportunity to develop and obtain credentials in future-focused skills, while increasing career value and professional visibility.</p> <p>Over 410,000 badges and 274 degrees have been awarded to date across all graduate degree programs, including 19 graduates from the first cohort of the Masters in Sustainability launched in FY22.</p> <p>Refer to page 11 for more details on EY investments in lifelong learning and page 57 for data on training programs and spend.</p> |

# Reporting against the WEF-IBC Stakeholder Capitalism Metrics

## Prosperity

| Theme                                   | Metric  | EY disclosure   |
|---|---|---|
| <b>Employment and wealth generation</b> | <b>Absolute number and rate of employment</b> | Absolute number and rate of employment data are available on page 58.   |
|   | <b>Economic contribution</b>                  | In FY23 combined EY global revenues were US\$49.4 billion and a significant portion of revenues are used for employee wages and benefits and compensation to the owners.<br><br>Total community investment was in excess of US\$164 million.<br><br>The EY organization 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 35 for information on EY community investment efforts beyond what can be monetized and page 61 for data on EY societal value through the number of lives impacted and community investments. |
|   | <b>Financial investment contribution</b>      | Capital expenditures across the global organization in FY23 amounted to US\$869 million; however, the EY businesses are not capital intensive. For a more thorough view of EY investments refer to page 24.<br><br>Financial investment contribution is measured through CapEx as it relates to EY member firms. Share buybacks and dividend payments are not recorded given that the EY organization consists of separate member firms, a number of which are private partnerships.  |

## Prosperity

| Theme   | Metric                        | EY disclosure   |
|---|-------------------------------|---|
| <b>Innovation in better products and services</b> | <b>Total R&amp;D expenses</b> | This year, the EY organization invested \$3.6 billion in people, technology, and innovation – part of the \$10 billion, three-year commitment announced in FY21.<br><br>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.<br><br>Refer to page 24 for more information on our innovation focus and efforts.   |
|   | <b>Total tax paid</b>         | Due to the EY ownership structure, a significant component of the taxes related to EY revenue is paid by the individual owners of the member firms (e.g. partners), and not directly by the member firms themselves. The EY organization does not have access to the personal information regarding the income taxes paid by these individual owners of the member firms. In general, EY individual member firm owners pay tax at or near the highest marginal rate in their respective home jurisdictions. Other taxes paid throughout the EY organization are not currently reported at the global level. |



# EY commitments to the Net Zero Financial Services Providers Alliance and progress made

# NET ZEROSPA





Meet Matt  
EY senior associate and Uplift social equity storyteller

# EY commitments to the Net Zero Financial Services Providers Alliance and progress made

The EY organization is a member of the Net Zero Financial Services Providers Alliance (NZFSPA), which is part of Glasgow Financial Alliance for Net Zero (GFANZ), under which the EY organization has made a number of commitments concerning planning and performing audits.

NZFSPA is a global group of service providers committed to supporting the goal of global net-zero greenhouse gas emissions by 2050 or sooner, in line with the ambition to limit the global temperature increase to 1.5°C above pre-industrial levels.

## EY commitments to NZFSPA and progress made

A measurement and reporting framework (“the framework”) is used by the six largest global accounting networks<sup>1</sup> (“GPPC networks”) to:

- ▶ Measure and track each network’s progress against the commitments made by each network to NZFSPA, and in particular to those commitments relevant to planning and performing audits
- ▶ Demonstrate each network’s commitment to its obligations under professional standards as external auditors with quality, integrity and independence

The framework has been submitted for approval by [Race to Zero](#).

<sup>1</sup> The Global Public Policy Committee is the global forum of representatives from six global accounting networks, which has as its public interest objective the enhancement of quality in auditing and financial reporting.

# EY commitments to NZFSPA and progress made

## The framework

The framework uses an “inputs”-based approach to set targets and measure progress against the commitments that relate to products and services, i.e., the financial statement audit. The illustration of the inputs not only show the EY organization’s commitment to NZFSPA objectives but also help explain to a wider audience the various elements of audits that incorporate consideration of climate-related risk.

In comparison, if the framework were to take an “outputs”-based approach for products and services, it would simply be measuring the degree to which audits comply with generally accepted auditing standards (GAAS). Confirming that audits are GAAS compliant may not adequately illustrate for all stakeholders how climate-related risks are considered under professional standards and related guidance issued by standard setters. As the regulatory environment for sustainability reporting and the Race to Zero criteria evolves, the framework and associated targets will be re-examined to identify whether there is opportunity to incorporate output-based or other metrics to demonstrate progress, and if so, what those metrics might be.

