

A hand holding a glowing lightbulb in a field at sunset. The background is a soft-focus field of tall grass with a warm, golden light from the setting sun. A yellow banner is overlaid on the left side of the image.

Transparency Report 2023

Ernst & Young Accountants LLP



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Message from our leaders



Patrick Gabriëls

Chair of the board of directors

Ernst & Young Accountants LLP

Our quality driven by our people

Our people are the foundation of our high-quality services. To continuously deliver consistently high-quality services, the well-being, vitality and development of our people are our key priorities. Therefore, we do our utmost to offer our people all possibilities and opportunities so that we are able to reach our goal of delivering long-term value to clients, people and society together.

Two years ago, we started our NextWave Strategy to achieve that goal. To help us in this process, we created four change programs: 'Exceptional Experience', 'Transformative Leadership', 'Trust Re-invented' and 'Assurance Transformation'. These four change programs enable us to prioritize our core objective of delivering high-quality services. High-quality services build trust and confidence in capital markets and economies. The execution of high-quality audit services with independence, integrity, objectivity, and professional skepticism is central to serving the public interest. Our change programs will continue to guide us and ultimately, lead us to our commitment of Building a better working world.

The fiscal year 2022/2023 results of several quality reviews and indicators are stable at a very high level, showing that the four change programs contribute to our aim to deliver high quality services. As a result, we will continue with the programs for the next years and keep developing them so that the quality of our service is at a consistently high level.

Our quality culture

At Ernst & Young Accountants LLP (hereafter: EYA), the core of our business is our people. The knowledge, skills and experience that our people bring, are key factors in our top-quality service. Fundamentally, our people determine the success of our organization. Our shared values play a key role in our success. Integrity, respect, teaming and inclusiveness are our assets. Every day, our people serve our clients with these assets, but also with enthusiasm and energy, building lifelong relationships.

Quality is not only driven by technical aspects, but also by actions and behavior. Our culture contributes to a sustainable audit quality. During the spring of 2023 the integrity of audit professionals was questioned due to signals of exam cheating within the sector nationally and internationally and as a result, our culture was questioned. We started an internal assessment regarding exam cheating, to evaluate how this affects us and our values, as we take this matter very seriously. While the investigation is ongoing and there are no results to report yet, we remain committed to strengthening our values and stimulating the right behavior. Through our NextWave Strategy, Code of Conduct and our change program 'Transformative Leadership', we are able to embrace our values, strengthen our professional skepticism and develop our learning-oriented culture.

As a learning organization, we encourage our people to learn from each other. We can only stay successful when we take accountability for both the

EY purpose: *Building a better working world*

The EY organization is committed to doing its part in building a better working world.

The audits delivered by EY people help build trust and confidence in business and the capital markets. EY auditors serve the public interest by delivering high-quality, analytics-driven audits with independence, integrity, objectivity and professional skepticism. In so doing, the EY organization helps create sustainable, long-term value for stakeholders.

successes and mistakes with a growth mindset. To grow, personally and collectively, we need to be aware of our behavior and actions. To be a Better me, to create a Better us and together to build a better working world. Feeling safe to openly discuss what went well and what not, is essential. By speaking up, we live up to our values. Only then, we learn more about our organization's culture. To get more insight into our culture, we started the NL Assurance Culture Survey, which will help us to continue to build an inclusive environment where we can speak up.

The well-being of our people is top priority and of great importance for our quality. To have a good balance between work, personal development and private life, we have launched several initiatives within our change program 'Exceptional Experience'. Flexibility and autonomy play a critical role in our work. By giving our people the possibility to take ownership of their career, we are able to grow on a personal level as well as with(in) our organization, improving our audit quality even more. Transparency in what we can expect from one another is the key. We will communicate all the possibilities and opportunities clearly, such as trainings, coaching, indirect roles and more. Several Diversity, Equity and Inclusiveness programs can be joined so that our people really be their best personal self. In this way, we create a sustainable work environment where our people can develop and really be themselves.

Delivering high-quality services in the future

The world is rapidly changing and so does our work. However, our goal of delivering value and high-quality services remains the same. To achieve this goal, we have updated our system of quality management as instructed by our global firm and initiated by the new ISQM 1. Our agile way of working helps us to react to changing environments in an efficient way. The digital landscape is evolving quickly, giving us a lot of opportunities to operate better and more efficient in time. Continuously striving to improve processes to deliver services with quality of a consistently high level and improving our well-being, we work smarter with digitalization. Will AI make our work easier? Probably, in the future. With our change program "Assurance Transformation", we are currently exploring those options in the world of AI. When it comes to innovation, we are continuously working on ways to make our audit smoother and more efficient. With our Service Delivery Model (SDM) we are automating, centralizing, and standardizing our audit procedures. We will continue to optimize the model so that it supports our quality.

As auditors, we have a gatekeeper's role regarding fraud. Greenwashing, cybercrime, phishing and more sorts of fraud harm our people, clients and society. Detecting and following-up on the risks of fraud is an important part of our job. In line with the position paper of the Dutch Authority of Financial Markets (AFM), we are committed to bring more awareness to this theme. Not only to our people, but also to our clients and society. That is the reason why we started our Focus op Fraude webinars last year in which specialists talk about trends, developments and challenges regarding fraud. In addition, several trainings are followed by our people. We will continue with these initiatives in order to retain our high-quality services.

The relationship we build with our clients contributes to our quality. Serving our clients is more than the auditor's role and assurance services. With our work, we also contribute to our clients' purpose and long-term value. Trust and confidence are the most important attributes in this relationship. The "Trust Re-invented" change program enables us to look beyond our audits and help our clients move forward on every level. By connecting with each other, within teams, regions, and sub-service lines, we can combine our strengths and work together to serve our clients in the best way possible. Especially in the area of environmental, social and governance (ESG) reporting there are significant changes for companies, society and the auditor's role. To ensure our high-quality services, the co-operation in and between financial and sustainability reporting is essential. We are preparing our people thoroughly for the implementation of Corporate Sustainability Reporting Directive (CSRD). At our Executive Learning Event and the impACT week, there were several trainings regarding ESG reporting. Also, the newly introduced ESG Taskforce will prepare our people and we already perform assurance procedures based on our EY Sustainability Assurance Methodology (EY SAM). The EY SAM ensures high quality assurance on sustainability information. Our Climate Change and Sustainability Services (CCaSS) professionals are specialized in ESG reporting and will continue to support our audit professionals in this process so that we continue delivering high quality in the changing landscape.

Stakeholder dialogue

Our stakeholders are fundamental to sustaining our quality. As a result, we participate in an open dialogue and communicate transparently with our stakeholders. We are in close contact with, for instance, the AFM, the Quatermasters Future Accountancy sector and Royal Netherlands Institute of Chartered Accountants (NBA). We participate in various NBA working groups and are part of the NBA 'Stuurgroep Publiek Belang' that drives continuous improvement in the audit sector. In addition, we communicate with various other stakeholders, ranging from preparers of reporting to users of reporting and policymakers. We do so with a variety of instruments, including one-on-one meetings and attending or hosting events. Examples include round tables with analysts and investors or supervisory board members and our Tomorrow's Economy sessions. This way, we can continue to respond to the changing demands of society and other stakeholders, further improve our level of quality, as well as contribute to the public debate and share our knowledge and expertise.

Quality objectives and performances

Our 'NextWave ideology and stakeholder input resulted in the following quality objectives:

- compliance of all engagements and our system of quality control with relevant laws and regulations.
- a rating of 1 (no or minor findings) for at least 85% of statutory audit engagements and 80% of other NVKS engagements in our internal quality assessments over FY23, increasing to 90% over FY25.
- no material weakness in our quality management system.

Our quality objectives represent realistic and achievable goals that we set as a minimum on the organizational, process and engagement levels. Although we strive to exceed these objectives in practice, we want to establish an open and safe culture in which we can collectively acknowledge how we can improve and

thus learn from the findings and keep improving. If we do not meet one or more of the above targets, we investigate the reasons why and address them.

We have met our goals regarding the internal quality evaluation (AQRs) for audit engagements as 95% of the audit files examined achieved a rating of 1 (previous year 97%). As part of the 2022/2023 AQR process, 5 non-audit engagements were assessed (of which all engagements received a rating of 1). For other NVKS engagements 89% of the examined engagements achieved a rating of 11 (previous year 67%). We have evaluated the outcome of engagements with findings and conclude that these do not impact our overall evaluation of the system of quality management.

After fiscal year 2022/2023 ended, we evaluated the overall system of quality management. Based on our evaluation of the quality management system, we did not identify material weaknesses in the fiscal year 2022/2023.

We are pleased to see that the AFM has decided that their increased monitoring on our signal and incident management system is no longer required based on our "Signals and Incidents 2.0" project and the improvements we have made in our signal and incident management system.

Lastly, although we did not continue with project Everest, we learned a lot and it brought us valuable insights that we can apply in our business to bring our services to a next level. FY23 was an excellent year for which I would like to thank all our people for their efforts and teamwork. I am proud to be part of our EY team and I am excited to see what the future will bring.

Rotterdam, 25 October 2023

Board of Directors Ernst & Young Accountants LLP

Patrick Gabriëls (Chair)

¹ These are engagements FY22 as we perform our internal reviews on NVKS engagement in October of every year. FY23 reviews will be finalized in October 2023



Statement of the Board of Directors

The policymakers confirm their responsibility for designing and maintaining the internal quality control system. This system, as described in this Transparency Report, aims to provide reasonable assurance that EYA and its personnel are fulfilling their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and engagements are being conducted in accordance with such standards and requirements and that Reports being issues by EYA and Partners in Charge are appropriate in the circumstances. As set out in this report, EYA has evaluated and further improved the internal quality management system over the last year taking into account EY Global SQM Baseline which is based on ISQM1.

Continuous quality improvement is part of our *Next Wave* strategy within the existing organization, and we will continue to strive for improvement.

The Transparency Report was discussed and adopted in the meeting of the Board of Directors on 25 October 2023. We discussed and evaluated our system of quality management in our meeting on 18 October 2023.

Based on our evaluation, the policymakers confirm the following:

- ▶ As of 30 June 2023 the System of Quality Management provides reasonable assurance that the objectives of the system of quality management are being achieved;
- ▶ An internal review of compliance with independence regulations has been conducted;
- ▶ An effective policy concerning the continuing education of our statutory auditors and other professional staff is in place.

Rotterdam, 25 October 2023

Patrick Gabriëls (Chair)

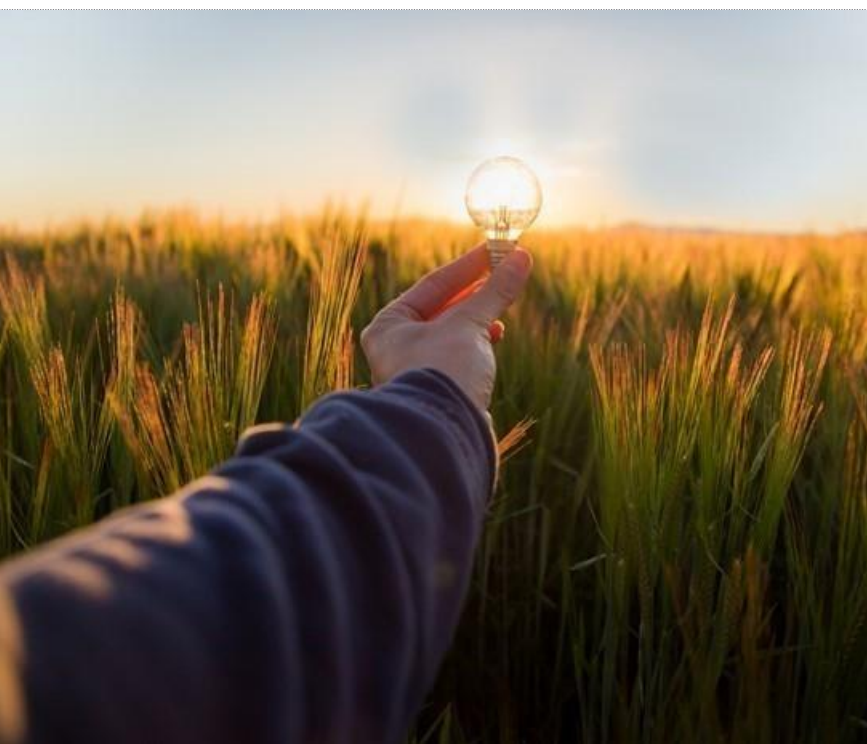
Auke de Bos

Tom de Kuijper

Hanneke Overbeek - Goeseije

André Wijnsma





Report of the Supervisory Board



Introduction

In the 12 months under review, we carried out our core duties and responsibilities, monitoring the Board of Ernst & Young Accountants LLP (EYA) alongside the supervision of service delivery, organizational status, and the quality of audit services by EYA in the Netherlands.

During this year the EYA Board had to respond to a series of events, both internal and external; the aftermath of the corona pandemic and the ongoing brutal war in Ukraine, causing suffering to and displacement of countless millions of people. And when the catastrophic earthquakes struck in Turkey and Syria, the devastating impact of all three events was felt not only in human terms but throughout the global economy.

At the same time, events in the Netherlands affected the resilience of EY clients and employees too. We oversaw the way in which the EYA Board addressed the impact on our stakeholders of surging inflation and rising prices against the backdrop of issues like the housing shortage, nitrogen emissions, carbon footprint and climate change.

Project Everest played a significant role throughout much of the year. The objective of this proposed global restructuring of the EY organization was to address the changing needs of clients, the industry, and other stakeholders by separating the EY businesses into two distinct, multidisciplinary organizations. We were intrinsically involved in the proposed governance and organization of this compelling yet complex initiative at EY in the Netherlands, right up until 11 April 2023 when the Global Executive of EYG decided to stop work on Project Everest and to continue to focus on providing exceptional service to clients as one single integrated organization.



Continued monitoring of View on Supervision

As the Supervisory Board (SB) of EYA, we continued to base our view on supervision on four multiyear focus areas related to EY's principles and priorities. We watched over the effort to promote good governance at EYA. We monitored the public interest function of EYA and long-term value creation of the entire EY NL firm. We supervised the quality policy, risk management and ethical and controlled management of EYA in conjunction with EY NL. And we oversaw the way the EYA Board expressed their care for people, development, culture, and behavior including attention to diversity and inclusiveness.



Meetings and assessments

In addition to meetings with the Board of Directors of EY NL we held five formal meetings with the Board of EYA, discussing key performance indicators with the help of recurring business updates and the draft annual Transparency Report fiscal year 2021/2022 published in October 2022. Given the media attention relating exam cheating, EY Netherlands started a project to investigate whether exam cheating happened in the past and to make sure that appropriate measures are in place to prevent exam cheating in the future. Given the importance of the project the Supervisory Board of EYA initiated the project with support of the board of directors. We expect the outcome of this investigation and possible actions by the end of 2023

All members of the SB attended these meetings with the EYA Board, with no member being frequently absent.



Other focus areas during 2022/2023

The SB convened six times during 2022-2023. We were closely involved in the selection and assessment process that ultimately led to Mazars being appointed as new external accountant for EY in the Netherlands. And we selected and appointed two new members of our Board as two long-serving supervisory directors reached the end of their second term and were ineligible for reappointment. We will comment on this transition in the Composition paragraph.

We held individual performance evaluation interviews with the BoD and EYA Board, assessments during which the quality imperative was the guiding criterion when setting and monitoring the targets upon which we base executive remuneration. We monitored the evaluation of both the quality policy and the quality system itself. We watched over the process of audit firm rotation – since 2016 all Public Interest Entities must select a new auditor at least once a decade. And we closely followed trends and developments that are defining the future course of the accountancy sector, both in the Netherlands and broad.

