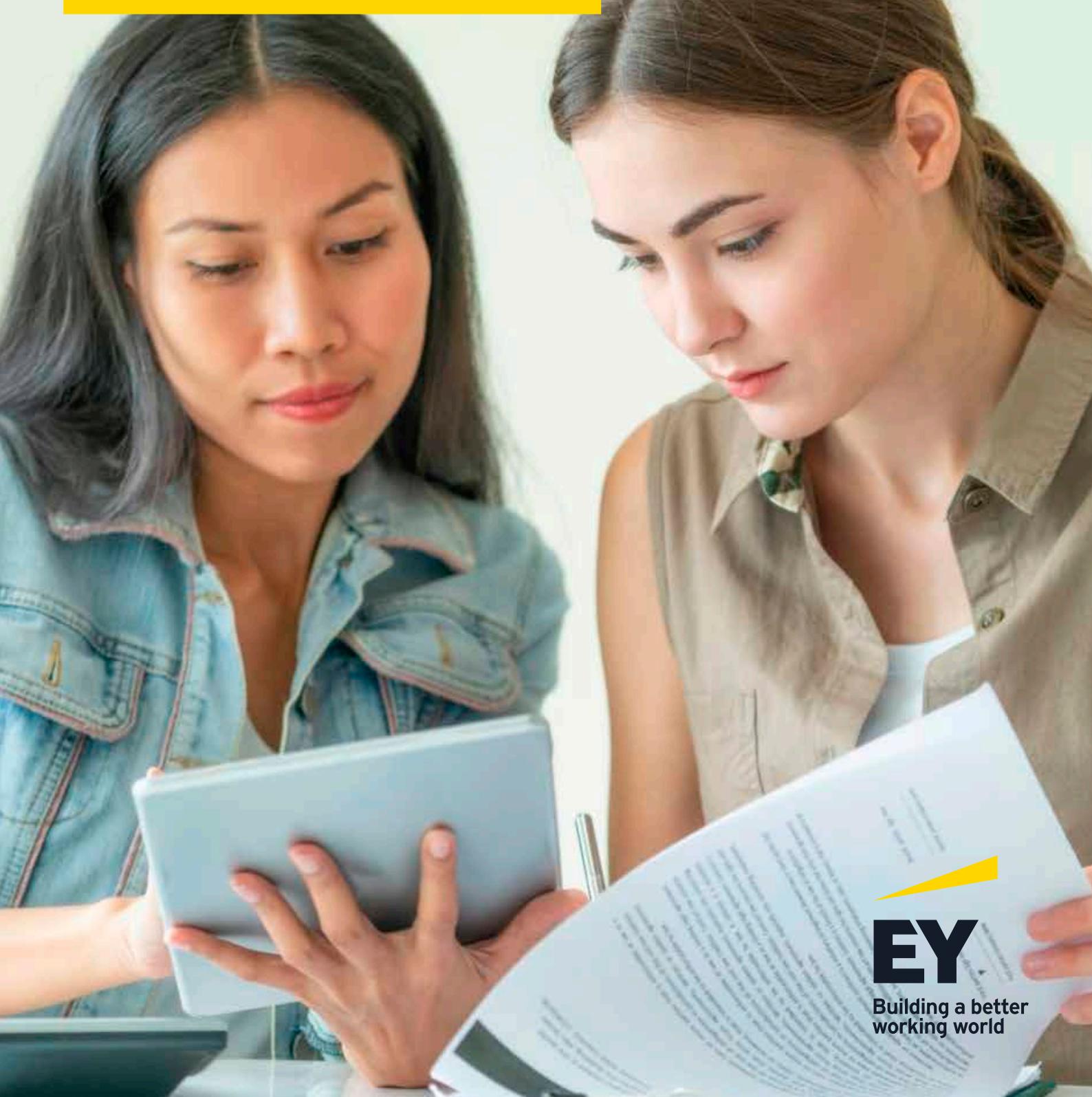


Pay Gap Report 2021





Delivering tangible results from tangible actions

Our current ambition

We are proud to have a clear commitment to diversity, equity and inclusiveness (DE&I). This commitment sits at the centre of our firm's global strategy, is built into the performance objectives for all Partners and people and extends to our client and supplier relationships.