The framework includes four categories of targets and metrics relating to products and services (the “Audit Metrics”):

1. Application of audit methodology
2. Training
3. Communications
4. Reporting

There are numerous ways in which the EY organization is moving forward and responding to climate change. As described elsewhere in this Value Realized report, these include reducing GHG emissions in certain aspects of the organization and supply chain, better understanding the

impact of physical risks on operations, and engaging with stakeholders and policymakers on climate-related topics. These matters are not detailed in this framework, but the framework now includes two targets and metrics relating to these commitments (Operational Metrics). They include:

- ▶ Setting science-based GHG emissions reductions targets
- ▶ Stakeholder engagement to support transition to net zero

To support the audit metrics, the EY organization has chosen to provide further insight about how audit teams and audited companies are considering climate change and other ESG factors (Additional Information) including:

- ▶ Audit reports that mention climate change or consideration of it explicitly
- ▶ Use of climate specialists by audit teams
- ▶ Procurement of additional ESG-related assurance by the Companies

The Audit Metrics and Additional Information cover the 43 companies that are audited by EY member firms and which are identified on the Climate Action 100+ companies list (the Companies). The list comprises companies that (i) have carbon intensive operations and (ii) are considered by Climate Action 100+ to have the greatest impact on climate change. Please refer to Appendix 2 for the full list of the companies.

The Operational Metrics cover the entire EY global organization.

The Audit Metrics and Additional Information relate to audits of the Companies’ financial statements where audit reports were issued between 1 July 2022 and 30 June 2023.

The Operational Metrics cover the 2023 financial year.

## Audit Metrics and targets

| Framework category                      | Scope                                   | Measurement criteria and target  | Results | Additional Information   |
|---|---|--|---------|--|
| <b>Application of audit methodology</b> | <i>FY 2022 audits of the Companies.</i> | Percentage of engagement teams including specific audit procedures to determine whether climate risks are material to the audit.<br><br>Target: 100% | 100%    | <p><b>Use of specialists</b><br/>Fifty-seven percent of the EY engagement teams consulted with specific specialists to address climate-related matters during the audit.</p> <p>This happened where EY engagement teams deemed that climate matters posed a risk to the financial statements whether directly (reported as a key audit matter (KAM)/ critical audit matter (CAM) or indirectly (reported through impact on other KAMs/CAMs).</p> <p>The specialists were engaged to assist with the audit risk assessment process, audit strategy to address the risk (e.g., to assess management’s asset impairment sensitivity assumptions) and assessing the required disclosures in the annual report.</p> <p>Those engagement teams that did not consult with specialists concluded, through their risk assessment procedures, that climate matters were not material to the financial statements and so did not warrant specialist involvement.</p> <p><b>Evolution of sustainability assurance</b><br/>Sixty-six percent of the Companies also sought independent assurance on wider sustainability-related matters; indicating increasing sophistication in the extended assurance market.</p> <p>Where this was done, it was in the form of “limited assurance” (e.g., Scope 3 GHG emissions) or “reasonable assurance” (e.g., Scope 1 and 2 GHG emissions in most cases).</p> <p>Where assurance reports are public, they describe limited assurance and are published on the company’s website.</p> |



# EY commitments to NZFSPA and progress made

## Audit Metrics and targets

| Framework category    | Scope  | Measurement criteria and target  | Results | Additional Information |
|-----------------------|--|--|---------|------------------------|
| <b>Training</b>       | <i>Partners and managers on the engagement teams<sup>4</sup> of the FY 2022 audits of the Companies.</i> | Percentage of audit engagement team personnel (managers and above) who have received specific training on assessing and responding to climate risks in the audit.<br><br>Target: 100%              | 100%    | –                      |
| <b>Communications</b> | <i>FY 2022 audits of the Companies</i>   | Percentage of audit engagement teams who discussed the relevance of climate risk to the financial statements and the audit with those charged with governance, and management.<br><br>Target: 100% | 100%    | –                      |

## Audit Metrics and targets

| Framework category | Scope                                  | Measurement criteria and target  | Results   | Additional Information   |
|--------------------|--|--|---|--|
| <b>Reporting</b>   | <i>FY 2022 audits of the Companies</i> | The percentage of audit engagement teams that specifically considered whether climate risk(s) needed to be explicitly mentioned in the audit report.<br><br>Target: 100% | 100%<br><br>This was done either by (i) including climate change as a stand-alone Key Audit Matter (KAM)/Critical Audit Matter (CAM) or (ii) describing the impact of climate change on the matters covered by other non-climate related KAMs/CAMs. | <p><b>Describing consideration of climate-related risk in the audit report</b><br/>Forty-seven percent of the audit reports for these Companies included a description of the considerations given to climate-related matters and their impact on the business and related audit risks.</p> <p>This was done either by (i) including climate change as a stand-alone KAM/CAM or (ii) describing the impact of climate change on the matters covered by other non-climate-related KAMs/CAMs.</p> <p><b>Describing climate-related risks in the audit report as a KAMs/CAMs</b><br/>Forty-four percent of the audit reports for these Companies refer to climate change in or as a KAM or CAM.</p> <p><b>Where audit reports do not refer explicitly to climate change risk</b><br/>The audit reports that did not include an explicit mention of climate change did so either because:</p> <ol style="list-style-type: none"> <li>1. The relevant EY engagement team concluded, through their risk assessment procedures, that climate risks were <b>not material</b> to the financial statements for the reporting period under consideration so as to warrant further consideration and explicit mention; and/or</li> <li>2. Climate change reporting and accompanying disclosures are not mandatory in all jurisdictions, hence, these did not require additional considerations by the relevant EY audit team around compliance with reporting requirements.</li> </ol> <p>Climate-related risks were nevertheless discussed under “Other audit matters” with those charged with governance in 100% of the audit engagements.</p> |