We focused on the audit plan and subsequent Management Letter and Board Report in our discussions with the external auditor. The chair of our Talent & Remuneration Committee was in regular contact with the Works Council on behalf of our Board. We oversaw the handling of incident notifications and initiated formal contact with the

AFM to discuss progress in the final phase of the Signals & Incidents Project.

As Supervisory Board members, we participated in a range of EY-related internal and external events and paid significant attention to a wide-ranging stakeholder base, keeping in contact with representatives of EMEIA, Europe West, Executive Board members, partners and Young Professionals as well as external stakeholders including the AFM.

On 22 June 2023, we reviewed our own performance as a Board and as individual members. The profile and composition of the SB EYA were recurring annual topics for review, particularly in this financial year during which the term of two of our members expired and successors were sought.



Duties and powers

The duties and powers of the SB are set forth in the Charter of the Supervisory Board of Ernst & Young Accountants LLP (SB EYA), as adopted on 24 September 2021. Last year, there were no changes to the SB's duties and powers. The personal union formed by the SB EY NL and SB EYA means that the members of both corporate bodies mirror one another.



Composition Supervisory Board and Committees

The SB is composed in such a way that a combination of competencies, expertise, experience, professionalism, and background – as well as diversity with respect to personality, age, and gender – enables us to fulfil this role. Internally, the SB actively promotes propriety, independence, transparency, and fitness. Externally, we monitor the “tone at the top.”

Two positions on our Board became vacant last year. Our chair, Pauline van der Meer Mohr, and SB member Monique Maarsen, both reached the end of their second terms on 30 June 2023 and were ineligible for reappointment. To avoid two Board vacancies on the same day, Pauline stepped down six months earlier, on 31 December 2022, and was succeeded as chair by thenvice chair Richard van Zwol and as Board member by Lineke Sneller on 13 April 2023. Monique Maarsen was succeeded by Yasemin Tümer on 1 July 2023..

We would like to express our sincere appreciation and gratitude to Pauline and Monique for their outstanding contribution to our Board over the last eight years and wish them well in the future. We would also like to welcome Lineke and Yasemin on board.

We outline how we have organized our supervisory duties in the figure below.

As per 20 October 2023, the SB consists of four independent members and one non-independent member and is fully in line with the SB profile. The SB consists of members in the figure below.

	Date of initial appointment	Term	End of current term	Eligible for reappointment at step-down date?	Public Interest Committee	Assurance Quality Committee	Audit & Risk Committee	Talent & Remuneration Committee
Richard van Zwol, Chair	1-2-2021	1	31-1-2025	Yes	Chair	Member	-	Member
Tanja Nagel, vice-chair	1-9-2017	2	31-8-2025	No	-	Chair	Member	Member
Lineke Sneller	13-4-2023	1	12-4-2027	Yes	Member	Member	Chair	-
Yasemin Tümer	1-7-2023	1	30-6-2027	Yes	Member	-	-	Chair
Patrick Rottiers ¹	12-11-2018	2	11-11-2026	No	-	-	Member	-

¹ Patrick Rottiers is the non-independent member.



Committees

Audit & Risk Committee

Monitoring the professionalization of operational management, quality compliance and risk assessment were the key focus areas in 2022/2023 for the Audit & Risk Committee (ARC). The ARC was closely involved in the selection of EY's new external accountant, Mazars, with whom the ARC subsequently reviewed the draft financial statements and discussed the Management Letter and Board Report. Another key focus area for the ARC was monitoring the aftercare of the implementation of Mercury, the new financial platform. This committee assisted the Supervisory Board in fulfilling its responsibilities for the supervision of periodic reports by the second line (AML Office, Data Protection Office, Independence, and Risk Management) and the third line (Internal Audit). The ARC discussed various research reports regarding, amongst others, the implementation of the ISQM1 based EY Global SQM Baseline, In Control, the development of financial results and the business plan for 2023/2024.

Eight meetings were held in the year under review.

Talent & Remuneration Committee

As part of its supervisory tasks, the Talent & Remuneration Committee (TRC) held performance reviews with the EYA Board before determining executive remuneration. The TRC oversaw a carefully planned cycle of training, development, and assessment as part of the leadership transformation program. Crucial to success in this endeavor was taking measures to safeguard an optimal work-life balance for the EYA Board in a dynamic professional environment. This committee monitored the execution of the annual Talent Plan, that promotes recruitment and retention of highly qualified employees, and their experience as measured by the People Pulse program. The TRC supervised the launch of the Speak Up campaign, encouraging employees to raise issues of interest and concern. The chairs of the SB and TRC, working with executive search firms, took the lead in the succession process for its two departing members.

The TRC gathered four times last year.

Assurance Quality Committee

In the year under review, the Assurance Quality Committee (AQC) focused primarily on the quality of assurance services to clients. A key focal area was ongoing supervision of the Signals & Incidents 2.0

project, overseeing progress during the final phase and closing of this project. This committee continued to assess the Quality Review and implementation of the Quality Policy as part of its responsibility for advising on and monitoring audit quality. Another focal area was ongoing supervision of the progress of the NextWave transition from an audit quality perspective in the organization.

The AQC held four meetings in the year under review.

Public Interest Committee

Diversity, sustainability, and social inclusiveness were at the heart of the Public Interest Committee's agenda last year. The Public Interest Committee organized two workshops to discuss socio-economic trends in the Netherlands as well as geopolitical developments. This committee reviewed the intensification and ongoing implementation of the stakeholder dialogue, monitoring adherence to the associated annual plan. The Public Interest Committee continued to oversee implementation of the new media campaign and sponsoring policy focused on sport, particularly the increasingly popular sport of padel, as well as the art and culture sectors in the Netherlands.

The Public Interest Committee held three meetings and the two workshops in the year under review.



Independence

The duties and powers of the SB determine the position of its members, under the prevailing independence rules. As described in its charters, Independence in both fact and appearance is required. The Independence Officer of EY NL monitors both the personal and financial independence of SB members. As set forth above, all SB members except one qualify as independent in accordance with the regulations. No decisions were rendered by the SB in which conflicts of interest occurred in compliance with the relevant articles of its charters.



Training

SB members took part in internal and external training sessions, both face-to-face and online.



Transparency report

Together with EYA policymakers, we reviewed the content of this 2022-2023 Transparency Report. We believe that the developing tone and text of this report is in line with our observations during the past year. We are satisfied that it is representative of the way the EYA Board has embedded a broad range of socially relevant topics related to organizational quality.



Outlook

Now that Project Everest has been terminated, EY NL has considered the lessons learned from this proposed initiative and continues to do what it has done for 140 years; driving long-term value creation for our people and businesses while safeguarding the interests of clients, employees, and communities in the markets in which we operate.

Our View on Supervision 2021+ remains the guiding principle for the SB going forward. We have incorporated our vision in an annual calendar for meetings and other activities, its agenda deriving from the priorities as outlined earlier as well as topics we are obliged to discuss related to laws, regulations, and corporate governance.

We would like to thank the EYA Board and all partners and employees for their dedication to clients, their flexibility and agility throughout a tempestuous year and for their unwavering commitment to our stakeholders.

Richard van Zwol, Tanja Nagel, Lineke Sneller,
Yasemin Tümer, Patrick Rottiers



About us

About us



Legal structure, ownership and governance

Ernst & Young Accountants LLP (EYA) is an audit firm operating in the Netherlands and is a member firm of Ernst & Young Global Limited, a UK company limited by guarantee (EYG). In this report, we refer to ourselves as “EYA” “we,” “us” or “our.” EY refers collectively to the global organization of the member firms of EYG.

EYG member firms are grouped into three geographic Areas: Americas; Asia-Pacific; and Europe, Middle East, India and Africa (EMEIA). The Areas comprise multiple Regions. Regions are groupings of member firms (and in the case of US within that member firm) along geographical lines with the exception of the Financial Services Organization (FSO) Regions, which comprise the financial services activities of the relevant member firms within an Area.

Our activities in the Netherlands are part of the EMEIA Area, which comprises EYG member firms in 92 countries. Within the EMEIA Area, there are eight Regions. EY member firms in the Netherlands (referred to as EY Netherlands) are part of the Europe West Region and of the FSO Region. In this Transparency Report, we report all activities of EYA, including Financial Services with respect to assurance in the Netherlands.

Ernst & Young (EMEIA) Limited (EMEIA Limited), an English company limited by guarantee, is the principal coordinating entity for the EYG member firms in the EMEIA Area. EMEIA Limited facilitates the coordination of these firms and cooperation between them, but it does not control them. EMEIA Limited is a member firm of EYG, has no financial operations and does not provide any professional services.

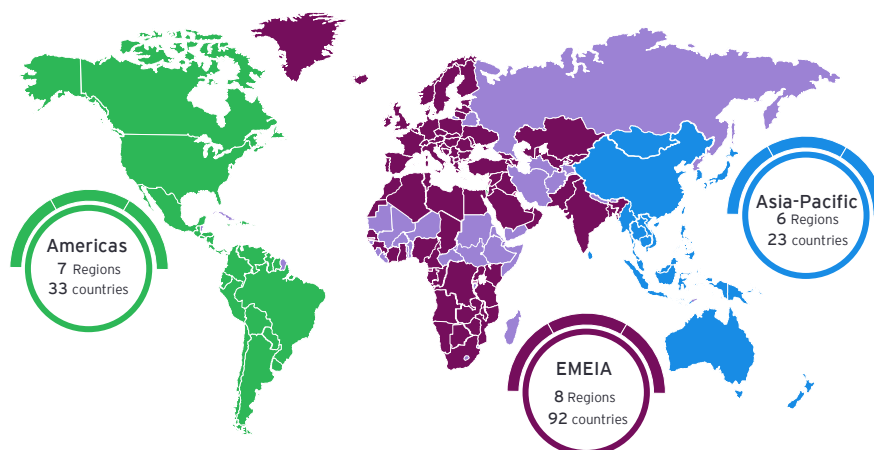
Each Region elects a Regional Partner Forum (RPF), whose representatives advise and act as a sounding board to Regional leadership. The partner elected as Presiding Partner of the RPF also serves as the Region's representative on the Global Governance Council (see page 17).

In Europe, there is a holding entity, EY Europe SRL (EY Europe). EY Europe is a Limited Liability Cooperative Company (SRL or BV) incorporated in Belgium. It is an audit firm registered with the Institut des Reviseurs d'Entreprises (IRE-IBR) in Belgium, but it does not carry out audits or provide any professional services.

To the extent permitted by local legal and regulatory requirements, EY Europe has acquired or will acquire voting control of the EYG member firms operating in Europe. EY Europe is a member firm of EYG. EY Europe acquired voting control of Ernst & Young Nederland LLP (EY NL) as of 29 March 2019 and therefore maintains indirect control over our firm.

The board of directors of EY Europe is made up of senior partners of EYG member firms in Europe. It has authority and accountability for strategy execution and management of EY Europe.

EY Areas, Regions and countries*

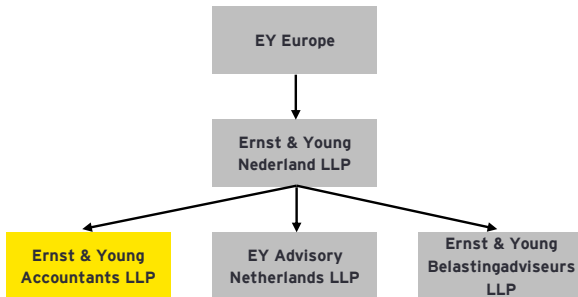


*Figures are as of 1 July 2023



Ownership

Our firm is owned by the private practice companies of our partners in the Netherlands (“members”). Apart from holding a stake in EYA, our members also co-own EY NL, together with the members of Ernst & Young Belastingadviseurs LLP and the members of EY Advisory Netherlands LLP.



Organization

The network of EYA operates from 12 offices in the Netherlands and comprises:

- ▶ Ernst & Young Nederland LLP
- ▶ Ernst & Young Belastingadviseurs LLP - tax services
- ▶ EY Advisory Netherlands LLP - Consulting, Strategy and Transactions
- ▶ Ernst & Young Actuarissen B.V. - actuarial services
- ▶ Ernst & Young CertifyPoint B.V. - independent and impartial certification
- ▶ Ernst & Young VAT Rep B.V. - VAT representation
- ▶ CFORS B.V. - development of software solutions for banks and insurers, enabling them to comply with new reporting standards, such as Solvency II, CRD IV and IFRS 17
- ▶ EY Montesquieu Finance B.V. - advice regarding finance
- ▶ EY-Parthenon B.V. - strategy consulting
- ▶ EY VODW B.V. - strategic marketing, client-focused innovation and digital transformation

Ernst & Young Belastingadviseurs LLP has a strategic alliance with HVG Law LLP. HVG Law LLP is not part of the network of EYA.

EY NL coordinates and facilitates EY's activities in the Netherlands, but does not provide services to external clients. The economic profits of EYA are distributed among the partners through EY NL.



Governance in the Netherlands

EY NL is governed by a Board of Directors appointed by EY Europe following a binding nomination of the Supervisory Board. During the fiscal year 2022/2023, Jeroen Davidson (Chair, Country Managing Partner in the Netherlands), Patrick Gabriëls (Chair of EYA), Danny Oosterhoff (Chair of Ernst & Young Belastingadviseurs LLP), Stephan Lauers (Chair of EY Advisory Netherlands LLP) and Saskia van der Zande (Talent Leader & CBS Board Member) were Board members.



Governance of the Audit Firm

The Board of Directors of EYA is responsible for the reputational, financial and commercial standing of our firm as cornerstones of its sustainable success. Appointment procedures, time in office and other relevant personal details of members of the Board are published on our website.

The Board manages our firm's operational and financial effectiveness, its compliance with laws, local and international professional standards and audit regulations, the implementation of our assurance strategy, methodology and tools, and the sufficiency of our resources.

The members of the Board of Directors of EYA are appointed by EY NL following a binding nomination of the Supervisory Board (EYA). During the fiscal year 2022/2023 Patrick Gabriëls (Chair), André Wijnsma (Markets), Hanneke Overbeek (Talent), Auke de Bos (Professional Practice Director) and Tom de Kuijper (Operations & Innovation) were Board members.



Policymakers and Co-Policymakers

On 20 October 2023, the following persons are the policymakers and co-policymakers (*beleidsbepalers* and *medebeleidsbepalers*) at EYA.

Policymakers:

- ▶ The current five members of the Board of EYA mentioned above
- ▶ Jeroen Davidson, Chair of the Board of Directors of Ernst & Young Nederland LLP
- ▶ Danny Oosterhoff, member of the Board of Directors of Ernst & Young Nederland LLP
- ▶ Stephan Lauers, member of the Board of Directors of Ernst & Young Nederland LLP

- ▶ Saskia van der Zande, member of the Board of Directors of Ernst & Young Nederland LLP

Co-policymakers:

- ▶ Julie Teigland, EY's Managing Partner Europe
- ▶ Marcel van Loo, Regional Managing Partner Europe West
- ▶ Peter Wollmert, Assurance Leader Europe
- ▶ Bernard Heller, Professional Practice Director Europe
- ▶ Jean Roch Varon, Assurance Leader Europe West
- ▶ The five members of the Supervisory Board mentioned below



Our Supervisory Board in the Netherlands

The task and responsibility of the Supervisory Board of EYA ("SB EYA") is to supervise (the policy of) the day-to-day policymakers and the general course of affairs concerning EYA and its associated entities and the quality control system of EYA. In the performance of its duties, the SB EYA shall be guided by the interests of EYA, its associated professional practice and the public interest in safeguarding the quality of statutory audits. The SB EYA's Charter describes its duties and powers.