We have 3 strategic priorities, activated by our team of DE&I professionals:

1. Creating a culture of Belonging

Our ambition and strong leadership commitment to DE&I is visible to our people.

At EY, Belonging is recognised as a cultural strength - with c80% report that 'they feel free to be themselves' at work. (UK Employee People Pulse Survey, 2021). We also have six employee networks that are organised and empowered to strengthen the employee voice.

2. Differential focus on Race and Gender

Through a differential focus on Race and Gender, female and ethnic minority partner representation has accelerated. We have closed many of the gaps that disadvantage our ethnic minority and female talent, particularly work allocation and year-end performance. This means diversity has increased at every level.

3. A strong, disruptive voice on DE&I

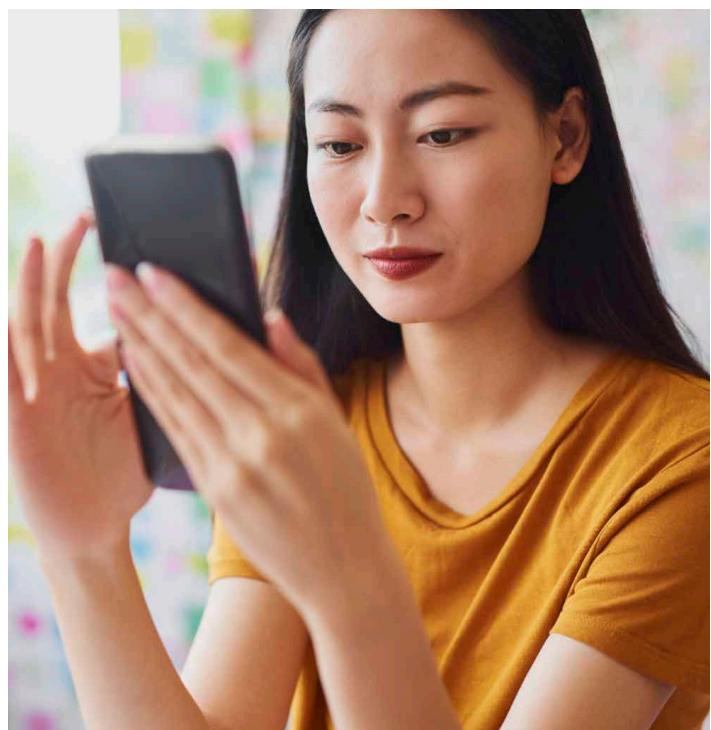
We are committed to the DE&I Board agenda via our support for the Parker Review. Our external voice is also strong on anti-racism and neurodiversity, giving us the opportunity to engage with clients to support their DE&I journeys.

We are founding members of the CBI Change the Race Ratio, the Black British Network and the Black Professionals Chapter (an employee-led group), and we signed the BITC Letter to the Prime Minister on Ethnicity Pay Gap Reporting and led the way on transparency by publishing our own pay gap data for all ethnicities. We have demonstrated our commitment to change by, sponsoring financially and in-kind the Cranfield University Women on Boards Annual Report.

Our voice has been strong on many other fronts, through our sponsorship of Student Pride, International Day Against Homophobia, Transphobia and Biphobia (IDAHOT) and as Purple Champions and International Day for People with Disabilities champions. We have featured in national and trade press on topics such as the menopause, religion at work and mental health.

4. We received the National Equality Standard (NES) re-accreditation, in 2021.

In 2020 over a number of months, the National Equality Standard audit scrutinised over 200 pieces of supporting documentation, interviewed around 70 partners and talked to over 250 employees to assess our DE&I progress. The NES assessment team commended our voluntary pay gap reporting on disability, ethnicity and sexual orientation, the focus and investment in creating a culture of equality, targeted talent attraction programmes, publicly stated anti-racism commitments and other bold external communications and our award winning employee networks.