# EY commitments to NZFSPA and progress made

## Operational Metrics and targets

| Framework category  | Scope  | Measurement criteria and target                                      | Results   | Additional Information  |
|---|--|--|---|---|
| <b>Science-based GHG emissions reduction targets across all operational emissions. Set interim science-based reduction targets.</b> | Entire EY organization   | Set science-based GHG emissions reduction target – validated by SBTi | On track to hit net zero by 2025.   | The EY organization carbon ambition launched in 2020, including a seven-point action plan that sets out specific actions we would take to move from ambition to action. Read more about the plan <a href="#">here</a> . |
|   |  | Obtain assurance over GHG emissions reporting.                       | Have obtained limited assurance over GHG reporting for FY22 and FY23.   |   |
|   |  | Reduce overall absolute GHG emissions by 40% by 2025.                | In FY23, have reduced overall absolute GHG emissions by 43% compared to FY19 baseline.                        |   |
|   |  | Reduce business travel GHG emissions by 35% by 2025.                 | In FY23, have reduced business travel GHG emissions by 59% compared to FY19 baseline.                         |   |
|   |  | Procure 100% renewable energy for office electricity usage by 2025   | In FY23, have procured 50% of renewable energy for office electricity, and are on track to hit RE100 by FY25. |   |
| Require 75% of EY suppliers to set science-based targets by 2025.   | At the end of FY23, 55% of suppliers have set science-based targets. |  |   |   |

## Operational Metrics and targets

| Framework category   | Scope                  | Measurement criteria and target   | Results   | Additional Information |
|--|------------------------|---|---|------------------------|
| <b>Proactively engage with stakeholders and policymakers on corporate and industry action, as well as public policies that support a net-zero transition of economic sectors in line with science and with regard to social impacts.</b> | Entire EY organization | The EY organization has ongoing engagement with a range of stakeholders and policymakers including the World Economic Forum/Stakeholder Capitalism Metrics, the First Movers Coalition, Aviation taskforce, The Sustainable Markets Initiative, The World Business Council on Sustainable Development, the Council for Inclusive Capitalism, GFANZ, TNFD, and TCFD.<br><br>The EY organization is a supporter of the newly created ISSB and regularly hold meetings to advise on and encourage forward movement. The EY organization has also supported the establishment of the EFRAG SSB and its ongoing work to develop European Sustainability Reporting Standards. As members of the Business Roundtable, the EY organization has advocated for carbon pricing and supports Scope 1 and 2 disclosures. | All of the afore-mentioned organizations have and require individual company reporting on GHG emissions, as well as biodiversity and nature loss. For FY23, the EY organization reports on the Stakeholder Capitalism Metrics, inclusive of climate reporting in the EY annual report, <a href="#">Value Realized</a> .<br><br>The EY organization published its inaugural <a href="#">TCFD report</a> in early 2023. | –                      |

# EY commitments to NZFSPA and progress made

## Reasons why investors and other advocates do not see certain climate accounting and disclosure considerations in the financial statements today

- ▶ Long-term goals in respect to climate do not necessarily translate into a current impact on the financial statements as they do not yet meet requirements for recognition. For example, standards only permit a recognition of a provision because of a past event (when a liability is incurred). Obligations cannot be recognized for anticipated restructurings until there is a legal obligation to restructure. Similarly, an expression of a general commitment to align to the Paris Agreement or to offset GHG emissions is unlikely to give rise to a liability recorded in the financial statements.
- ▶ Companies are required to only disclose information about the assumptions they make about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.
- ▶ Even though climate-related factors may be present, no write-downs will be required if the assets are recoverable through the estimated cash flows over their remaining useful lives.
- ▶ If a reduction in useful life is warranted (i.e., due to a change in the ways finite lived assets are used), such changes are typically accounted for prospectively resulting in a shorter useful life and higher depreciation expense over the remaining useful life rather than a single “catch up” charge in the current period. It is possible to have a change in useful life and an impairment arising at the same time.
- ▶ Prices under different Paris Agreement scenarios are not necessarily market prices/fair values which accounting standards typically require to be used.
- ▶ There are numerous pathways that are aligned to the Paris Agreement, and companies’ management would consider those pathways in relation to their circumstances in determining a best estimate.
- ▶ The impact of climate risk cannot be readily or easily disaggregated from the key assumptions that are commonly used in financial statements such as discount rates, growth rates or market-based commodity price assumptions.

## Audit Metrics and Additional Disclosures – Companies EY audits

The Audit Metrics and Additional Disclosures cover the 43 companies audited by EY member firms and which are identified on the [Climate Action 100+](#) companies list. The list comprises companies that (i) have carbon intensive operations and (ii) are considered by Climate Action 100+ to have the greatest impact on climate change.