The SB EYA consists of four external, independent members and one non-independent member. Two positions on the SB EYA became vacant last year. The chair, Pauline van der Meer Mohr, and SB member Monique Maarsen, both reached the end of their second terms on 30 June 2023 and were ineligible for reappointment. To avoid two Board vacancies on the same day, Pauline stepped down six months earlier on 31 December 2022, and was succeeded as chair by then-vice chair Richard van Zwol and as Board member by Lineke Sneller on 13 April 2023. Monique Maarsen was succeeded by Yasemin Tümer on 1 July 2023. The other independent SB member is Tanja Nagel. The non-independent member is Patrick Rottiers.

The members of SB EYA and the supervisory board of EY NL have formed a personal union, implying that the composition of the SB EY NL is identical to that of the SB EYA. The supervisory board of EY NL reports on its activities during the fiscal year 2022/2023 in the Annual Report 2022/2023 of EY NL and in this Transparency Report.



Network arrangements

EY is a global leader in assurance, tax, strategy and transactions, and consulting services. Worldwide, more than 390,000 people in member firms in more than 148 countries share a commitment to building a better working world, united by shared values and an unwavering commitment to quality, integrity and professional skepticism. In today's global market, the integrated EY approach is particularly important in the delivery of high-quality multinational audits, which can span nearly every country in the world.

This integrated approach enables EY member firms to develop and draw upon the range and depth of experience required to perform such diverse and complex audits.

EYG coordinates the various activities of the member firms and promotes cooperation among them. EYG does not provide services, but its objectives include the promotion of exceptional high-quality client service by member firms worldwide. Each member firm is a separate legal entity. Each member firm's obligations and responsibilities, as a member of EYG, are governed by the regulations of EYG and various other agreements.

The structure and principal bodies of the global organization, described below, reflect the principle that EY, as a global organization, has a common shared strategy.

At the same time, the EY network operates on a Regional level within the Areas. This operating model allows for greater focus on stakeholders in the Regions, permitting member firms to build stronger relationships with clients and others in each country, and be more responsive to local needs.



Global Governance Council

The Global Governance Council (GGC) is a key governance body of EYG. It comprises one or more representative(s) from each Region, other at-large representatives from any member firm and independent non-executives (INEs). The Regional representatives, who otherwise do not hold senior management roles, are elected by their RPFs for a three-year term, with the ability to be reappointed for one additional three-year term. The GGC advises EYG on policies, strategies, and the public interest aspects of its decision-making. The GGC approves, in some instances upon the recommendation of the Global Executive (GE), certain matters that could affect EY.



Independent Non-Executives

Up to six global INEs are appointed from outside EY. The global INEs are senior leaders, either from the public or the private sector, and reflect diverse geographic and professional backgrounds. They bring to the global organization, and the GGC, the significant benefit of their varied perspectives and depth of knowledge. The global INEs also form a majority of the Public Interest Sub-Committee of the GGC. The role of the Public Interest Sub-Committee includes public interest aspects of decision-making and dialogue with stakeholders, issues raised under whistleblowing policies and procedures, and engagement in quality and risk management discussions. The global INEs are nominated by a dedicated committee, approved by the GE and ratified by the GGC.



Global Executive (GE)

The GE brings together EY leadership functions, services and geographies. It is chaired by the Chairman and CEO of EYG and includes its Global Managing Partners of Client Service and Business Enablement; the Area Managing Partners; the global functional leader for Talent; the leaders of the global service lines – Assurance, Consulting, Strategy and Transactions, and Tax; and one EYG member firm partner on rotation.

The GE also includes the Global Vice Chair of Markets, the Global Vice Chair of Transformation, the Chief Client Technology Officer, the Chair of the Global Accounts Committee, the Chair of the

Emerging Markets Committee, as well as a representative from the Emerging Markets practices.

The GE and the GGC approve nominations for the Chairman and CEO of EYG and ratify appointments of the Global Managing Partners. The GE also approves appointments of Global Vice Chairs. The GGC ratifies the appointments of any Global Vice Chair who serves as a member of the GE.

The GE's responsibilities include the promotion of global objectives and the development, approval and, where relevant, implementation of:

- ▶ Global strategies and plans
- ▶ Common standards, methodologies and policies to be promoted within member firms
- ▶ People initiatives, including criteria and processes for admission, evaluation, development, and reward and retirement of partners
- ▶ Quality improvement and protection programs
- ▶ Proposals regarding regulatory matters and public policy
- ▶ Policies and guidance relating to member firms' service of international clients, business development, and markets and branding
- ▶ EY development funds and investment priorities
- ▶ EYG's annual financial reports and budgets
- ▶ GGC recommendations on certain matters

The GE is also updated regularly on the status of ISQM 1 implementation and aspects that require their attention.

The GE also has the power to mediate and adjudicate disputes between member firms.



GE committees

Established by the GE, and bringing together representatives from across the organization, the GE committees are responsible for making recommendations to the GE. In addition to the Global Audit Committee, examples of other committees include Assurance, Consulting, Tax, Strategy and Transactions, Global Markets and Investments, Global Accounts, Emerging Markets, Talent and Risk Management.



Global Practice Group

The Global Practice Group brings together the members of the GE, GE committees, Regional leaders and sector leaders. It seeks to promote a common understanding of EY strategic objectives and helps drive consistency of execution across the organization.



EYG member firms

Under the regulations of EYG, member firms commit themselves to pursue EY objectives, such as the provision of high-quality services worldwide. To that end, the member firms undertake the implementation of global strategies and plans, and work to maintain the prescribed scope of service capability. They are required to comply with common standards, methodologies and policies, including those regarding audit methodology, quality and risk management, independence, knowledge sharing, talent and technology.

Above all, EYG member firms commit to conducting their professional practices in accordance with applicable professional and ethical standards, and all applicable requirements of law. This commitment to integrity and doing the right thing is underpinned by the EY Global Code of Conduct and EY values (see page 26).

Besides adopting the regulations of EYG, member firms enter into several other agreements covering aspects of their membership in the EY organization, such as the right and obligation to use the EY name and share knowledge among member firms.

Member firms are subject to reviews to evaluate adherence to EYG requirements and policies governing issues, such as independence, quality and risk management, audit methodology and talent. Member firms unable to meet quality commitments

and other EYG membership requirements may be subject to termination from the EY organization.



Creating long-term value for society

At EY, we believe sustainability is everyone's business. EY, as an organization, is effecting change at scale by building alliances, forging collaboration and rallying everyone and every part of the business to take part. EY continues to focus on creating, protecting and measuring long-term value across all four dimensions of the NextWave strategy –people value, client value, societal value and financial value. It is by integrating all of these dimensions that EY fulfils its purpose of *Building a better working world*.

From advising governments on how to build more sustainable and inclusive economies, to encouraging businesses to focus and report on their creation of long-term value for all stakeholders, EY services already play a vital role in this. However, more can and must be done as all stakeholders define their roles in this journey.

As a proud participant in the United Nations Global Compact (UNGC) since 2009, EY is committed to integrating the UNGC Ten Principles and the UN Sustainable Development Goals (SDGs) into EY strategy, culture and operations.

Among other things, this commitment is reflected in:



Corporate responsibility governance structures

Corporate responsibility across EY is coordinated by the EY Corporate Responsibility Governance Council (CRGC). This body includes members of the EY GE, and provides senior leadership representation from across EY services lines, functions and geographic areas.



The EY social impact ambition

The global corporate responsibility program, [EY Ripples](#), brings together the global EY network with a goal of positively impacting one billion lives by 2030. In the financial year (FY) to 30 June 2023, EY people have positively impacted 46 million lives through the EY Ripples program. To date, EY Ripples initiatives have cumulatively impacted the lives of more than 127 million people, aided by:

- A rigorous focus on three areas (supporting the next generation workforce, working with impact entrepreneurs, and accelerating environmental sustainability) where the distinctive skills, knowledge and experience of EY people can make the biggest difference.
 - A collaboration with other like-minded organizations to build ecosystems that are capable of creating change at scale. For example, the TRANSFORM initiative with Unilever and the UK Foreign, Commonwealth & Development Office, which aims to change the lives of 150 million people across sub-Saharan Africa and South Asia by 2030, by tackling inequality.
 - Further collaboration to create lasting positive social impact through activities such as the creation of a text-based learning program for underserved students. EY recently received the 2022 SAP Pinnacle Award for Social Impact, for this work.
- atmosphere or offset more carbon than emitted, every year
 - Providing EY teams with tools to calculate, then work to reduce the amount of carbon emitted in carrying out client work
 - Requiring 75% of EY suppliers, by spend, to set science-based targets by no later than FY25
 - Investing in EY services and solutions that help clients create value from decarbonizing their businesses, and provide solutions to other sustainability challenges and opportunities



Commitment to human rights

In 2021, the GE signed a statement reaffirming its commitment to uphold and protect human rights. The commitment focuses on the rights of all EY people, the impact of client engagements, stakeholders in EY supply chains, and active inclusiveness. EY has continued to focus on strong governance around this commitment.



The EY carbon ambition

EY achieved carbon negative status in 2021, remained carbon negative in 2022 and aims to become net zero in 2025. EY endeavours to achieve this by significantly reducing absolute carbon emissions, and then removing or offsetting more than the remaining amount every year. To reach net zero by FY25, the EY global organization plans to reduce absolute emissions by 40% across Scopes 1, 2 and 3 (versus an FY19 baseline), consistent with a 1.5°C science-based target approved by the Science Based Targets initiative (SBTi). Specific actions include:

- Reducing business travel emissions, with a target to achieve a 35% reduction by FY25 against the FY19 baseline
- Reducing overall office electricity usage, and procuring 100% renewable energy for remaining needs, earning RE100 membership by FY25
- Structuring electricity Power Purchase Agreements (PPAs) to introduce more renewable electricity than EY consumes into national grids
- Using nature-based solutions and carbon-reduction technologies to remove from the



System of Quality Management

System of Quality Management



During this year, we finalized the implementation of the International Standard on Quality Management 1 (ISQM 1), which became effective 15 December 2022, and we completed transition from our Internal Quality Control System to our System of Quality Management.

Our System of Quality Management presented here also meets the requirements of the current International Standards on Quality Control (ISQC 1), issued by the International Auditing and Assurance Standards Board (IAASB).

In the context of ISQM 1 and the annual evaluation of our System of Quality Management, EYA refers to Ernst & Young Accountants LLP as the EYG member firm performing audits or reviews of financial statements, or other assurance or related services engagements.



Structure

EYA's reputation for providing high-quality professional audit services independently, objectively and ethically is fundamental to our success as independent auditors. We continue to invest in initiatives to promote enhanced objectivity, independence and professional skepticism. These are fundamental attributes of a high-quality audit. Designing, implementing, and operating an effective System of Quality Management is essential to these efforts.

At EYA, our role as auditors is to provide assurance on the fair presentation of the financial statements of the companies audited. We bring together qualified teams to provide audit services, drawing on our broad experience across industry sectors and services. We continually strive to improve quality and risk management processes, so that the quality of our service is at a consistently high level.

In today's environment, characterized by continuing globalization, rapid movement of capital and the impact of technological changes, the quality of our audit services has never been more important. As part of NextWave, there is a continued and strong investment in the development and maintenance of

the EY audit methodology, tools and other resources needed to support high-quality audits.

While the market and stakeholders continue to demand high-quality audits, they also demand an increasingly effective and efficient delivery of audit services. EY continues to seek ways to improve the effectiveness and efficiency of its audit methodology and processes, while improving audit quality.

EY works to understand where member firms' audit quality may not be up to their own expectations and those of stakeholders, including independent audit regulators. This includes seeking to learn from monitoring activities, including external and internal inspection activities, and to identify the root causes of adverse quality occurrences to enable a continual improvement of audit quality.



Designing, implementing, and operating a System of Quality Management

ISQM 1 requires a more proactive and risk-based approach to managing quality at the firm level by requiring firms to design, implement, and operate a System of Quality Management. ISQM 1 also requires evaluating, at least annually, the System of Quality Management.

ISQM 1 includes robust requirements for the governance, leadership and culture of professional accountancy firms, and introduces a risk assessment process to focus the firm's attention on mitigating risks that may have impact on engagement quality. It also requires more extensive monitoring of the System of Quality Management to identify deficiencies that require corrective actions and to provide the basis for evaluating the overall effectiveness of the System of Quality Management.

ISQM 1 outlines an integrated and iterative approach to the System of Quality Management based on the nature and circumstances of the firm and the engagements it performs. It also takes into consideration the changes in the practice and the different operating models of the firms (e.g., use of technology, network, and multidisciplinary firms).

The EY approach is to implement a System of Quality Management that is consistently applied across the entire network of member firms to promote engagement quality and operating effectiveness. This is especially important in a global economy where many audits are transnational and involve the use of other EY member firms.

To achieve this purpose, EYG member firms have access to certain policies, technologies, strategies and programs to be used in the design, implementation and operation of the member firms' System of Quality Management. The purpose of these resources is to support member firms and their personnel.

For example, EY has established an approach to the required risk assessment process that includes input and feedback from across EY services lines, functions and geographic areas to develop global baseline minimums, including quality objectives (based on ISQM 1 requirements), quality risks and responses (including System of Quality Management key controls) assumed to be applicable to EYG member firms. In addition, EY has developed Global tools to enable the System of Quality Management processes.

EY member firms, including EYA, are ultimately responsible for the design, implementation and operation of their System of Quality Management, and have the responsibility to:

- Evaluate policies, technologies, strategies, programs and baseline provided to them, and
- Determine if they need to be supplemented by the member firm to be appropriate for use (e.g., if the policy needs to be amended to comply with local laws and regulations or if the content within the technology needs to be translated into local language).



System of Quality Management roles

To enable the design, implementation and operation of EYA's System of Quality Management, individuals are assigned to SQM roles. The individuals in these roles have the appropriate experience, knowledge, influence and authority, and sufficient time to fulfill their System of Quality Management roles and are accountable for fulfilling their responsibilities. SQM roles and responsibilities are defined in the Global SQM policies to drive consistency in the execution of the EYA System of Quality Management.

Key roles within the System of Quality Management include:

Ultimate responsibility and accountability: The Country Managing Partner and the Country Assurance Managing Partner are the individuals assigned ultimate responsibility and accountability for the System of Quality Management including concluding on its effectiveness.

Operational responsibility for the System of Quality Management: The EYA Board of Directors is assigned operational responsibility for the System of Quality Management. This includes recommending

the System of Quality Management annual evaluation conclusion to the Country Managing Partner. The operational responsibility for the system of quality management is assigned to the SQM Operational Committee, which is formed by the board of directors of EYA and chaired by the Country Assurance Managing Partner, with the Assurance Professional Practice Director (PPD) as quality control management decision maker having a specific responsibility in the NVKS domain, and the SQM leader during the SQM implementation. The purpose of the SQM Operational Committee is to oversee the operational responsibility of the System of Quality Management. The SQM Operational Committee also includes the Quality Enablement Leader, the Risk Management Leader, the Independence Leader, the Country SQM Coordinator, the Consulting (Sub) Service Line Leader, the Strategy and Transactions (Sub)Service Line Leader and the Tax Service Line Leader.

Operational responsibility for compliance with independence requirements: The Country Independence leader is the individual assigned operational responsibility for compliance with independence requirements

Operational responsibility for monitoring the System of Quality Management: The Assurance Professional Practice Director is the individual assigned operational responsibility for monitoring the SQM. This includes concurring with or proposing changes to the recommended System of Quality Management annual evaluation conclusion. A SQM Oversight Committee had been formed chaired by the Assurance Professional Practice Director. The purpose of the SQM Oversight Committee is to oversee the monitoring processes and activities of the System of Quality Management. The SQM Oversight Committee includes the Compliance Leader, the Quality Enablement Leader and the deputy NL PPD. When relevant the committee is supplemented with Service Line Quality Leaders (Tax, Consulting and Strategy and Transactions (SaT)), the NL Independence Leader, the NL QCRM Leader and the SQM leader during the SQM implementation.