Key headlines for 2021

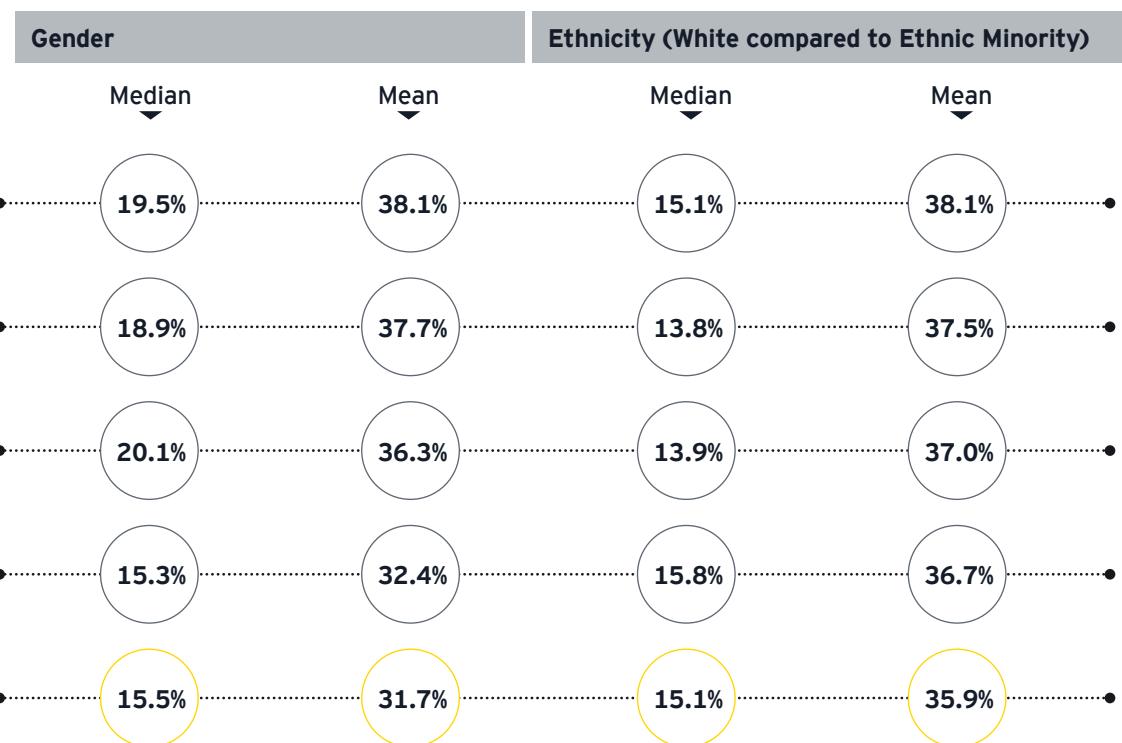
Several of our **pay gaps have narrowed this year**, although the change is incremental. We believe this is driven by the overall improvement in diverse representation at every level. At more senior levels, promotions happen annually and in smaller numbers meaning that representation in the most senior ranks – Director, Associate Partner and Partner – is slower to change than in more junior ranks. Therefore, while the increase in diversity at more junior levels is good news, it does mean that the pay gap persists.

The whole firm **gender pay gap continues to narrow** incrementally. We believe the persistance of this gap is largely driven by the slow change in representation of female partners. In 2021 32% of our new Partners were female, moving our representation from 23% to 24% of the UK partnership. **Our internal partner candidates are more diverse**, with c40% women in the Pathways to Partner programme. However, **our external hires to the Partnership in 2021 were majority male**. This was a particular concern as our fastest growth areas, and thus our biggest recruiters, are in the more traditionally male-heavy technology sector. We

are working with our suppliers to ensure candidates and slates are diverse and, going forward we will continue to be mindful of strategic acquisitions and hiring of Direct Admit Partners being in line with our DE&I commitments.

Of course, it is important to ensure that this diverse talent progresses at an equitable rate to all levels . We monitor this closely through an **analysis of all performance, progression and promotion outcomes**. The business is committed to understanding whether there are any unexplained differences in who gets rewarded and promoted and remedying those differences. For example, we have discovered differences in work allocation for ethnic minority talent at the most junior grades, meaning they were less likely to start their career with client work that set them up for success. The business implemented a regime of monthly scrutiny of work allocation, implementing tailored changes including anonymised selection for work and additional support for those taking exams. This closed the differences in almost all parts of the business.

The chart below show the trends of our Whole firm pay gaps for Ethnicity and Gender, from 2017 to 2021.