- ▶ AES Corporation
- ▶ Airbus Group
- ▶ ArcelorMittal
- ▶ BHP
- ▶ Bluescope Steel Limited
- ▶ CEZ, A.S.
- ▶ Coca-Cola Company
- ▶ China National Offshore Oil Corporation (CNOOC) Limited
- ▶ ConocoPhillips
- ▶ Danone S.A.
- ▶ Delta Air Lines, Inc.
- ▶ Ecopetrol Sa
- ▶ ENEOS Holdings Inc
- ▶ ENGIE
- ▶ Equinor
- ▶ Formosa Petrochemical
- ▶ General Motors Company
- ▶ Hitachi, Ltd.
- ▶ Holcim Ltd (fka LafargeHolcim Ltd)
- ▶ Koninklijke Philips NV
- ▶ Korea Electric Power Corp
- ▶ Lockheed Martin Corporation
- ▶ Nestlé
- ▶ Nissan Motor Co. Ltd
- ▶ OMV AG
- ▶ Origin Energy
- ▶ PACCAR Inc
- ▶ Phillips 66
- ▶ PTT
- ▶ Reliance Industries
- ▶ Santos Limited
- ▶ Shell plc (fka Royal Dutch Shell plc)
- ▶ Siemens Energy
- ▶ SK Innovation Co. Ltd
- ▶ SSAB AB
- ▶ SSE PLC
- ▶ Stellantis NV (fka Fiat Chrysler Automobiles NV)
- ▶ Toray Industries, Inc.
- ▶ TotalEnergies SE
- ▶ United Airlines Holdings, Inc.
- ▶ Vedanta Ltd
- ▶ Volkswagen AG
- ▶ Walmart, Inc.

Basis of

# REPORTING



## Basis of reporting

This document provides additional details about the approach and methodology for key metrics. Some of these metrics have obtained limited assurance, and will be indicated accordingly. This document is ancillary information to the EY Value Realized 2023 report.



EY Philippines 76th anniversary celebration

Meet Helen  
EY partner and Uplift social equity storyteller

# Lives impacted and EY Ripples participation

EY Ripples, the EY corporate responsibility program, is anchored in a long-term goal to positively impact 1 billion lives by 2030.

Our key focus areas are:

- ▶ Supporting the next generation workforce
- ▶ Working with impact entrepreneurs
- ▶ Accelerating environmental sustainability

The focus areas were chosen to align EY strengths with the United Nations Sustainable Development Goals (UN SDGs). Activities outside of these focus areas are not recorded as part of EY Ripples.

There are two key metrics to assess the impact of EY Ripples:

- ▶ Lives impacted
- ▶ Ripples participation

## Lives impacted methodology

The lives impacted methodology for measuring social value is based on the long-term value impact pathway, which is a theory of change that provides a framework for monitoring and evaluating outcomes and impacts. The methodology measures the outcome and value addition of EY initiatives in the community. It quantifies the impact by specifically evaluating how many lives were positively impacted from the initiative through assessing both the breadth and depth of impact the EY Ripples initiatives are having. The methodology uses the EY Ripples Portal data, as well as external data sources.

As a conservative approach, only those who interact directly with the primary beneficiary are considered indirect beneficiaries for each initiative. Each focus area of the EY Ripples program requires its own set of assumptions, approaches, and beneficiaries for calculating the lives impacted.

Quantifying depth of impact was arrived at through stakeholder interviews and external third-party research. The EY organization has also integrated country-level SDG performance scores into its measurement approach to assess attribution in a systematic way where activity specific data is not available.

As part of quality control and data validation, the data from the EY Ripples Portal is routinely validated by the EY Ripples Global Measurement and Reporting (M&R) team.

## EY Ripples participation methodology

In the context of EY Ripples, participation is defined as the number of EY individuals who are using or have used their knowledge, skills and experience and energy to deliver initiatives. Unique participation ensures all EY individuals are only included once. All EY employees, partners and principals can take part in EY Ripples.

The EY Ripples Portal serves as a recruitment platform, with the primary goal of matching EY people with Ripples opportunities. It is a one-stop-shop for people to create, manage and participate in EY Ripples initiatives.

Participation is tracked as part of the lifecycle of an initiative. Once an initiative is approved and published on the EY Ripples portal, potential participants can locate it and apply. An initiative owner will approve or decline based on a set of standards for the volunteer role. Once an initiative is running, approved applicants become participants. At an initiative's conclusion, an automatically generated feedback survey is sent to all those who registered for an initiative and were approved. If the individual's response is that they did not participate, they are removed from the participation count. If they respond otherwise or do not respond, they continue to be included in the count. This acts as a control to ensure we maintain the accuracy of recorded participation numbers.

Participation is the sum of all registrations that are approved or completed. The identifier that is used to track individual participants is the EY email address. In cases where this is not known, overall participation numbers for an initiative will be used. The EY Ripples Power BI dashboard is used to track details on participation, as well as other information such as number of direct beneficiaries.

Third-party assurance has been obtained over EY Ripples Participation.

## Lives impacted methodology

$$\text{Direct beneficiaries} + \text{Indirect beneficiaries} = \text{Total beneficiaries} \times \text{Attribution rate} = \text{Lives impacted}$$

Direct beneficiaries are the individuals who are directly involved with and benefits from an EY Ripples initiative, such as an impact entrepreneur or student.