Effectiveness of System of Quality Management annual evaluation conclusion as of 30 June 2023

The Country Managing Partner and the Country Assurance Managing Partner, on behalf of EYA, are required to evaluate the System of Quality Management on an annual basis, as of 30 June, and conclude on its effectiveness. The evaluation process is executed annually based on the Global SQM Annual Evaluation policy, which is an example of a Global intellectual resource provided to drive consistency in

the execution of the EYA System of Quality Management.

This evaluation is based on whether EYA's System of Quality Management provides reasonable assurance that:

- EYA and its personnel are fulfilling their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and engagements are being conducted in accordance with such standards and requirements; and
- Reports being issued by EYA and Partners in Charge (PICs) are appropriate in the circumstances.

The evaluation of the effectiveness of the System of Quality Management utilizes information gathered from monitoring activities performed over a period. The evaluation considered the results of the following:

- Tests of System of Quality Management key controls
- Internal and external engagement inspections
- Other monitoring activities (e.g., tests of EYA and its personnel's compliance with ethical requirements related to independence, quality criticisms made by external regulators relevant to the System of Quality Management, issues reported through the Ethics hotline).

Professional judgment is used in evaluating the results of monitoring activities, including in determining whether findings, individually or in combination with other findings, rise to the level of a deficiency. Any deficiencies identified would require a root cause analysis to be performed, a quality improvement plan to be developed and an evaluation to determine the severity and pervasiveness of the deficiency.



Components of our System of Quality Management

Components of our System of Quality Management

In the following sections, we describe the principle components of the System of Quality Management, which EYA follows:

- System of Quality Management risk assessment process
- Governance and leadership
- Relevant ethical and legal requirements
- Client and engagement acceptance and continuance
- Engagement performance
- Resources
- Information and communication
- System of Quality Management Monitoring and remediation process



EYA has designed and implemented a risk assessment process to establish quality objectives, identify and assess quality risks and design and implement responses to address the quality risks as required by ISQM 1. The risk assessment process is executed annually based on the Global SQM policies to drive consistency in the execution of the EYA System of Quality Management.

In order to drive consistency while providing EYG member firms an approach that is scalable and adaptable based on the facts and circumstances of the member firm, Global System of Quality Management baseline Quality Objectives, Quality Risks and Responses have been developed by representatives of Global Assurance Leadership based on input from Functional and Service Line groups at the Global, Area and Region level. Global SQM baselines include:

- System of Quality Management baseline Quality Objectives
- System of Quality Management baseline Quality Risks
- System of Quality Management baseline Responses
 - System of Quality Management baseline Resources (e.g., Global policies or technologies that mitigate an EY SQM baseline Quality Risk)
 - System of Quality Management baseline Key Controls to be designed and implemented to

mitigate an EY System of Quality Management baseline Quality Risk

Global System of Quality Management baselines are presumed to be applicable to every member firm performing ISQM 1 engagements. EYG member firms have the responsibility to evaluate the Global System of Quality Management baselines and determine if the Global System of Quality Management baselines need to be supplemented or adapted by the member firm to be appropriate for use (e.g., additional quality risks, customization of responses, etc.).

EYA reviewed the Global System of Quality Management baselines and performed the following:

- Accepted or rejected Global baseline Quality Risks and Resources after appropriate analysis of our facts and circumstances. In the case of rejection of Global baseline Quality Risks and Resources, this is preliminary discussed with the Area.
- Accepted or rejected the Global baseline Resources and Key Controls after appropriate analysis of our facts and circumstances. In the case of rejection of Global baseline Resources and Key Controls, this is preliminary discussed with the Area.
- Together with the Area, identify the level of execution of Global baseline Key Control
- Customized accepted Global, Area and Region baseline Key Controls

The review of the Global System of Quality Management baselines considered the facts and circumstances of EYA, including, the nature and operating characteristics of EYA, the types of engagements performed and systemic trends from monitoring activities within the SQM.

In addition to reviewing the Global System of Quality Management baselines, EYA determined if additional quality objectives, quality risks or responses were necessary. Based on the review of these baselines, EYA adheres to the EYG SQM baseline quality objectives, risks and responses to drive consistency and supplemented it with additional quality objectives, quality risks customization of responses or additional responses if deemed relevant.



Governance and leadership



Tone at the top

Our leadership is responsible for setting the right tone at the top and demonstrating the EY commitment to building a better working world through behavior and actions. While the tone at the top is vital, EY people also understand that quality and professional responsibility start with them and that within their teams and communities, they are leaders too. EY shared values, which inspire EY people and guide them to do the right thing, and the EY commitment to quality are embedded in who we are and in everything we do.

The EY culture strongly supports collaboration and places special emphasis on the importance of consultation in dealing with complex or subjective accounting, auditing, reporting, regulatory and independence matters. We believe it is important to determine that engagement teams and the entities they audit follow consultation advice, and we emphasize this when necessary.

The consistent stance of EYA has been that no client is more important than our professional reputation – the reputation of EYA and the reputation of each of our professionals.

The EY approach to business ethics and integrity is contained in the EY Global Code of Conduct and other policies and is embedded in the EY culture of consultation, training programs and internal communications. Senior leadership reinforces the importance of performing quality work, complying with professional standards, adhering to EY policies, and leading by example. In addition, EY member firms assess the quality of professional services provided as a key metric in evaluating and rewarding EY professionals.

In order to measure the quality culture across EY member firms and provide EYA with valuable insights into the perceptions of the culture of quality, including tone at the top, collaboration, and workload management and ethical behavior, a Global Quality Survey was launched in April 2023. The results of the Global Quality Survey were used to identify areas where EYA was doing well and where more actions may be required. The Global Quality

Survey results indicate that our people recognize that the tone at the top set by leadership demonstrates commitment to quality and that EY recognizes and values contributions to quality. The recognition of our strong culture of consultation, coaching and continuous quality improvement is also reflected in the results of the Global Quality Survey. Yet, the results also indicate that more still needs to be done to improve our culture around resourcing.



Global Code of Conduct

We promote a culture of integrity among our professionals. The EY Global Code of Conduct provides a clear set of principles that guide our actions and our business conduct and are to be followed by all EY personnel. The EY Global Code of Conduct is divided into five categories:

1. Working with one another
2. Working with clients and others
3. Acting with professional integrity
4. Maintaining our objectivity and independence
5. Protecting data, information and intellectual capital

Through our procedures to support compliance with the EY Global Code of Conduct and through frequent communications, we strive to create an environment that encourages all personnel to act responsibly, including reporting misconduct without fear of retaliation.



Relevant ethical and legal requirements



Compliance with the Global Code of Conduct

The EY Global Code of Conduct provides guidance about EY actions and business conduct. EYA complies with applicable laws and regulations, under which the Dutch Verordening gedrags- en beroepsregels, and EY values underpin our commitment to doing the right thing. This important commitment is supported by several policies and procedures, explained in the paragraphs below.



Independence

Compliance with relevant ethical requirements, including independence, is a key element of the System of Quality Management. It involves

determining that we are independent in fact, as well as appearance. The ethical requirements relevant to our audits and professional services are included in the International Ethics Standards Board for Accountants' International Code for Professional Accountants (including International Independence Standards) (the IESBA Code). We also comply with other relevant local ethical requirements or codes in the jurisdiction of our audits and professional services such as Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014 (EU 537/2014) and the Dutch Audit Firms Supervision Act, the Dutch Decree on Audit Firms Supervision and the Dutch Code of Ethics for Professional Accountants, a regulation with respect to independence. Refer to the Independence Practices section for information on policies, tools and process relating to maintaining independence.



Rotation and long association

EYA complies with the audit partner rotation requirements of the IESBA Code), Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014 (EU 537/2014) and the Dutch Audit Firms Supervision Act, the Dutch besluit toezicht accountantsorganisaties, the Dutch Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO), as well as the U.S. Securities and Exchange Commission (SEC), where required. EYA supports audit partner rotation because it provides a fresh perspective and promotes independence from company management, while retaining experience and knowledge of the business. Audit partner rotation, combined with independence requirements, enhanced systems of internal quality controls and independent audit oversight, helps strengthen independence and objectivity, and is an important safeguard of audit quality.

Article 17 of the EU Audit Regulation No. 537/2014 requires for public interest entities the rotation of the lead engagement partner and their engagement quality reviewer after five years. Following rotation, the lead audit engagement partner and engagement quality reviewer may not resume the lead partner or engagement quality reviewer role until at least three years have elapsed.

For PIEs, the EY Global Independence Policy requires the lead engagement partner, the engagement quality reviewer and other audit partners who make key decisions or judgments on matters significant to the audit, (together, the key audit partners), to be rotated after seven years. For a new PIE, (including a newly listed company), key audit partners may remain in place for an additional two years before

rotating off the team if they have served the company for six or more years prior to the listing.

Upon completing the maximum service period for rotation, a key audit partner may not lead or coordinate professional services to the PIE company we audit until after completing a cooling-off period. This period is five years for a lead audit engagement partner, three years for an engagement quality reviewer and two years for other partners, subject to rotation.

Where the required cooling-off period for the lead audit engagement partner established by the local legislative body or regulator is less than five years, the higher of that cooling-off period or three years may be substituted for the otherwise required five-year cooling-off period. This jurisdictional exception for the lead audit engagement partner may only be applied for audit periods beginning prior to 15 December 2023.

In addition to the key audit partner rotation requirements applicable to PIE companies we audit, EY has established a long association safeguards framework. This is consistent with the requirements of the IESBA Code, Article 17 of 537/2014 and the Dutch ViO, and includes consideration of the threats to independence created by the involvement of professionals over a long period of time and a safeguards framework to address such threats.

We employ tools to effectively monitor compliance with internal rotation, and requirements for audit partners and other professionals who have had a long association with the audited entity as well as gradual rotation. There is also a process for rotation planning and decision-making that involves consultation with, and approvals by, our Professional Practice and Independence professionals.



External rotation

For public interest entities, we comply with the external audit firm rotation requirements of Article 17 (1) of the EU Audit Regulation.



Whistleblowing

The EY Ethics Hotline provides EY people, clients and others outside of the organization with a means to confidentially report activity that may involve unethical or improper behavior, and that may be in violation of professional standards or otherwise inconsistent with the EY shared values or Global Code of Conduct. Globally, the hotline is operated by an external organization that provides confidential and, if desired, anonymous hotline reporting.

When a report comes into the EY Ethics Hotline, either by phone or internet, it receives prompt attention by the member firm's legal function. Depending on the content of the report, appropriate individuals from Risk Management, Talent or other functions are also involved in addressing the report. EYG member firms are encouraged to log into the EY Ethics Hotline matters that are reported locally outside of the EY Ethics Hotline.

In the fiscal year 2022/2023, EYA received seven reports about conduct & behavior. Some of these reports have been submitted via the EY/Ethics Hotline. EYA treats these reports seriously and investigates all of them.

In four cases, the reports have been found substantiated and appropriate measures have been taken.

Three reports are still under investigation.



Non-compliance with laws and regulations

In accordance with the NV Noclar of the NBA, EY has adopted a policy designed to meet its obligations to report non-compliance with law and regulation - NOCLAR. The policy covers reporting obligations with respect to non-compliant activity by clients or EY personnel, as relevant to their respective business activities.

In addition to the NOCLAR reporting obligations, EYA may be required to make certain reports to relevant regulatory authorities regarding possible misconduct by clients -actual or suspected. Where such obligations exist, reports are made in accordance with local laws.



Anti-bribery

The EY Global Anti-bribery Policy provides EY people with direction on certain unethical and illegal activities. It emphasizes the obligation to comply with anti-bribery laws and provides a definition of what constitutes bribery. It also identifies reporting responsibilities when bribery is discovered. In recognition of the growing global impact of bribery and corruption, efforts have been sustained to continue to embed anti-bribery measures across EY.



Insider trading

Securities trading is governed by many laws and regulations, and EY personnel are obliged to comply with applicable laws and regulations regarding

insider trading. This means EY personnel are prohibited from trading in securities while in possession of material non-public information.

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



Economic and trade sanctions

It is important that EY People comply with the ever-changing situation with respect to international economic and trade sanctions. EY monitors sanctions issued in multiple geographies both prior to business relationships being accepted and as they continue. Guidance is provided to EY people on impacted relationships and activities.



Anti-money laundering

In accordance with the Dutch 'Money Laundering and Terrorist Financing (Prevention) Act' (Wet ter voorkoming van witwassen en financieren van terrorisme, Wwft), specific institutions have a legal duty to report unusual transactions to the Dutch Financial Intelligence Unit (FIU - the Netherlands). The objective of the Act is to maintain the integrity of the financial system by preventing unacceptable financial practices such as money laundering and financing of terrorism.

In accordance with the Wwft, EYA is obliged to execute a client due diligence and report unusual transactions of the client. These requirements have been implemented in our Anti-Money Laundering and Countering Terrorist Financing (AML/CTF) policy. EY NL established a centralized Wwft compliance function (the AML Office) in order to advise and support the Dutch EY engagement teams in connection with the Wwft and AML/CTF policy compliance. EY people are trained on their responsibilities under the regulations and provided guidance on who to consult when they have questions. During the fiscal year 2022/2023, EYA made 89 reports of unusual transactions to the FIU (compared with 86 in the fiscal year 2021/2022).

In an ongoing matter related to a former audit client, EYA was found guilty for not complying with its reporting obligations pursuant to the Wwft. EYA was charged with a fine of EUR 240,000. We have decided not to pursue an appeal but to use this verdict as an opportunity to learn as professionals

and as an organization. In the fiscal year 2020/2021, the Dutch public prosecutor started investigating another case, also concerning a former audit client, whether we complied with our reporting obligations pursuant to the Wwft. In the fiscal year 2022/2023, the Public Prosecutor decided to not further prosecute EYA in lack of evidence.



Disciplinary proceedings

On July 1, 2022, three disciplinary proceedings were pending, which are currently still open. During the fiscal year 2022/2023, no new disciplinary complaints were filed. As a result, on June 30, 2023, three disciplinary proceedings were pending.

In the first matter, in the fiscal year 2018/2019, a complaint was filed against a statutory auditor in his role as engagement quality reviewer of an audit when he worked with another audit firm. On January 15, 2021, the registered statutory auditor received a reprimand (*berisping*). This matter is currently pending in appeal. As a result of the resignation of the registered statutory auditor from EYA as per 30 June 2023, these proceedings will no longer be included in upcoming Transparency Reports.

The other two pending disciplinary proceedings are connected. In the fiscal year 2021/2022, a former partner of EY Advisory Netherlands LLP filed a disciplinary complaint against one of the board members of EYA for not addressing his alleged whistleblower complaints adequately. The same former partner also filed a disciplinary complaint in this respect against one of the former board members of EY NL. On March 10, 2023, the Disciplinary Council rejected the complaint against both the EYA board member and the former board member of EY NL. The former partner of EY Advisory Netherlands LLP appealed these decisions. These proceedings are currently pending before the Trade and Industry Appeals Tribunal.



Claims under civil law relating to professional conduct

In cases involving litigation, there will always be tension between the duty (and indeed the desire) to be transparent in the public interest about lessons learned, on the one hand, and the need to be prudent from a legal point of view and not undermine our position in existing litigation or provoke new litigation, on the other. In many of these cases, legal and contractual restrictions will affect our transparency. We acknowledge this dilemma and we aim to focus on the essential question: how can we align our transparency with the public interest?

We believe that from the perspective of the public interest, it is more important for us to be transparent about the lessons learned from recent or current inspections and controversies than to provide information regarding, for example, the amount for which we have settled a civil case related to an audit performed many years ago.



Claims under civil law relating to professional conduct

A demand letter is a letter including a notice of liability (*aansprakelijkstelling*). Demand letters may lead to an acknowledgement or a refutation of liability. We received three demand letters in the fiscal year 2022/2023 (2021/2022: two).