2021 Gender and ethnicity including the Black pay gap

Whole firm

Gender		
Pay Gap	2021	% Dif. to 2020
Median	15.5%	0.2% 
Mean	31.7%	-0.7% 

Ethnicity		
Pay Gap	2021	% Dif. to 2020
Median	15.1%	-0.7% 
Mean	35.9%	-0.8% 

Black and other ethnicities 2021					
Pay Gap	Black	Chinese	Asian	Mixed	Other
Median	20.6%	11.7%	15.1%	9.2%	-5.7%
Mean	47.7%	39.3%	36.3%	26.9%	-1.9%

At the time of calculation, 90.4% of our pay gap employees and partner population had disclosed their ethnicity.

Partners only

Gender		
Pay Gap	2021	% Dif. to 2020
Median	12.6%	-6.7% 
Mean	8.0%	-4.9% 

Ethnicity		
Pay Gap	2021	% Dif. to 2020
Median	25.3%	11.2% 
Mean	16.6%	1.6% 

At the time of calculation, 96.9% of our pay gap partner population had disclosed their ethnicity.

Employees only

Gender		
Pay Gap	2021	% Dif. to 2020
Median	10.4%	0.0%
Mean	14.5%	-0.8% 

Ethnicity		
Pay Gap	2021	% Dif. to 2020
Median	9.3%	-0.7% 
Mean	15.5%	-0.9% 

At the time of calculation, 90.1% of our pay gap employee population had disclosed their ethnicity.

Equal Pay is different from pay gap

It is important to note that EY monitors pay at all levels of the organisation and is firmly committed to equal pay, as set out in the Equality Act (2010). This ensures that a man or woman doing the same or a similar role is paid equally and is different from the pay gap.

pay gap will persist until there is equal or proportionate gender and ethnic minority* representation at every level and job role in our organisation.

We have published the pay gaps for all our ethnic minority populations in line with our strategic focus on both gender and race as part of our DE&I strategy. We recognise that the aim of pay gap reporting is to understand the make-up of our workforce and identify and overcome the barriers that may prevent our people from thriving. This is why EY has chosen to voluntarily publish its Black, Chinese, Asian, Mixed ethnicity, and other ethnic group pay gaps.

* At EY we have committed to refrain from using the BAME category as far as practically possible when we scrutinise the experience of our people in the UK Firm. Instead, we will use the UK census ethnicity categories, calling out Black and other representation, to seek to truly understand all our employees.

Statutory gender pay gap and ethnicity pay gap

Our full statutory Gender Pay Gap (GPG) figures are presented below, with the addition of our voluntary corresponding ethnicity pay gap figures. In-line with the statutory legislation, these statistics relate to employees only and do not include partners.

In January 2021, we launched a new staff recognition programme, Applause, which provides the opportunity for all employees to recognise and thank colleagues who demonstrate our values and behaviour during their daily working lives. This can be in various ways, from a simple 'Thank you' to awarding a small monetary award (on average £25) ensuring that all of our EY people feel valued and appreciated for their contributions.

Gender pay and bonus gap

Gender		
Pay Gap	2021	% Dif. to 2020
Median	10.4%	0.0%
Mean	14.5%	-0.8% ▼

Gender		
Bonus Gap	2021	% Dif. to 2020
Median	25.7%	-1.8% ▼
Mean	33.7%	-7.7% ▼

Percentage receiving a bonus figures to: 78.1% female and 72.9% male

Quartiles

2021	Female	Dif. in female since 2020	Male
Upper	38.6%	0.3% ▲	61.4%
Upper Middle	49.5%	0.9% ▲	50.5%
Lower Middle	52.8%	-0.5% ▼	47.2%
Lower	49.0%	0.0%	51.0%

The Applause Programme is separate from our performance-related annual bonus scheme, which permanent employees qualify for after six months' service and is based on a number of criteria such as the performance of the individual employee, their seniority, and the financial performance of the part of the business in which they work.

The inclusion of Applause awards impacts some of our bonus gap figures. For example, discounting Applause awards from our employee ethnicity median bonus gap would result in a gap of 31.3%, still a significant gap, but somewhat less than the 40.5% we have reported.