Indirect beneficiaries are individuals who are in some way related to a direct beneficiary, and indirectly benefits from an EY Ripples initiative, such as the customers of an impact entrepreneur, or the household of a student.

The total of direct and indirect beneficiaries.

The attribution rate is assessed using a combination of data collection (e.g., surveys) and impact modelling approaches. Impact modeling considers assessments of the depth of impact of the activities and as well as the counterfactual based on local gaps to the UN SDGs

# Community investment

**EY Community Investment (CI) is the total of monetary value of time contributions by EY personnel for community initiatives and cash investments.**

This includes contributions from EY Ripples, the EY Corporate Responsibility Program, but is also inclusive of other skilled and traditional volunteering activities, pro-bono activities and corporate responsibility (CR) functional staff time.

The CI data collection and reporting process is performed quarterly, and ongoing data validation occurs as part of this process. Third-party assurance will be obtained over this metric. Local teams input their relevant data into a centralized source, Enablon.

The measurement approach for CI is based on the Business for Societal Impact (B4SI) Framework, which allows companies to measure, strategically analyze and enhance the impact and business benefits of activities that fall outside of core business operations.

## Measurement approach for community investment

|  |          |  |          |  |
|--|----------|--|----------|--|
| <b>Value of time contributions</b>   | <b>+</b> | <b>Non-time-based contributions (cash investment)</b>  | <b>=</b> | <b>Total value of community investment</b>                             |
| Monetary value of hours invested by EY People. This includes time contributions beyond EY Ripples including pro bono, low-bono, skills-based and traditional volunteering. |          | Total value of cash investment for benefit of community including cash, selected sponsorship, Corporate Responsibility staff costs and program management expenses |          | Monetary value of total investments in community that can be monetized |

## Contribution type definitions

### Time contributions

- ▶ Pro bono/low bono: Contributions of EY core service offerings to nonprofit organizations to deliver defined engagements and seconded EY people.
- ▶ Skills-based volunteering: Where employees share their skills, knowledge and experience, supporting a community program. Most time (in hours) related to the EY Ripples program is skills-based volunteering.
- ▶ Traditional volunteering: Where employees give their time to organize or participate in a community program outside of skills-based volunteering.

### Non-time contributions

- ▶ Cash: gross monetary amount paid to support a nonprofit/ community project
- ▶ Selected sponsorship: sponsorship to nonprofit organizations events whereby a defined element is for social impact.
- ▶ CR function staff costs: this includes overheads associated with having and running a CR function.
- ▶ CR Program management expenses: costs incurred on the CR budget to deliver community activity.
- ▶ Equipment and facilities: costs of resources donated to a nonprofit



# GHG emissions

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

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). Emissions calculations use 2022 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”. For the purposes of calculating its carbon footprint, an operational approach is used to identify the emissions sources within the EY organization’s immediate control.

Scope 1 and Scope 2 emissions, which primarily relate to office energy use, are consolidated, and reported on this basis. Emissions from office energy consumption are calculated using activity data representing approximately 90% of the global office portfolio based on FTE.

Scope 3 emissions that occur in the EY value chain have been included and estimated on the basis of materiality and alignment to our Science-Based Target (SBT). Figures include emissions relating to the following scope 3 categories:

- ▶ Category 3: fuel- and energy-related activities
- ▶ Category 5: waste generated in operations
- ▶ Category 6: business travel
- ▶ Category 7: employee commuting (inclusive of remote working)

Since setting our SBT in 2020 and because of achieving sizeable reductions in our footprint, our Category 1: Purchased Goods & Services emissions have become a more material portion of our overall footprint. In FY23, we conducted an assessment of these emissions using a hybrid methodology: a combination of supplier-specific and secondary activity data. Our FY23 Category 1: Purchased Goods & Services were 284k tCO<sub>2</sub>e.