Civil law proceedings

On July 1, 2022, seven civil law proceedings regarding our professional services were pending. In one matter, on March 17, 2023, the Supreme Court dismissed the claimant's appeal in cassation. This is a final decision in the matter that claimant initiated against EYA in 2005. The other six proceedings were still pending on June 30, 2023. In the fiscal year 2022/2023, no civil law proceedings were initiated against our firm. Therefore, on June 30, 2023, six civil law proceedings are pending. Of these proceedings one, although formally still pending, is inactive.



Reports & complaints relating to professional services

Occasionally, we receive reports and complaints in relation to our professional services via various channels, such as the EY/Ethics Hotline and Klachten.meldingen@nl.ey.com. Our firm has a Whistleblowers' Regulation and a Complaints Regulation in place. If a report or complaint falls within the scope of the Whistleblowers' Regulation or the Complaints Regulation, the Complaints Committee assesses and if necessary, investigates these reports and complaints.

In an internal report, the reporter alleges that EYA incorrectly accepted certain costs as management costs in an audit. The Complaints Committee is currently investigating this report pursuant to our Complaints Regulation.

We also receive complaints and reports via other channels. In an external report, the reporter was dissatisfied with the manner in which services have been rendered in connection with the passing of a director sole shareholder of a client. The reporter is the heir of the director sole shareholder. The Complaints Committee is currently investigating this report pursuant to the Complaints' Regulation.

No whistleblowers' notifications as defined in the Whistleblowers' Regulation were filed during this fiscal year (2021/2022: zero). A complaint received in the fiscal year 2021/2022 has been qualified as a whistleblower's notification in the fiscal year 2022/2023. In August 2023, the Complaints Committee declared the notification unfounded.

Our firm occasionally receives comments, questions or complaints from clients, liquidators or other stakeholders. Issues raised include different expectations regarding the assurance or services delivered and our timeliness in the delivery of our services. Most issues are dealt with satisfactorily at the operational level, i.e., by the teams involved. More substantial comments, questions and complaints are always dealt with at a higher level in the organization and are assessed and discussed on a case-by-case basis. In the fiscal year 2022/2023, we received five complaints relating to EYA in addition to the reports mentioned above (2021/2022: four). This number does not include the demand letters referred to in the section above.



Data protection and confidentiality

The EY global policy on data protection and confidentiality sets out the principles to be applied to the collection, use and protection of all information that EY has responsibility for, including personal data relating to current, past and prospective personnel, clients, suppliers and business associates, as well as other information considered confidential to clients, third parties or the EY organization. This policy is consistent with the requirements of the European Union's General Data Protection Regulation (GDPR), and other applicable laws and regulations concerning data protection and privacy in addition to relevant professional standards providing a framework for confidentiality. EY also has binding corporate rules approved by UK and EU regulators in place to facilitate the movement of personal data within the EY network. Furthermore, we have a policy to address our specific Dutch data privacy requirements and business needs.

We keep a register of all data incidents to assess whether an incident must be reported to the Dutch Data Protection Authority as a data breach. This register includes incidents like lost or stolen laptops, smart devices, hard copy files, emails sent to the wrong person et cetera. No data breaches were reported to the Dutch Data Protection Authority by EYA in the fiscal year 2022/2023 (2021/2022: also none).



Client and engagement acceptance and continuance



Global policy on client and engagement acceptance and continuance

The EY global policy on client and engagement acceptance sets out principles for member firms to determine whether to accept a new client, a new engagement with an existing client, or to continue with an existing client or engagement. These principles are fundamental to maintaining quality, managing risk, protecting EY people and meeting regulatory requirements. The EY global policy on client and engagement acceptance is an example of a policy issued by EYG to help ensure the adherence to EY values, to address network risk and to drive consistency in the System of Quality Management.

The objectives of the policy are to:

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

In addition, the EY global policy on conflicts of interest defines global standards for addressing categories of potential conflicts of interest and a process for identifying them. It also includes provisions aimed at mitigating potential conflicts of interest as quickly and efficiently as possible, using appropriate safeguards. Such safeguards may include obtaining client consent to act for another party where a conflict of interest may exist, establishing separate engagement teams to act for two or more parties, implementing appropriate separations between engagement teams or declining an engagement to avoid an identified conflict.

The EY global policy on conflicts of interest and associated guidance considers the increasing complexity of engagements and client relationships, and the need for speed and accuracy in responding to clients. They also align with the latest IESBA Code.



Putting policy into practice

We use the EY Process for Acceptance of Clients and Engagements (PACE), an intranet-based system, for efficiently coordinating client and engagement acceptance and continuance activities in line with global, service line and member firm policies. PACE takes users through the acceptance and continuance requirements and identifies the policies and references to professional standards needed to assess both business opportunities and associated risks. PACE is an example of technological resources used by EYG member firms across the globe to drive consistency in the System of Quality Management.

The process for acceptance or continuance of clients and engagements includes consideration of the engagement team's assessment of risk factors across a broad range of categories such as industry, management's attitude, internal controls, audit complexity and related parties.

As part of this process, we carefully consider the risk characteristics of a prospective client or engagement, and the results of due diligence procedures. Before taking on a new engagement or client, we also determine whether we can commit sufficient and appropriate resources to deliver quality service, especially in highly technical areas, and if the services the client is requesting are appropriate for us to provide. The approval process provides that new audit engagements may not be accepted without an approval by representatives from local Professional Practice Director (PPD) and Assurance Managing Partner (AMP) leadership teams. As determined by the level of risks deemed present, new audit engagements may also require approval by designated Regional and Area PPD and AMP representatives.

In the EY annual client and engagement continuance process, we review our service and ability to continue providing a quality service and confirm that clients share our commitment to quality and transparency in financial reporting. The lead audit engagement partner of each audit, together with the EYA board of directors, annually reviews our relationship with the entities we audit to determine whether continuance is appropriate.

As a result of this review, certain audit engagements are identified as requiring additional oversight procedures during the audit (close monitoring), and some audit relationships are discontinued. As with the client and engagement acceptance process, our Regional or local professional practice group is involved in the continuance process and must agree for the continuance to occur.



Engagement performance

There is continuous EY investment in improving audit methodologies and tools, with the goal of consistently delivering high-quality audits. This investment reflects the EY commitment to building trust and confidence in the capital markets, and in economies the world over.



The EY Digital Audit

The EY Digital Audit helps EY teams meet the changing needs of the companies they serve and deliver against evolving stakeholder expectations - both today and tomorrow.

It supports EY professionals in driving quality and unlocking the digital advantage across all phases of the audit by pairing advanced capabilities with the right digital skill sets and a culture of continued innovation.

The EY Digital Audit is deployed around the globe and is well-established and proven in the market:

- **EY Canvas** facilitates secure and cloud-based workflow, communication, and documentation on **150,000+** audits.
- **EY Canvas Client Portal** connects **200,000+** EY professionals with more than **300,000** client users.
- **EY Atlas** serves as the central repository of accounting knowledge for EY teams and audited entities.
- **EY Smart Automation** capabilities drive automation of core activities and are directly integrated in EY Canvas.
- **EY Helix** enables EY teams to analyze over **775 billion** lines of journal entry data annually.

These technologies support EY teams in driving quality by **connecting** companies and teams, **automating** audit procedures and processes, and **analyzing** data using advanced technologies.

Connecting

Seamlessly connecting entities and audit teams to each other, as well as to the right information, is the foundation of a high-quality audit.

Deployed globally, EY Canvas serves as the single workflow, communication and documentation hub for EY audit engagements worldwide. Hosted in the

cloud, it leverages industry-leading technology for web applications. This allows the provision of data security and the ability to evolve the software to respond to changes in the accounting profession and regulatory environment.

Through the use of profile questions, audit engagements in EY Canvas are automatically configured with information relevant to an entity's type (e.g., listed, public interest entity) and industry. This helps to keep audit plans customized and up-to-date, and provides direct linkage to audit guidance, professional standards and documentation templates. The majority of forms that enable audit documentation are integrated into EY Canvas, leveraging the profile questions to deliver the relevant audit procedures and related documentation requirements. With the Milestones program as discussed in the **infrastructure supporting quality** section, EY Canvas enables effective project management. EY Canvas is built with a user interface that allows the team to visualize risks and their relationship to the planned response and work performed in key areas. It also enables a linkage for group audit teams to communicate relevant information and instructions to component auditors so that the primary team can direct execution and monitor performance of the group audit.

EY Canvas includes the EY Canvas Client Portal to assist teams in communicating with entities' management and streamlining their requests. It also includes EY Canvas Oversight which provides real-time oversight and tracking of audit progress globally to enhance visibility and facilitate proactive collaboration throughout all phases of the audit.

EY Canvas is further supplemented by the EY Atlas global research platform that provides access to the latest accounting knowledge for both EY professionals and the entities they audit.

Automating

Smart technologies help to enable greater levels of automation, centralization and standardization throughout the audit.

The EY Digital Audit leverages the global connectivity of EY Canvas to deploy automation globally.

The EY Smart Automation Hub provides a centralized and global access point for automation capabilities that is fully embedded in EY Canvas and provides real-time status updates. These capabilities utilize large scale automation, as well as Artificial Intelligence (AI), machine learning and other advanced technologies, to both enhance project management and support audit testing.

Automating and accelerating routine procedures enables audit teams to focus on the most prominent risks and complex judgment areas, as well as on adding value to the companies they audit. At the same time, audit support activities are streamlined – significantly reducing the administrative support effort required from entities' management, finance and accounting teams.

Analyzing

The deployment of end-to-end analytics enables a smarter, data-driven approach that supports EY teams in identifying risk, detecting anomalies and generating insights.

The EY Helix global analytics suite (EY Helix) integrates data-driven auditing into the EY global audit methodology (EY Digital GAM). It comprises data analyzers for core business and accounting processes, alongside industry and transaction-specific analyzers.

This allows audit engagement teams to deploy targeted data analytics specific to the entity being audited and drill down across operating cycles to better understand financial activities and business processes. The result is a smarter, risk-based approach that supports higher quality audit evidence, effective identification of trends and anomalies, and deeper levels of insight and business intelligence. Refer to **Audit Methodology** in the **Resources** section for additional information on how the data-driven, end-to-end, audit approach is central to delivering a quality audit.

The use of EY Helix is supported through seamless and secure data access enabled by a standardized and centralized data delivery processes, a range of extraction and connection methods, and leading-edge security protocols.

There is continued investment in new analyzers across a range of sectors and accounting areas to enhance the quality of audit procedures in these areas.

Investment in next generation Assurance technology

The EY Digital Audit advances higher audit quality through better focus on risks of material misstatement and higher quality audit evidence to respond to those risks.

As noted in the **Infrastructure supporting quality** section, to further accelerate and capitalize on the speed of change, the EY organization is investing in next generation Assurance technology to facilitate trust, transparency and transformation.

Building on the strengths of the existing EY global audit technology suite, this four-year investment program is driving the future of Assurance technology via the integration and transformation of leading-edge capabilities into one seamless platform – powering the next generation of data-driven and AI-enabled Assurance services.

Investment is focused across three core transformation areas to drive continued quality and value:

- User experience and collaboration
- Data access and analytics
- AI and business intelligence

Over the past 12 months, this investment has enabled the release of more than 20 significant new Assurance technology capabilities, including next generation data analytics that leverage Microsoft Power BI, new AI capabilities integrated with EY Canvas to support risk assessment, and redefined audit workflow for non-listed, non-complex entities.



Fraud

As part of ongoing improvement efforts, there is recognition of the need to evolve how audits are performed to better address fraud. At a global level, EY is committed to leading the profession more widely to address stakeholders' questions about the auditor's role in fraud detection.

Companies have never been as data rich as they are today, providing new opportunities to detect material frauds through data mining, analysis and interpretation. Auditors are increasingly using data analytics to identify unusual transactions and patterns of transactions that might indicate a material fraud.

Technology is not a panacea, however, and professional judgment also comes into play. There is a responsibility for all involved, including management, boards, auditors and regulators, to focus more on corporate culture and behaviors to support fraud prevention and detection. Additional actions taken to address this important area of the audit, include:

- The use of data analytics to enhance fraud detection capabilities and further develop professional skepticism in audits
- Using additional internal and external data and information to enable more nimble responses to external risk indicators, such as short selling and whistleblowers
- Utilizing electronic confirmations for audit evidence wherever possible

- Developing a proprietary fraud risk assessment framework for use with audit committees and those charged with governance
- Mandating annual fraud training for all audit professionals that incorporates the experience of EY forensics professionals
- Requiring the use of forensic professionals in the audit on a targeted-risk basis to assess potential risks of fraud
- Expanding the use of EY Global Assurance Risk Center of Excellence building on the latest technology, such as machine learning and AI, to further leverage external data through adverse media scrapping, key forensic metrics, short seller monitoring, tools to evaluate document authenticity, and other technology to enhance fraud risk identification and response in our audits



Reviews of audit work

EY policies describe the requirements for timely and direct senior professional participation, as well as the level of review required for the work performed and the requirements for documenting the work performed and conclusions reached. Supervisory members of an audit engagement team perform a detailed review of the audit documentation for technical accuracy and completeness. Senior audit executives and engagement partners perform a second-level review to determine the adequacy of the audit work as a whole and the related accounting and financial statement presentation. Where appropriate, and based on risk, a tax professional reviews the significant tax and other relevant working papers. For all public interest entities (PIEs) and certain other companies, an engagement quality reviewer (described below in the *Engagement quality reviews* section) reviews important areas of accounting, financial reporting and audit execution, as well as the financial statements of the audited entity and the auditor's report.

The nature, timing and extent of the reviews of audit work depend on many factors, including:

- Risk, materiality, subjectivity and complexity of the subject matter
- Ability and experience of audit engagement team members preparing the audit documentation
- Level of the reviewer's direct participation in the audit work
- Extent of consultation employed

EY policies also describe the critically important role of the PIC in managing and achieving quality on the audit and reinforcing the importance of quality to all members of the audit team.



Consultation requirements

EY consultation policies are built upon a culture of collaboration, whereby audit professionals are encouraged to share perspectives on complex accounting, auditing and reporting issues. As the environment in which EY member firms work has become more complex and connected around the globe, the EY culture of consultation has become even more important to help member firms reach the appropriate conclusions for entities that they audit on a timely basis. Consultation requirements and related policies are designed to involve the right resources, so that audit engagement teams reach appropriate conclusions.

The EY culture of consultation enables audit engagement teams to deliver seamless, consistent and high-quality services that meet the needs of audited entities, their governance bodies and all stakeholders.

For complex and sensitive matters, there is a formal process requiring consultation outside of the audit engagement team with other personnel who have more experience or specialized knowledge, primarily Professional Practice and Independence personnel. In the interests of objectivity and professional skepticism, EY policies require members of Professional Practice, Independence and certain others to withdraw from a consultation if they currently serve, or have recently served, the entity to which the consultation relates. In these circumstances, other appropriately qualified individuals would be assigned.

EY policies also require that all consultations are documented, including written concurrence from the person or persons consulted, to demonstrate their understanding of the matter and its resolution.



Engagement quality reviews

EY engagement quality review policies address the audits that are subject to engagement quality reviews and the qualifications of engagement quality reviewers. Engagement quality reviewers are experienced professionals with significant subject-matter knowledge. They are independent of the audit engagement team and provide an objective evaluation of the significant judgments the audit engagement team made, and the conclusions reached thereon. The performance of an engagement quality review, however, does not

reduce the responsibilities of the PIC for the engagement and its performance. In no circumstances may the responsibility of the engagement quality reviewer be delegated to another individual.

EY policies and practices related to the assignment and eligibility of professionals to serve as engagement quality reviewers have been enhanced to conform with the requirements of International Standard on Quality Management (ISQM) 2, **Engagement Quality Reviews**. These enhancements focus on assigning an engagement quality reviewer who has the appropriate competence and capabilities, including sufficient time, as well as having sufficient authority and objectivity to achieve an effective engagement quality review. Training and enablement support the execution of the engagement quality review.