Ethnicity pay and bonus gap

Ethnicity		
Pay Gap	2021	% Dif. to 2020
Median	9.3%	-0.7% ▼
Mean	15.5%	-0.9% ▼

Ethnicity		
Bonus Gap	2021	% Dif. to 2020
Median	40.5%	13.0% ▲
Mean	34.2%	3.7 ▲

Percentage receiving a bonus: 70.6% ethnic minority and 77.7% White

Quartiles

2021	Ethnic Minority	Dif. in ethnic minority since 2020	White
Upper	25.1%	1.8% ▲	74.9%
Upper Middle	40.5%	1.0% ▲	59.5%
Lower Middle	44.5%	1.6% ▲	55.5%
Lower	34.2%	0.3% ▲	65.8%

Additional pay gaps

At EY we believe in promoting transparency and constantly push ourselves to do better, believing in upholding the spirit of legislation and not simply the letter. As such, we have made moves to explore our disability and sexual orientation pay gaps, with the recognition that we need to improve the rates of those declaring these demographics, and also our understanding of these terms and how people identify with them.

We are reporting whole firm figures for both Disability and Sexual Orientation in order to drive more transparency and measure progress.

Disability

Disability		
Pay Gap	2021	% Dif. to 2020
Median	-7.1%	-13.4% ▼
Mean	-4.2%	-9.8% ▼

At the time of calculation, 65.5% of our pay gap employee and partner population has answered the question regarding their disability.

Sexual orientation

Sexual orientation		
Pay Gap	2021	% Dif. to 2020
Median	2.7%	4.1% ▲
Mean	13.1%	3.1% ▲

At the time of calculation, 60.8% of our pay gap employee and partner population has answered the question regarding their disability.

Gender identity is a separate question of identity to sexual orientation and so is not included in these calculations.



Actions we are taking to close our other pay gaps

Disability Pay Gap

Currently, our Pay Gap reports on those who consider themselves to have a disability or long-term condition (physical or mental). At EY, we seek to better understand and take action to recognise different abilities and achieve equitable outcomes.

Actions on driving awareness of disabilities, both visible or invisible, and neurodiversity:

1. EY UK is proud of our partnerships with external organisations working to transform the lived experiences of people with disabilities. We have a longstanding partnership with **WhizzKidz**, supporting young wheelchair users; and **50 Million Voices**, supporting individuals who stammer. We are members of **Purple Space** and for the last several years have participated in the #PurpleLightUp campaign to mark International Day of Persons with Disabilities, highlighting our commitment to disability inclusion. Globally EY is a signatory of the **Valuable 500** and our Global Chairman and CEO, Carmine di Sibio, is one of the '**Iconic 13'** influential business leaders. We are partners of the **Business Disability Forum**.
2. We have a thriving **AbilityEY Network** with eight Communities representing hearing, long-term health, mental health, mobility, neurodiversity, stammering and visual. The Network helps promote understanding of lived experience; and prioritise improvements including ease of workplace adjustments and accessible communications.
3. We are committed to creating an inclusive environment for individuals that identify as neurodivergent and recognise that creating a culture with a mix of thinking styles is crucial to business success. A recent internal comms campaign showcased the broad range of lived experiences of neurodiverse colleagues to further open up this

conversation and we are committed to doing more in this space. Following a number of pilots in the US, this financial year EY UK launched the Neurodiversity Centre of Excellence located in Manchester, focussing on Technology Innovation.

4. We recognise that there is more to do to advance disability inclusion in the workplace and to create an environment in which all individuals, irrespective of their disability or long-term health condition, can thrive. We are committed to getting this right.

Sexual Orientation Pay Gap

Actions on driving LGBT+ inclusion

1. EY is proud that we continue to champion and support the LGBT+ community around the world and advance LGBT+ inclusion through Unity, EY's LGBT+ network and through activities in our internal Service Lines.
2. This year we are listed in the Top 100 employers in the Stonewall Workplace Equality Index and received a Gold Award. Our gender-neutral parenting policies were highlighted, as were our manager guidelines on supporting transitioning employees.
3. Our unity network has had a focus on intersectionality, allyship and increasing the visibility of Bi+ and Trans & non-binary communities.
4. We continue globally to celebrate Pride, LGBT+ History Month and raise awareness and stand in solidarity on International Day Against Homophobia, Biphobia and Transphobia.
5. We have collaborated externally on cross-industry events to discuss issues affecting the LGBT+ community and to serve as an example to EY clients and other organisations who are looking to increase their LGBT+ inclusion.