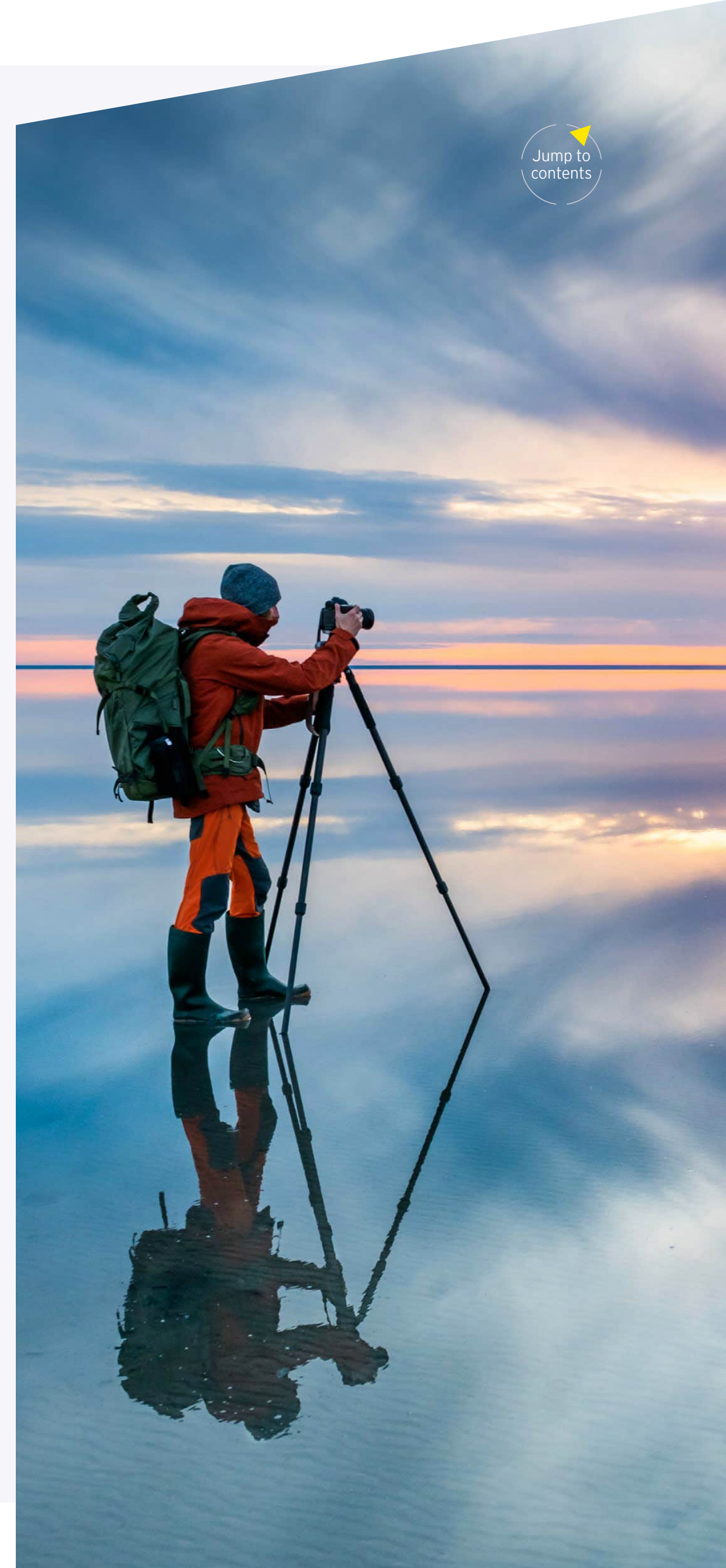
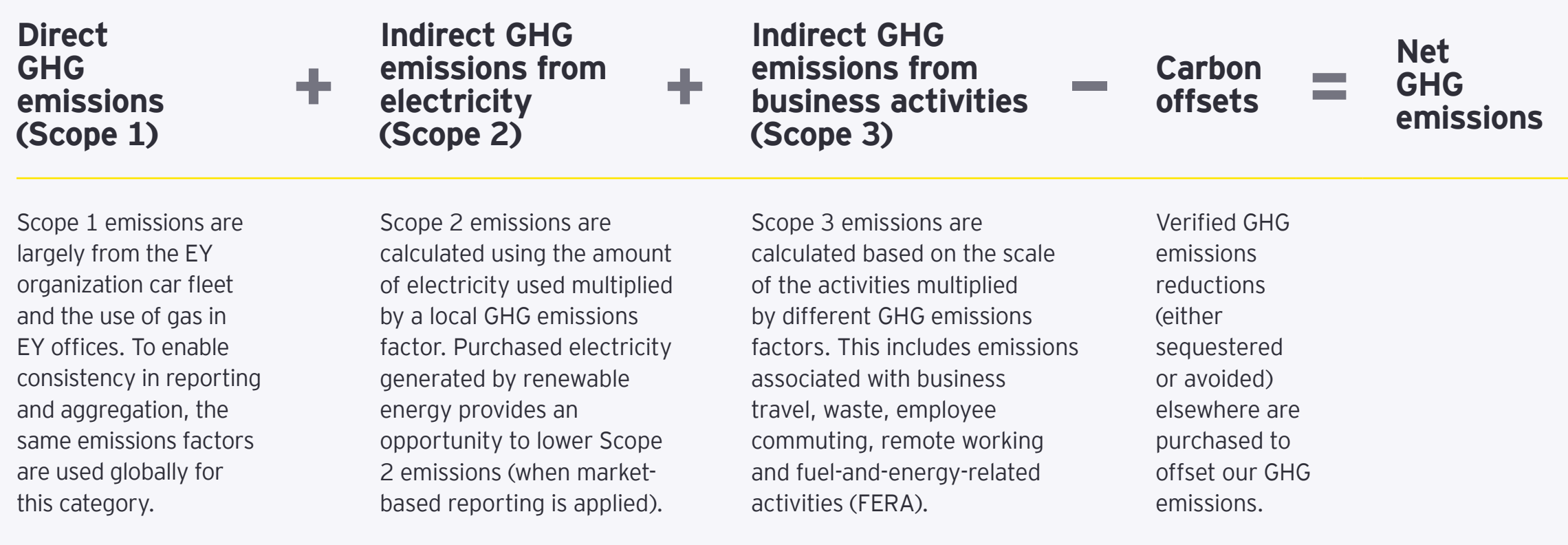
Software is used to gather and calculate data provided by individual EY member firms where available. Data is then extrapolated to account for the remainder of the global EY organization to reach the complete footprint.