The engagement quality review spans the entire engagement cycle, including planning, risk assessment, audit strategy and execution. Policies and procedures for the performance and documentation of engagement quality reviews provide specific guidelines on the nature, timing and extent of the procedures to be performed, and the required documentation evidencing their completion. In all circumstances, the engagement quality review is completed before signing the auditor's report.

For audits, engagement quality reviews are performed by audit partners in compliance with professional standards for audits of Public Interest Entities (PIEs) pursuant to Dutch Law (*Organisaties van Openbaar Belang* (OOBs)), other listed entities and those considered to need close monitoring. Also the review of interim financial statements with a wide circulation of those entities are subject to an EQR. Our policy is that each of our statutory auditors is subject to at least one EQR annually on their (statutory) engagements. In addition, if the statutory auditor does not have two EQRs based on other criteria, one pre-issuance review is added. The board of EYA approves all the required audit engagement quality review assignments.



Organisaties van openbaar belang (Public Interest Entities or PIEs)

In the Netherlands, EQRs are mandatory for PIEs. EY's global definition of a PIE is similar to, but not exactly the same as the Dutch definition of an OOB (Dutch wording for a PIE). Other EQRs were held at specific groups of non-OOB clients, including high-risk clients, and various state-owned entities.

During the fiscal year 2022/2023, we performed 300 EQRs (2021/2022: 303 EQRs). One client may

have more than one EQR reference, for example due to the review of interim financial statements.

For additional quantitative information for the fiscal year 2022/2023 on (the time spent on) our quality reviews, such as EQRs, we refer to KPIs 15, 16, 17 and 18 in Appendix 3. In accordance with the importance we attach to EQRs, we also monitor qualitative aspects, e.g., whether remarks by the EQR reviewer were followed up appropriately by the audit team. This helps us to further improve our EQR processes.

In addition, we coached all EQR partners in the implementation and documentation of the EQR.



Audit engagement team resolution process for differences of professional opinion

EY has a collaborative culture that encourages and expects people to speak up, without fear of reprisal, if a difference of professional opinion arises or if they are uncomfortable about a matter relating to an engagement. Policies and procedures are designed to empower members of an audit engagement team to raise any disagreements relating to significant accounting, auditing or reporting matters.

These policies are made clear to people as they join EY, and we continue to promote a culture that reinforces a person's responsibility and authority to make their own views heard and seek out the views of others.

Differences of professional opinion that arise during an audit are generally resolved at the audit engagement team level. However, if any person involved in the discussion of an issue is not satisfied with the decision, they refer it to the next level of authority until an agreement is reached or a final decision is made, including consultation with Professional Practice if required.

Furthermore, if the engagement quality reviewer makes recommendations that the PIC does not accept or the matter is not resolved to the reviewer's satisfaction, the auditor's report is not issued until the matter is resolved.

Differences of professional opinion that are resolved through consultation with Professional Practice are appropriately documented.



Documentation retention

The Records and Information Retention and Disposition Global Policy supports and builds upon provisions within the EY Global Code of Conduct regarding acting with professional integrity in terms

of documenting work and respecting intellectual capital. This policy and the Global Retention Schedule (GRS) establish records and information management (RIM) requirements for the management of records and information and documents ("records and information") throughout their life cycle including the requirement to securely discard or delete records for which the retention period has expired, unless special and acceptable circumstances apply. This policy, the GRS and RIM requirements are in accordance with applicable professional standards and are based on regulatory, legal, and business requirements and obligations, and they apply to all engagements and personnel and addresses Dutch legal requirements, applicable to the creation and maintenance of working papers, relevant to the work performed.



Resources

Refer to the **Investing in exceptional talent and continuing education** section for additional information on EYA's commitment to investing in talent to drive further advances in audit quality.



Formation of audit engagement teams

The assignment of professionals to an audit engagement is made under the direction of our EYA board of directors. The factors considered when assigning people to audit engagement teams include engagement size and complexity; engagement risk; specialized industry knowledge and experience; timing of work; continuity; and opportunities for on-the-job training. For more complex engagements, consideration is given to whether specialized or additional knowledge is needed to supplement or enhance the audit engagement team.

In many situations, professionals with experience in a specialized area of accounting or auditing, such as tax or information technology, are assigned as part of the audit engagement team to assist in performing audit procedures and obtaining sufficient appropriate audit evidence. Additionally, internal specialists who have knowledge outside of accounting or auditing, such as forensics, asset valuation, actuarial analysis and ESG, may perform work in their field that is used by the audit engagement team to assist in obtaining sufficient appropriate audit evidence.

EYA's policies require the approval of the assignment of individuals to specific audit roles by the EYA board of directors. This is carried out, among other things,

to make sure that the professionals leading audits possess the appropriate competencies (e.g., the knowledge, skills and abilities) to fulfil their engagement responsibilities, and, when applicable, are in compliance with auditor rotation regulations.



Service Delivery Centers

Global Delivery Services (GDS) is an integrated network of EY service delivery centers that provide services to support EY member firms. In an era of unprecedented change, GDS continues to develop flexible business models and innovative ways to support member firms and their evolving needs. Across all disciplines, GDS teams combine deep technical knowledge with a focus on innovation, automation and process improvement to create hundreds of customized, scalable services that provide greater value for the EY organization. As part of its audit transformation journey, EYA will increase its use of specialized teams to drive higher-quality outcomes, including GDS.



Diversity, equity and inclusiveness

EY has a long-standing commitment to diversity, equity and inclusiveness (DE&I). This commitment to building high-performing, diverse, equitable and inclusive teams is especially important in audit, where diverse perspectives drive professional skepticism and critical thinking. Greater diversity, equity and inclusive environments drive better decision-making, stimulate innovation and increase organizational agility.

EY has been on a DE&I journey for many years, and while substantial progress has been made, under the global NextWave strategy and ambition EY remains committed to increasing DE&I progress throughout the organization. The GE has made a visible commitment to EY people and to the market to accelerate DE&I at EY through signing the Global Executive Diversity, Equity and Inclusiveness Statement. Not only does this reinforce that DE&I is a key business lever, it helps to ensure that EY member firms hold themselves accountable for progress, starting with the tone at the top.

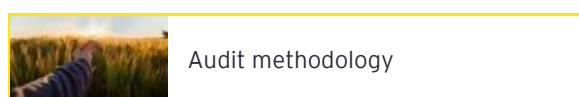
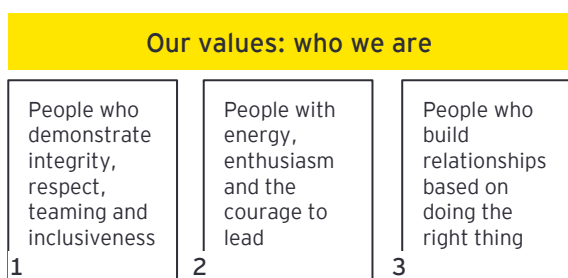
EY also launched the Global Assurance DE&I baseline expectations model in the audit practice to accelerate progress. This includes a set of globally applicable baseline expectations for DE&I across all Assurance talent processes and consists of ideas and initiatives for what can be done to advance DE&I within these processes. Each Region has completed a self-assessment against the baseline expectations

model and committed to an action plan to make progress. There has been a particular focus on promoting gender diversity over recent years. Thirty-three percent of new audit EYG member firm partners around the globe, promoted on 1 July 2023, were women and a strong pipeline of female leadership has been built, supported by 52% of all audit hires by member firms across the globe in 2022 being female.

Inclusive organizations maximize the power of all differences. Employees need to feel they are working for an organization that not only values them as individuals, but also sees differences as strengths and values their contributions. Fostering this sense of belonging is critical to helping the EY organization attract the most talented individuals and helping EY professionals stay motivated and engaged.

In the March 2023 employee listening survey, 82% of EY auditors said the EY organization provides a work environment where they feel free to be themselves, an increase of 3% when compared with the March 2022 survey.

Leaders across EY make DE&I a priority and it is a key metric across all the organization's talent management programs. To enable greater accountability across the EY organization, the Global DE&I Tracker helps track progress with consistent diversity and inclusiveness metrics and reporting across the organization globally. EY also created the Global Social Equity Task Force (GSET) to develop cohesive action plans, specifically addressing inequity and discrimination, including racism. As a global organization, EY has an opportunity to address the impact of inequities and injustice, and push for progress within EY and beyond. EY commits to advancing social equity and inclusive growth and standing against injustice, bias, discrimination and racism. Social equity means that we aim for each person at EYA to have access to the resources and opportunities they need, given different starting points and different needs. It also means removing barriers to opportunities and inclusive experiences, that may lead to unequal outcomes. EY believes businesses have direct influence to address these gaps and build a better working world, through teaming, leadership and culture on teams, and the equitable assignment of work, and how performance evaluation, advancement and appointment decisions are made.



EY GAM provides a global framework for delivering high-quality audit services through the consistent application of thought processes, judgments and procedures in all audit engagements, regardless of the size. EY GAM also requires compliance with relevant ethical requirements, including independence from the audited entity. Making risk assessments; reconsidering and modifying them as appropriate; and using these assessments to determine the nature, timing and extent of audit procedures are fundamental to EY GAM. The methodology also emphasizes applying appropriate professional skepticism in the execution of audit procedures. EY GAM is based on International Standards on Auditing (ISAs) and is supplemented in the Netherlands to comply with the Dutch auditing standards and regulatory or statutory requirements. EY GAM is one example of an intellectual resource made available to EYG member firms to drive consistency in the execution of audit engagements.

Designed and based on extensive research with audit practitioners, EY Digital GAM, which is part of the EY GAM, focuses on simplifying tasks and improving connection from one audit procedure to the next by leveraging full populations of entity data. All procedures, including risk assessment and substantive procedures start with a data-first mindset, by analyzing relevant financial and non-financial data and supplementing this with traditional audit techniques such as inquiries, observations and inspection. The ability to analyze disaggregated data using the EY Helix global analytics suite enhances audit engagement teams' understanding of the entity's business and focuses on the identification of entity-specific risks, key transactions, and trends and anomalies that may be indicators of misstatement or fraud. A data-driven audit approach focuses effort on the audit of higher-risk transactions, enables a dynamic audit strategy that is reactive to readily identifiable changes in the data, and refines the focus and specificity of dialogue with the entity and its management about audit findings and evaluating the outcomes.

Using EY Atlas, an EY auditor is presented with EY GAM, organized by topic, and is designed to focus the audit strategy on the financial statement risks, and the design and execution of the appropriate audit response to those risks. EY GAM consists of two key components: requirements and guidance; and supporting forms and examples. The requirements and guidance reflect both auditing standards and EY policies. Examples in EY GAM supplement the requirements and guidance with leading practice illustrations.

EY GAM contains a number of audit approaches which are "profiled" within EY Atlas to present the relevant requirements and guidance, depending on the nature of the entity being audited – e.g., there are profiles for Digital GAM or Core GAM and further profiles to address public interest entities and for those considered non-complex entities.

EY continues to develop the methodology to address changes and revisions in auditing and other professional standards and changes within entities' financial reporting processes, and to enhance guidance related to matters that are important to entities' stakeholders, such as climate-related risks, cyber risk, and the entity's use of emerging technologies within their operations or financial reporting processes (e.g., automation, AI, blockchain). EY audit engagement teams are provided methodology, guidance and resources to identify and respond to unique risks arising from climate change, cyber risk and technology disruption.

Other enhancements have been made to address implementation experiences and external and internal inspection results.

Recently, EY GAM was updated for the requirements of ISA 220 (Revised), Quality Control for an Audit of Financial Statements, ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, and new independence requirements of the International Ethics Standards Board of Accountants' Code of Ethics for pre-concurrence of non-assurance services and disclosure of fees. A suite of enablement to implement the new and revised requirements was issued.

In addition, current and emerging developments are monitored, and timely audit planning and execution communications are issued. These emphasize areas noted during inspections as well as other key topics of interest to local audit regulators and the International Forum of Independent Audit Regulators (IFIAR).

We have issued accounting and auditing considerations when auditing entities that are exposed to risk due to the recent failures and near-

failures in the banking sector, as well as to respond to evolving economic conditions, including increases in inflation and interest rates.



Certification of technology

EY has a robust global certification process to help ensure technology used in audit engagements is fit-for-purpose (i.e., that the solution meets its objectives, is appropriate for use in the audit circumstances, and that EY people have the appropriate competencies to use the solution).

Certification addresses a range of aspects, including that the solution has a clear audit evidence objective, has been appropriately tested, that methodology, enablement and learning are available to support its application and relevant legal and regulatory requirements have been managed (e.g., data privacy).



Information and communication

The information and communication component in our SQM s designed for obtaining, generating or using information and communicating information, to enable the design, implementation and operation of the System of Quality Management. The quality objectives within the component address the effective two-way communication between:

- Personnel
- Member Firms within the EY Network
- External parties
- Service Providers

Effective two-way communication is essential to the operation of the System of Quality Management and the performance of audit engagements. The Global SQM policy provides the requirements for EYG member firms to communicate internally and externally about the member firm's System of Quality Management.



System of Quality Management Monitoring and remediation

The System of Quality Management monitoring and remediation process is the cornerstone of the EY process to monitor the System of Quality Management, including audit quality. EYA has

established a SQM monitoring and remediation process to:

- Provide relevant, reliable and timely information about the design, implementation and operation of EYA's System of Quality Management
- Provide a basis for the identification of deficiencies
- Take appropriate actions to respond to any identified deficiencies

Information obtained from the monitoring and remediation process about the design, implementation and operation of the EYA's System of Quality Management is evaluated to conclude on the effectiveness in achieving the objectives of the EYA's System of Quality Management.

System of Quality Management monitoring activities include:

- Tests of System of Quality Management key controls
- Internal and external engagement inspections
- Other monitoring activities, for example and not exhaustive:
 - Tests of EYA and its personnel's compliance with ethical requirements related to independence
 - Quality criticisms made by external regulators relevant to the System of Quality Management
 - Issues reported through the Ethics hotline

The monitoring and remediation process is executed annually based on the Global SQM Monitoring and Remediation policy, which is an example of a Global intellectual resource provided to drive consistency in the execution of our System of Quality Management. The monitoring and remediation process is coordinated and monitored by representatives of Global PPD, with oversight by the Global Assurance leadership.



Tests of System of Quality Management key controls

System of Quality Management key controls have been designed and implemented to mitigate quality risks. The objective of performing tests of System of Quality Management key controls within the EYA's System of Quality Management includes determining whether the System of Quality Management key controls:

- Were designed, implemented and operated in accordance with Control Owner's understanding and documentation thereof
- Were operated on a timely basis by the Control Owner/Control Operator specified in the design of the System of Quality Management key control
- Resulted in the timely resolution of any matters (information accumulated) identified

- Were based on reliable information (i.e., information used in the performance of the System of Quality Management key control is complete and accurate, if applicable)

Individuals testing System of Quality Management key controls are competent, objective and independent of the control owners and control operators. Individuals testing SQM key controls operate under the direction of the Country PPD.



Audit quality reviews

EYA executes the Global AQR program, reports results and develops responsive action plans. The Global AQR program complies with the requirements and guidelines in the ISQM 1 and is supplemented, where necessary, to comply with Dutch professional standards and regulatory requirements. It also aids EYA's continual efforts to identify areas where we can improve our performance or enhance our policies and procedures.

The engagements reviewed each year are selected on a risk-based approach, emphasizing audit engagements that are large, complex or of significant public interest, including elements of unpredictability. The Global AQR program includes detailed risk-focused file reviews covering a large sample of listed and non-listed audit engagements, and public interest entities and non-public interest entities, to measure compliance with internal policies and procedures; EY GAM requirements; and relevant local professional standards and regulatory requirements. It also includes reviews of a sample of non-audit assurance engagements performed by audit engagement teams. These measure compliance with the relevant professional standards, and internal policies and procedures that should be applied in executing non-audit assurance services.