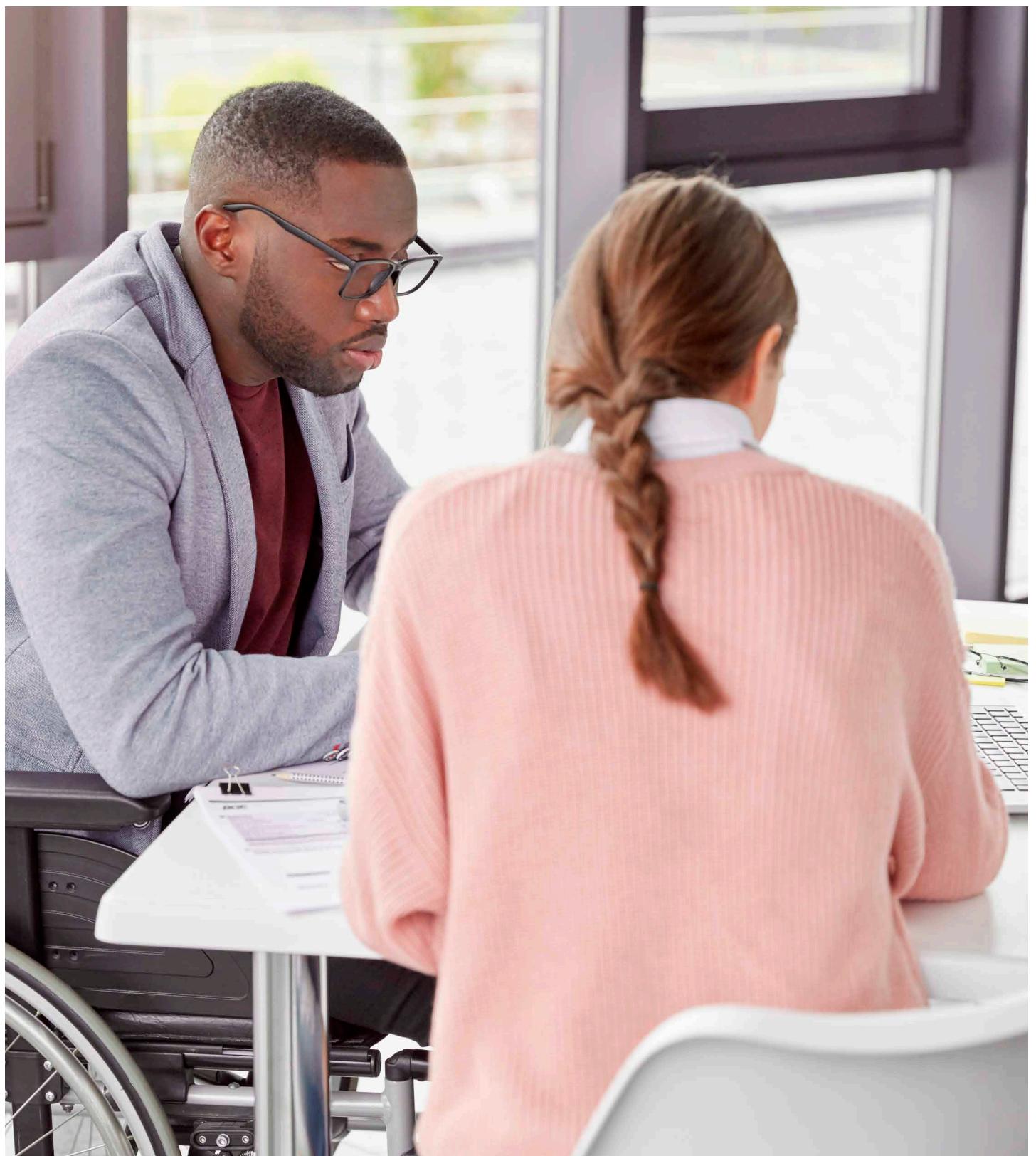
Declaration

I confirm this report is an accurate statement of our pay gaps and meets the statutory requirements.

Justine Campbell

Justine Campbell

EY UK&I Managing Partner for Talent



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