It is expected that the level of estimates will decrease over time as the availability, specificity and quality of activity data improves with the further implementation of the software. As of FY23, offices covering approximately 90% of gross rentable area.

The EY Global Carbon Footprint has been developed and separately assessed by carbon accounting specialists in the EY Climate Change and Sustainability Services (CCaSS) team. Third-party assurance has been obtained over:

- ▶ GHG emissions
- ▶ GHG emissions intensity
- ▶ Energy consumption
- ▶ Total carbon credits retired

## Assessing net carbon emissions





# Diversity, equity and inclusiveness

As part of evaluating progress toward DE&I, the EY organization conducts an ongoing assessment over key metrics that are presented on a global level. A full breakdown of metrics reported externally can be found throughout this report, as well as outlined below.

| Metric   | Description and key definitions  |
|--|--|
| <b>Gender representation of total headcount, by role</b>   | <p><b>Headcount</b> is the distinct number of EY employees, excluding non-employees at the last month-end of the fiscal year. Examples of non-employees who are excluded from DE&amp;I metrics are contractors and interns. Partners are included in the total headcount.</p> <p>The EY organization reports gender at the time of hiring. At the global level, data is consolidated into three fields and only two are reported externally (women and men).</p> <p><b>Total people gender representation:</b><br/> <math>\text{Gender representation} = (\text{number of employees in specified gender} \div \text{headcount}) \times 100</math></p> <p><b>Gender representation of headcount of roles by gender:</b><br/> <math>\% \text{ of gender in role} = (\text{number of employees in specified gender in the role} \div \text{headcount in role}) \times 100</math></p> <p><b>Roles:</b> the people title status within the EY organization at the end of the fiscal year, further classified by service line (client serving vs. internal)</p> <p><b>Headcount at role:</b> The total number of people, excluding non-employees and interns, with the specific role at the end of the fiscal year within the service line</p> |
| <b>Leadership by gender including:</b>   | The makeup of appointed leadership bodies broken out by gender.  |
| <ul style="list-style-type: none"> <li>▶ The Global Executive (GE)</li> <li>▶ Regional Managing Partners (RMPs)</li> <li>▶ Industry sector leaders</li> <li>▶ Global Practice Group (GPG)</li> <li>▶ Global Governance Council</li> <li>▶ Global Client Service Partners (GCSPs)</li> <li>▶ Partners, Principals, Executive Directors and Directors (PPEDD) by region</li> </ul> | <ul style="list-style-type: none"> <li>▶ The GPG consists of the GE members; the Deputy Area Managing Partner (AMP) and the Talent, Markets, Risk and service line leaders for each Area; the RMPs; such other persons as the Global Chairperson, Chief Executive Officer, Global Managing Partner – Business Enablement, or the Global Managing Partner – Client Service shall determine from time to time.</li> <li>▶ GCSP – lead client service coordinators on the largest EY clients across the globe.</li> <li>▶ PPEDDS are the positional leadership role and are shown broken out by geographic management area and gender.</li> </ul>   |

| Metric  | Description and key definitions  |
|---|--|
| <b>Total Promotions</b>                                 | Total of people who have progressed in positional roles within the organization during the FY, noting that promotions are not the same as rank or grade changes. Promotions are people moving “up” (numerically lower) within their staff class. This is based on the day their role changed within HR, not based off the day it was announced.  |
| <b>Percentage of women among new partners/principal</b> | Number of women ÷ total number of employees announced as promoted to partner/principal at the close of the fiscal year   |
| <b>% of women among partners/principals by Area</b>     | <p>The number of women in the partner/principal position within each management Area.</p> <p><math>\% \text{ of women} = \text{number of partner/principal women in area} \div \text{total partners in the area}</math></p> <ul style="list-style-type: none"> <li>▶ Total partners is the total number of all partner/principals (not including announced promotions) within each respective Area</li> </ul>  |
| <b>Hiring data by gender and age</b>                    | <p>Reflects the number of individuals who have started new within the firm for the period. Excludes anyone who changed legal entities but rather is a new member to EY as whole. This number includes interns.</p> <p><b>By gender:</b><br/> <math>\text{Hires by gender} = (\text{total specific gender hires} \div \text{total number of hires in the 12 months}) \times 100</math></p> <p><b>By age:</b><br/> <math>\text{Hires by age} = (\text{total hires in the identified age range} \div \text{total number of hires in the 12 months}) \times 100</math></p> |