AQR reviewers and team leaders are selected for their skills and professional competence in accounting and auditing, as well as their industry specialization. They have often participated in the Global AQR program for a number of years and are highly skilled in the execution of the program. Team leaders and reviewers are independent of the engagements and teams they are reviewing and are normally assigned to inspections outside of their home location.

The Global AQR program is supplemented by a program that covers inspections of all other assurance and related services engagements. This is referred to as the Other Assurance Quality Review (OAQR) program.

The AQR was executed on location for the 2022/2023 cycle. The Team leaders as well as

almost all reviewers were all physical on location. The AQR program was effectively completed in the Netherlands.

The review team in the Netherlands is headed by an international team leader assisted by a Dutch deputy team leader; the team executing the AQRs existed of international reviewers, ensuring that the AQR is performed in accordance with our international quality standards and allowing for a comparison of results over time and between countries.

In the last AQR cycles, we took various measures to further improve the process. One of our main objectives was to raise the bar of our AQRs. These measures have been evaluated by the quality leaders of the Dutch regions. For the 2022/2023 AQR cycle, we repeated the following measures:

- We engaged experienced local Deputy Team Leaders, as they are more familiar with our internal Dutch requirements as well as with the standards set by our supervision oversight body the AFM.
- We involved the Quality Enablement Group (QEG) and our Professional Practice Group (PPG) during the review to monitor the process and support the reviewers and engagement teams where required and to follow up on findings.

Each audit partner is subject to a regular AQR at least once every three years. Also unpredictability is part of the process, resulting in an additional random sample of partners (five) being reviewed. These partners were informed about this selection shortly before the AQR inspection.

In addition to the audits inspected in the regular AQR cycle, partners are also selected for an AQR inspection based on risk analyses. These risk analyses take into account any signals that might indicate potential quality issues.

The primary goal of an AQR is to assess the quality of past cycle audits and to thus drive continuous learning and improvement. Major AQR findings are analyzed for root causes and lessons learned are embedded in internal training and guidance. In the following year, improvement is measured in these areas, also as a means to assess effectiveness of improvement efforts.

The secondary goal is to assess the quality performance of our external auditors and their teams. Besides general improvement as mentioned above, professionals leverage this feedback to drive their personal development. It also gives leadership insight into whether professionals are able to keep up with the increasingly stringent requirements, which sometimes results in professionals moving to other service lines or even exiting the firm.

AQR ratings for a reviewed engagement are:

- ▶ Rating 1: No or minor findings
- ▶ Rating 2 (without significant no): Findings more than minor but less than material, without a significant finding
- ▶ Rating 2 (with sign no): Findings more than minor but less than material, with a significant finding (significant no)
- ▶ Rating 3: Material findings

As part of the remediation the audit team obtains additional audit evidence or improves existing audit evidence in order to ensure a sufficient appropriate basis exists for the report and the appropriate reports are issued. Therefore a 'significant no' does not imply that the financial statements are materially misstated or an inappropriate report has been issued. For the 2 rated and 3 rated files the objective is to learn from detected shortcomings to prevent quality issues going forward. The audit partners with an engagement in which one or more significant findings were recorded are required to prepare a Remedial Action Plan (RAP) in which they have to include relevant actions aimed at improving the audit file and to stimulate learning from these findings. Furthermore, these files could also be subject to a Root Cause Analysis (RCA) to foster collective learning from findings, aligned to the primary goal of AQR.

The AQR outcome is taken into account when determining a partner's quality rating. The root cause of the significant finding driving the 3 rating and quality behavior are also important when determining a partner's quality rating. A negative quality rating will result in a negative overall performance rating. Depending on the nature and root cause of the significant finding, a 2 rating may have the same result as a 3 rating, since expectation for any engagement reviewed is a 1 rating.

Soft inputs such as the learning mindset of the partner are also taken into account when determining the quality rating.

The results of the AQR and OAQR processes are summarized globally (including for Areas and Regions), along with any key areas where the results indicate that continued improvements are required. Summarized results are shared within the network. Measures to resolve audit quality matters noted from the Global AQR program, regulatory inspections and peer reviews are addressed by the EYA board of directors. These programs provide important practice monitoring feedback for our System of Quality Management and continuing quality improvement efforts.



External quality assurance reviews

Our audit practice and our registered statutory auditors are] subject to various inspection by the AFM, the PCAOB (the US Public Company Accounting Oversight Board), our Dutch professional association NBA (Nederlandse Beroepsorganisatie van Accountants) and several governmental institutions. As part of its inspections, the AFM and PCAOB evaluate quality control systems and review selected engagements. These regulators are members of IFIAR and accordingly, the inspection results are submitted for inclusion in the annual IFIAR survey. We refer to KPIs 27, 28, 29 and 32 in Appendix 3 for information on these inspections.

We respect and benefit from the regulators' inspection processes. We thoroughly evaluate the points raised during the inspection in order to identify areas where we can improve audit quality and the relevance to the System of Quality Management. Engagements with significant findings and certain other engagements are subject to root cause analysis (see next section). Together with the AQR process, external inspections provide valuable insights into the quality of EY audits. These insights help us to effectively execute high-quality audits.

AFM

We experience our relationship with the AFM as open and constructive. During the year 2022/2023 the AFM performed an investigation towards assurance on non-financial information. Ongoing investigations/dialogues relate to potential exam cheating, data-driven oversight and engagement quality reviews. These initiatives will be briefly disclosed in the remainder of this paragraph.

Signals and incidents are very important to us as they relate to managing our business in a sound and integer way. As a result of our project Signals & incidents 2.0 we have realized several improvements that are embedded in our processes and in our governance. As per 1 July 2023 the AFM ended the temporary increased monitoring on our signal and incident management system.

In the last quarter of 2022 the AFM performed an exploratory investigation towards assurance on non-financial information, including desktop research and interviews on site. In January 2023 the AFM reported back to us with a positive sound and also focus areas for the future. The two important focus areas according to the sector-wide report of the AFM relate to the comprehensibility of assurance reports and to the need for capacity and expertise. We recognize the importance of these focus areas. We make large investments in (the knowledge of) our

people. Secondly, we expect that the evaluation of standards on sustainability information (e.g., ESRS) will stimulate the comprehensibility of assurance reports.

In November/December 2022, the AFM performed an exploratory investigation at PIE audit firms into possible exam cheating.

In January 2023 we started our own investigation into possible exam cheating. We've set up a team to perform this investigation and established our governance concerning this project. We've developed a project plan and informed the AFM at various times during 2023 about our plan of action and subsequently about the status of our investigation. In the summer of 2023 we finalized the first phase of our investigation, the risk assessment, and moved on to the next phase consisting of responses to identified risk factors. The aim is to finalize our investigation by the end of 2023.

In 2022, the AFM initiated a dialogue on data-driven oversight for the 'OOB' licensed audit firms. In 2023 this dialogue continued with a focus on the availability of data.

In April 2023 the AFM announced an EQR investigation at PIE audit firms and regular audit firms, partly testing and partly exploratory in nature. The AFM will look at both the audit firm and four individually selected statutory audit files with particular focus areas. The investigation will be conducted from June to November 2023 and includes an on-site visit.

Dutch law requires audit firms to manage their business in a sound and integer way. Consequently, we are required inform the AFM immediately of any incident that has serious consequences for the integrity of our operations. One incident was reported to the AFM during the fiscal year 2022/2023, compared to three incidents in the fiscal year 2021/2022 (see KPI 35 in Appendix 3 of this Transparency Report). The incident investigation that the AFM announced in 2021 is still ongoing, no final outcomes are known at this stage.

PCAOB

Public companies, whether located in the US or elsewhere, access US capital markets by complying with certain US legal requirements, including the requirement to periodically file audited financial statements with the US Securities and Exchange Commission (SEC). Under the Sarbanes-Oxley Act, the auditor of these financial statements - whether a US or a non-US auditor - must be registered with the PCAOB, and the PCAOB must regularly inspect the firm to assess its compliance with US laws and professional standards in connection with those audits. Our firm is registered with the PCAOB.

We were subject to a PCAOB inspection in May 2022 when the board reviewed our firm's quality control system and three engagements. In the final report that we received in May 2023, no significant findings were reported (deficiencies that were of such significance that the PCAOB believes the firm, (1) at the time it issued its audit report(s), had not obtained sufficient appropriate audit evidence to support its opinion(s) on the issuer's financial statements and/or ICFR or (2) in audit(s) in which it was not the principal auditor, had not obtained sufficient appropriate audit evidence to fulfil the objectives of its role in the audit). The PCAOB reported two other instances of non-compliance with PCAOB or SEC rules. One instance regarding required communication with the audit committee and one instance regarding independence (which was identified by our independence monitoring activities). We have evaluated these findings and amended our policies and procedures when deemed necessary.

Other external reviews

In addition to inspections by the AFM and the PCAOB, the Dutch National Government Audit Service (Auditdienst Rijk) and the Inspectorate of Education also conducted inspections. The eleven engagement reviews by the Dutch National Government Audit Service regarding the audit of public institutions, as well as the three engagement reviews by the Inspectorate of Education regarding the audits of educational institutions, were assessed as 'sufficient' (the previous year was also assessed as 'sufficient').

Dutch municipalities and provinces are subject to SISA (Single Information, Single Audit) reporting requirements to the Dutch Ministry of the Interior and Kingdom Relations regarding specific contributions that they receive from the central government. SISA includes the attachment of a detailed annex to municipalities' financial statements. This annex is subject to external audit. The Dutch National Government Audit Service performed one SISA inspection in 2022/2023 (2021/2022: one) and informed us that the conclusion was 'sufficient'.

In September 2022, the Dutch Healthcare Authority (Nederlandse Zorautoriteit) conducted a review on three engagements related to the Healthcare Insurance Act (Zorgverzekeringswet, ZVW) and the Long-Term Care Act (Wet Langdurige Zorg). For all three files, the Dutch Healthcare Authority informed us that their conclusion was 'sufficient' (there was no inspection in the previous year).

The Royal Netherlands Institute of Chartered Accountants, the professional organization of IT Auditors (NOREA) and the Dutch Media Authority

(Commissariaat voor de Media) did not perform any quality reviews in the past years.

As a result of the yearly review by the Board of Accreditation related to assurance engagements with respect to reports about emissions prepared on the basis of EUETS laws and regulations, the Board of Accreditation timely suspended the accreditation of Ernst & Young Accountants LLP in June 2023. This was due to non-conformities in specific elements of our quality control system, there were no non-conformities in the area of engagement performance. EY remediated the non-conformities within short notice and as a result thereof the Board of Accreditation has withdrawn their suspension in October 2023.



Engagement-level root cause analysis and action plans

Engagement level root cause analysis is a central part of the EY quality improvement framework, providing an in-depth assessment of the root causes that underlie an engagement's positive or negative inspection outcome. The findings of each root cause are analyzed in detail. Analyzing this research enables a better understanding of the drivers behind both positive and negative outcomes. This allows us to focus on key behaviors that drive positive and high-quality results, a process that is fundamental and foundational to continuous improvement.

Once the engagement root cause analysis has been completed, EYG member firms are responsible for assessing their portfolio results, with special consideration given to identifying pervasive issues and developing responsive action plans for remediation.



Audit quality indicators

In addition to understanding the overall System of Quality Management annual results, the EYA board of directors monitors the execution of our strategy and quality priorities through a combination of metrics or audit quality indicators (AQIs). While no single reportable metric or set of metrics can be viewed as a sole indicator of audit quality, a set of metrics can be used to give an indication of audit quality.

Enabled by the EY organization's strong global integration of tools, practices and policies, country specific data is accumulated on monthly on a variety of topics. The AQIs include both leading and lagging quality-related indicators and span across themes related to execution, talent, remediation and enablement. Each AQI is measured against

established geographically specific and global targets, with outliers requiring an evaluation and remediation plan. The AQIs are also aligned to the EY accountability framework to reinforce priorities for the country leadership network and are subject to an annual review to help ensure they remain relevant and responsive to quality initiatives.

Examples of EY AQIs include:

- Internal and external inspection results
- Adherence to engagement pacing milestones
- Retention
- Independence
- Deployment of mandatory learning

Elements monitored and measured through the AQI dashboard are subject to an annual review to ensure they remain relevant and responsive to quality initiatives.

The Global AQI dashboard helps to inform the leadership about whether particular actions are having the intended effect and provides an early warning where intervention is warranted.

The Dutch legislative proposal 'Wet Toezicht accountancysector' contains, amongst other audit quality improvement measures, a reporting obligation for a new set of audit quality indicators. The fall of the cabinet could delay parliamentary consideration. The NBA has called on the 'Tweede Kamer' (the Dutch House of Representatives) not to declare discussion of this bill controversial.



Identifying and assessing System of Quality Management deficiencies and performing root cause

Findings are information about the design, implementation and operation of the System of Quality Management which indicates that one or more deficiencies may exist. Findings are accumulated from the performance of monitoring activities. EYA evaluates each finding or aggregation of findings considering the relative importance of the finding(s) to determine whether a deficiency exists. Potential findings identified, and their assessment are reviewed by the SQM oversight committee.

If any deficiencies are identified, a root cause process is executed to determine the root cause, to assess the severity and pervasiveness of the deficiency, and to develop responsive actions. For fiscal year 2022/2023 no deficiencies were identified.

Representatives from Global and Area Professional Practice and Assurance Leadership meet on a regular basis to review the results of the monitoring activities and the assessment of findings and

deficiencies to drive consistency in the application of the framework for identifying and assessing findings and evaluating deficiencies and performing root cause as described in the Global SQM Monitoring and Remediation policy.



System of Quality Management Quality Improvement Plans

For any identified deficiencies, Dutch quality improvement plans are developed, which includes:

- Correcting the effect of the identified deficiency
- Remediating identified deficiencies in a timely manner
- Evaluating the effectiveness of the remediation actions

Quality Improvement plans are developed by the SQM Operational Committee and are reviewed by the SQM Oversight Committee to help ensure the appropriateness of the actions designed.



Infrastructure supporting quality

Infrastructure supporting quality



Strategy

NextWave is the EY global strategy and ambition to deliver long-term value to clients, people and society. It has put EY in a strong position to adapt and innovate, while the EY purpose of *Building a better working world* continues to inspire EY people to use EY knowledge, skills and experiences to support the communities in which they live and work. The insights and quality services EY member firms deliver help enhance trust in business and the capital markets in support of sustainable, long-term value creation.

For EY Assurance services, the NextWave strategy is informed by a recognition that markets are being reshaped profoundly by data and technology disruptions, climate change, demographics shifts and globalization, creating urgency for EY to respond to increasing demand for trust and confidence.

In response, EY Assurance services has embarked on a multi-year journey of bold changes across audit teams, processes and technology. Through this transformation EY continues to harness the inherent strengths of its member firms' greatest asset in delivering quality and building trust – EY people. By enhancing their skills and experiences, while also transforming the way EY teams work, (guided by intuitive methodology and tailored enablement and putting data and technology at the center of the assurance services they provide), they better deliver on the EY purpose of serving the public interest.

Through a data-driven approach, enabled by the transformation and integration of our digital technology capabilities, EY teams will continue to deliver high-quality audits with independence, integrity, objectivity and professional skepticism. EY member firms provide their audit professionals with additional training and enablement to help detect fraud. The data-first approach and enhanced training elevates EY teams' experiences, so they can spend more time addressing risks and exercising professional judgment. EY member firms remain future-focused as they transform, including ever more sophisticated data analytics and efficiently delivering greater insight and assurance in support of the high-quality audits that are valued by the entities that EY member firms audit and the capital markets. By applying leading-edge technologies, EY Assurance services teams contribute meaningfully to

the overall EY purpose of *Building a better working world*.