# Diversity, equity and inclusiveness

| Metric   | Description and key definitions  |
|--|--|
| <b>Attrition rate overall and by gender, and age</b> | <p><b>Overall:</b><br/>           Attrition rate = (Turnover ÷ Average headcount) x 100<br/>           Turnover = total separations for the past 12 months (excluding interns, employees identified as temporary or non-employee).<br/>           Average headcount = sum of total headcount per month of the year ÷ 12 months</p> <p><b>By gender:</b><br/>           Attrition rate by gender = (Gender turnover ÷ average gender headcount for gender over the past 12 months) x 100<br/>           Gender turnover= total separations for the specified gender over last 12 months<br/>           Average gender headcount = sum of gender headcount per month for the year ÷ 12 months</p> <p><b>By age:</b><br/>           Attrition rate by age = (number of separations in identified age range ÷ average gender headcount for the past 12 months) x 100</p> |
| <b>Headcount data by role and age</b>                | <p><b>Gender representation of headcount of roles by age:</b><br/>           % of EY people in specified age range in the role = (number of employees in specified age range at the role ÷ total headcount at role) x 100</p> <p><b>Roles:</b> the people title status within the EY organization at the end of the fiscal year, further classified by service line (client serving vs. internal).</p> <p><b>Headcount at role:</b> The total number of people, excluding non-employees, with the specific role at the end of the fiscal year within the service line.</p> <p>Administration roles is inclusive of multiple roles across the administration function, which support all service lines.</p>   |

**The metrics for which assurance has been obtained are below:**

- ▶ Total headcount, and gender representation
- ▶ Percentage of women among global PPEDDs
- ▶ Percentage of women among new partners
- ▶ Gender representation by rank
- ▶ Gender representation of attrition
- ▶ GPG gender representation



# Learning

At the EY organization we have two key channels for formal learning:

- ▶ EY Learning catalog: a list of courses available to EY people globally
- ▶ EY Badges: e-learning courses combined with on-the-job experiences enable employees to earn digital badges in a variety of future-focused skills (e.g., data visualization, data science and artificial intelligence, transformational leadership). The EY organization tracks the number of badges awarded globally annually and over the lifetime of the program. Learning hours for badges are included in total learning hours consumed.

SuccessFactors is the EY integrated global Talent platform where EY manages learning and provides other core HR services to employees. All EY training opportunities are offered within this platform. When a learning event is completed, it is tracked within the SuccessFactors Learning Management System (LMS). Key data inputs such as headcount and expenditures are required for the training metrics. CoreHR, a subset of SuccessFactors, is the employee-facing portal, where all HR data can be managed and maintained. Mercury is the EY time and expense tracking platform and is the source for expenditure data for training metrics. There is a culture of informal learning at the EY organization (for example, mentorship, sponsorship, events and teaming) that is likely not captured in EY systems.

EY global learning leaders align EY learning metrics to the [WEF guidance](#). Training metrics monitored at EY focus on:

- ▶ Learning hours presented in total hours delivered (completed) for the EY organization, as well as learning hours delivered per person.
- ▶ Learning expenditures consider the total investment in training, including travel for EY people and the direct spend on learning design, development and deployment of formal learning, which is learning courses and classes that are provided and tracked in SuccessFactors, (including EY Badges and degrees). Training expenditures are also reported per person.

**The metrics for which third-party assurance has been obtained are:**

- ▶ Total investment in training and average expenditures per person
- ▶ Total learning hours delivered and average hours of formal learning per person
- ▶ Average hours of formal learning per person
- ▶ Average hours of formal learning per gender

**Metrics utilized by management for business decision-making purposes include:**

| Metric   | Description and key definitions  |
|--|--|
| <b>Learning hours delivered</b>                                      | An aggregated total of all course hours consumed by EY individuals globally. Direct figure from Global Learning Dashboard, no calculations required.   |
| <b>Total direct investment in training (\$US)</b>                    | <p>Total direct expenditure per full time employee is derived from dividing the total direct investment expenditure by the number of employees total – this includes both client and non-client serving staff across all EY member firms and operations.</p> <p>Total direct investment in training includes Global and Region (all member firm) direct spend on learning design, development and deployment of formal learning for EY employees. Spend includes travel, badges and degrees. Spend does not include the cost of:</p> <ul style="list-style-type: none"> <li>▶ Learner’s time, which would conservatively be over US\$4 billion</li> <li>▶ Time spent by non-learning professionals on content design and facilitation, which is over 1.5 million additional hours of “opportunity cost”</li> <li>▶ Internal facilities used to deliver training</li> <li>▶ On-the-job coaching</li> <li>▶ Embedding self-help and educational material in our software tools used by EY client-serving staff</li> </ul> <p>The average spend per employee is a global measure. Individual amounts in specific countries and practice areas vary.</p> |
| <b>Average expenditure per person (including travel) (US\$)</b>      | <p>Total spend on learning divided by the average headcount.</p> <p>Note, average headcount is used to calculate all training metrics ‘per person’. This is calculated using the average number of employees over the course of the year; this includes interns but not contractors.</p>   |
| <b>Average hours of formal learning per person, per gender</b>       | Total hours delivered divided by the average headcount (defined above).  |
| <b>Average hours of formal learning per person according to rank</b> | Total consumed hours (per rank) [from the Global Learning Dashboard] divided by the average headcount.   |
| <b>Average hours of formal learning per person, per gender</b>       | Total consumed hours (per gender) divided by the average headcount.  |

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