Data and technology continue to transform the audit and support the changing needs of the capital markets. In June 2022, the EY organization announced a US\$1b investment in evolving a next generation technology platform. This integrated platform builds on the already strong foundations of the EY Assurance leading-class technology suite, driving audit quality and greater value for audited entities by facilitating trust, transparency and transformation. It will provide new data access capabilities and advanced analytics, incorporate new forms of business intelligence and AI, and enhance the user experience for audited entities and EY people – all important components of delivering high-quality audits.



Global Audit Quality Committee

The EY Global Audit Quality Committee (GAQC) comprises senior leaders from across the EY organization with extensive, diverse and highly relevant experience. The GAQC advises EY Assurance leadership on the many aspects of the organization's business, operations, culture, talent strategy, governance and risk management that affect audit quality.

The committee develops innovative ideas and approaches to delivering high-quality audits, so that leading practices can be shared across the organization. It is a central repository for learning and feedback and serves as the basis for the organization's AQLs and other forms of quality monitoring that feed the continuous improvement cycle.



Quality Enablement Leaders

The EY Quality Enablement Leaders (QEL) network is a group of senior Assurance leaders around the world who drive improvements in audit quality by empowering engagement teams and driving operational excellence within the global assurance practice.

Empowerment for audit teams is enabled by:

- Delivering audit engagement team coaching

- Deploying technical enablement related to the adoption of new auditing standards
- Driving proficiency in the use of automated tools and techniques

Operational excellence for the Audit service is achieved through:

- Designing the framework for implementing consistent workforce planning across the globe, including protocols for workload management
- Establishing global data protocols and managing the data to execute portfolio reviews
- Managing in-flight engagements to support timely, positive intervention

Many of the QEL related activities are directly aligned to the EY SQM. Because of the nature of their activities, the QEL network offers a unique perspective on the nature of challenges that can impact audit quality. The QEL network collaborates frequently with the Professional Practice function to drive audit quality.

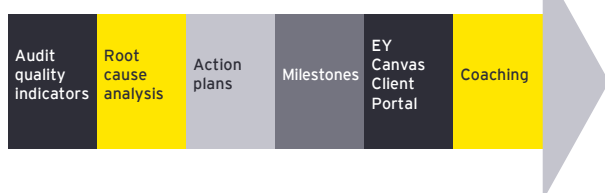


Sustainable Audit Quality

To support auditors in fulfilling their purpose, the EY organization created the Sustainable Audit Quality (SAQ) program, which provides a framework to help address the evolving risks of the audit. SAQ is globally consistent approach to achieving and sustaining high-quality audits across the EY network. It has required significant investment and created positive change for EY auditors and the companies audited.

The significant efforts the EY organization has made in executing quality initiatives under the global SAQ program are positively impacting audit quality across the EY network and the behavior of audit engagement teams.

Through in-flight management, we can measure the progress of in-process audits and identify areas that require additional attention before they are completed. Several elements of the in-flight management activities are also AQIs, which helps to drive the focus and accountability around executing quality audits. Examples of how the EY organization puts its focus on quality into action include:



Further detail on those activities not previously discussed include:

Milestones

Effective project management enables audit engagement teams to stay focused on the risks that matter most across the audit cycle, better balancing the workload by allocating the right amount of time to complete the risk tasks and ensuring timely executive involvement. The milestones functionality is enabled through EY Canvas. Facilitated through dashboards in EY Canvas and the EY Canvas Reporting Hub, Milestones break the audit cycle down into specific tasks, with dates and steps designed to help achieve timely completion and appropriate supervision and review.

EY Canvas Client Portal

The EY Digital Audit allows EY audit engagement teams to send requests for documents used to support the audit or for work to be performed by an entity's internal audit, as permitted by local laws and regulations, via EY Canvas. Clients work on the requests, upload documents and respond via the EY Canvas Client Portal. Clients can see requests that have been assigned to them or to the group(s) which they are a member.

Coaching

Through the QEL led coaching programs, audit engagement teams are supported as they navigate critical accounting estimates and judgments, adopt new or revised auditing standards all while utilizing new tools and enablement. More than 1,500 audit engagements go through global coaching on an annual basis.



Professional Practice

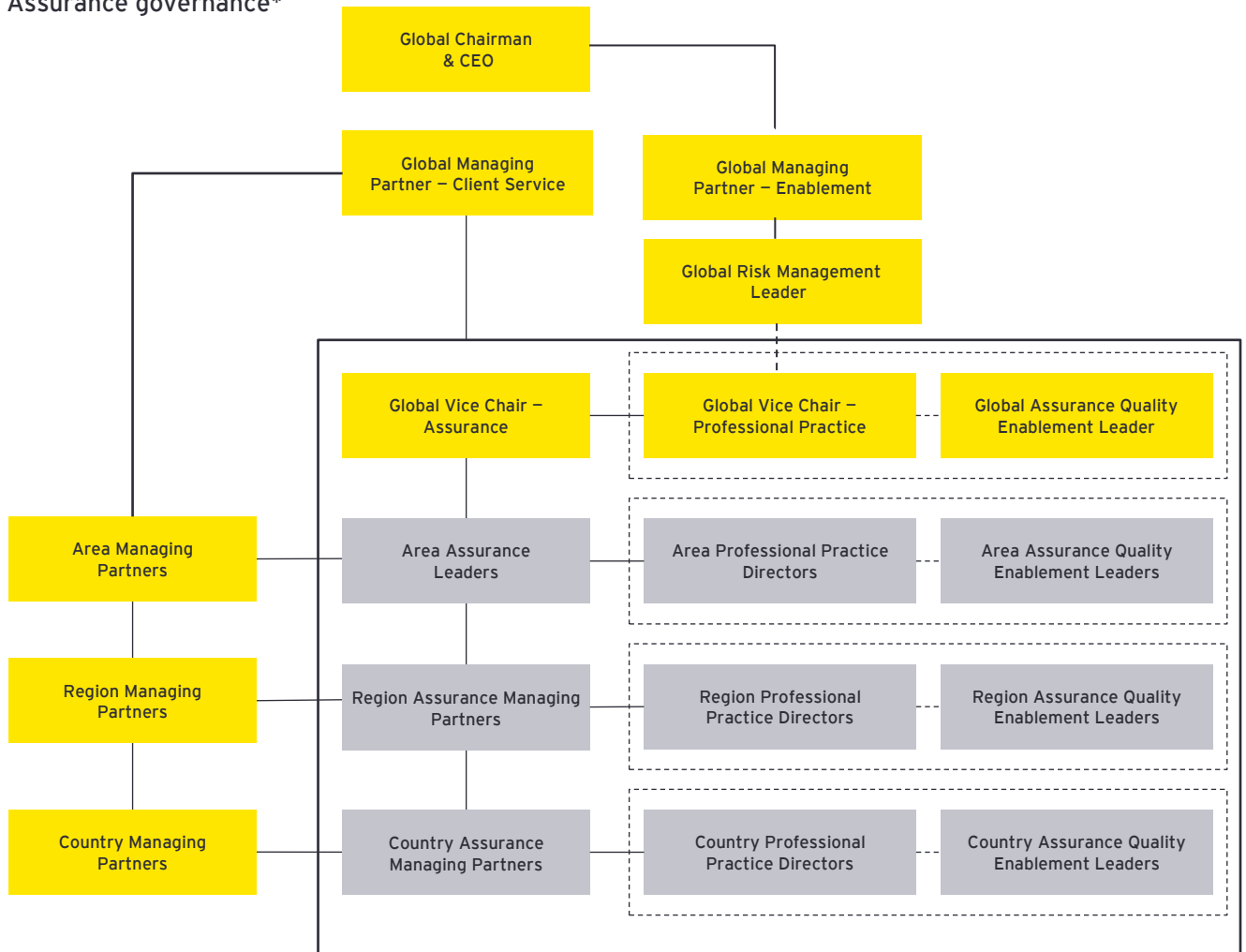
The Global Vice Chair of Professional Practice, referred to as the Global Professional Practice Director (Global PPD), is overseen by the Global Vice Chair of Assurance and works to establish global audit quality control policies and procedures. Each of the Area PPDs as well as the Global Delivery Service PPD is overseen by the Global PPD and the related Area Assurance Leader. This helps provide greater assurance to the objectivity of audit quality and consultation processes.

The Global PPD also leads and oversees the Global Professional Practice group. This is a global network

of technical subject-matter professionals in accounting and auditing standards who are consulted on accounting, auditing and financial reporting matters; and perform various practice monitoring and risk management activities. In addition, the Professional Practice group is expanding its capacity

on nonfinancial reporting in anticipation of the finalization of the inaugural standards by the International Sustainability Standards Board.

Assurance governance*



*Illustrative to show global alignment; actual reporting lines may vary based on legal, regulatory and structural considerations

The Global PPD oversees the development of the EY Global Audit Methodology (EY GAM) and related audit policies and technologies so that they are consistent with relevant professional standards and regulatory requirements. The Global Professional Practice group also oversees the development of the guidance, training and monitoring programs, and processes used by member firm professionals to execute audits consistently and effectively. The Global, Area, Regional and Country PPDs, together with other professionals who work with them in each member firm, are knowledgeable about EY people, audited entities and processes. They are readily accessible for consultation with audit engagement teams.

Additional resources often augment the Global Professional Practice group, including networks of professionals focused on:

- ▶ Internal-control reporting and related aspects of the EY GAM
- ▶ Accounting, auditing and risk issues for specific topics, industries and sectors
- ▶ Event-specific issues involving areas of civil and political unrest; pandemics; financial stability or sovereign debt and related accounting, auditing, reporting and disclosure implications
- ▶ General engagement matters and how to work effectively with audit committees



Risk Management

Risk Management (RM) coordinates organization-wide activities designed to help EY people meet global and local compliance responsibilities and support client-facing teams in delivering quality and exceptional client service. Responsibility for high-quality service and ownership of the risks associated with quality is placed with the EYG member firms and their service lines.

Among other things, the Global RM Leader helps monitor the identification and mitigation of these risks, as well as other risks across the organization as part of the broader enterprise risk management (ERM) framework. The ERM priorities are communicated to EYG member firms.

The Global RM Leader is responsible for establishing a consistent risk management framework around the globe and coordinating risk management across EY.

Member firm professionals are appointed to lead risk management initiatives (supported by other staff and professionals), including coordinating with the service lines on such matters.

When events that present risks occur, Global Risk Management actively seeks input from EYG member

firms on lessons learned from both crisis management and business continuity standpoints. This after-action review process has generated significant changes to EY planning around its crisis response and management of crises at the member firm and global levels. Such reviews provide a higher degree of proactiveness especially in identifying emerging risks before they cause significant impact, and the prioritization of risks by each member firm. For example, this allows the EY Global Security team and Region Security Manager network to work directly with their respective member firm crisis management teams in preparing for the most likely threats by incorporating training and advanced stages of readiness to its crisis management networks.

Additionally, Global Risk Management has placed more focus on business resiliency in business continuity planning efforts in EY. A key component of this approach is the recognition that many crises do not just “happen;” there are usually indicators of escalating factors as a crisis unfolds. This approach allows EYG member firms to begin addressing mitigation of risks while continuing to carry on “business as usual” at the very early stages of a potential business impact situation. The creation of “escalation matrixes” around several ongoing and high chance geopolitical events allow EY member firm and Region Risk Management crisis management teams to respond more rapidly and more effectively as events escalate. Additionally, these escalation matrixes and subsequent action item checklists go beyond traditional workforce life and safety issues by delving into factors that could impact a member firm’s ability to effectively conduct business, e.g., disruption to banking systems or sustained cyber-attacks.

These changes are allowing EYG member firms to navigate significant crises more effectively via a prepared holistic approach.

In addition, the EY Global Code of Conduct provides a clear set of principles to guide the behaviors of those working with EY. This includes EY professionals being required to speak up when observing behavior that is believed to be a violation of law or regulation, applicable professional standards, or the EY Global Code of Conduct itself.

The Global Data Protection and Confidentiality Policy (previously discussed) sets out requirements when handling sensitive and restricted information, including personal data. EYG member firms have a continuing responsibility to communicate local changes in law or regulation, reflecting the ever-changing landscape of restrictions on the use of data. The Global Data Protection and Confidentiality Policy was developed in accordance with applicable law, regulatory frameworks (such as the EU General

Data Protection Regulation (GDPR)), and relevant professional standards. The policy provides clarity for EY member firms and their employees and connects to related policies and guidance on information security, records retention, social media utilization, and other data protection-related topics.



Three lines model

We find it helpful to think in terms of a so-called three lines model to structure our organization. We mirror our EY Global model as our guiding principle, enabling us to align with international practice and benefit from it. Naturally, we customize it to suit local conditions where necessary.

This results in the following structure:

- **First line:** Our professionals performing engagements and the primary processes Talent, Operations (including Innovation) and Markets (including Rotation) with the departments responsible for coordinating, supporting and/or implementing the respective processes. Our professionals are responsible on an engagement level and line management on a department or process level. The first line focuses on our professionals, our services and our clients.
- **Second line:** Departments which support, advise and monitor the first line. These include departments focusing on professional practice, compliance, independence, anti-money laundering, data privacy, corporate law, and risk. The authority of these departments can also include approvals in their area of expertise, whereby the first line remains primarily responsible and the approvals by the second line secure, in segregation of duties, that the applicable criteria have been met and/or that assessments have been made adequately. Recognizing the second line incorporates many departments, multiple information and coordination lines are set up between them.
- **Third line:** Internal audit, headed by the Wta Officer, which department is not concerned with management tasks and focuses on observing the operations of the primary and support processes.



Cybersecurity

Managing the risk of major and complex cyber-attacks is a part of conducting business for all organizations. While no systems are immune from the threat of cyber-attacks, EYA is vigilant in the steps it takes to secure and protect client data.

The EY approach to cybersecurity is proactive and includes the implementation of technologies and processes necessary to manage and minimize cybersecurity risks around the globe. EY information security and data protection programs, consistent with industry practices and applicable legal requirements, are designed to protect against unauthorized access to systems and data. There is a dedicated team of cybersecurity specialists, who constantly monitor and defend EY systems.

Beyond technical and process controls, all EY people are required to annually affirm in writing their understanding of the principles contained in the EY Global Code of Conduct and their commitment to abide by them. There are also required security awareness learning activities. Various policies outline the due care that must be taken with technology and data, including, but not limited to, the Global Information Security Policy, and a global policy on the acceptable use of technology. EY cybersecurity policies and processes recognize the importance of timely communication.

EY people receive regular and periodic communications, reminding them of their responsibilities outlined in these policies and of general security awareness practice.



Nonfinancial reporting

EYA provides assurance services on a wide range of nonfinancial information and reporting-related information. The EY Sustainability Assurance Methodology (EY SAM) is a global framework for the application of a consistent approach to all assurance engagements on ESG and sustainability information. EY SAM provides for the delivery of high-quality assurance services through the consistent application of thought processes, judgments and procedures in all engagements, regardless of the level of assurance required. EY SAM is also adaptable to the nature of both the ESG reporting, and the criteria applied by the reporting entity in producing that report.

The methodology emphasizes applying appropriate professional skepticism in the execution of procedures inclusive of the changing landscape in ESG reporting and criteria. EY SAM is based on the International Standards on Assurance Engagements (ISAEs) and is supplemented in the Netherlands to comply with local assurance standards and regulatory or statutory requirements.

As part of our obligation for high-quality assurance services related to nonfinancial reporting, EY has developed guidance, training and monitoring

programs, and processes used by EYG member firm professionals to execute such services consistently and effectively. This includes the EY Climate Change and Sustainability Services –a dedicated team of sustainability professionals. Guidance has also been developed for audit engagement teams to assess the impact of climate risk on financial reporting under International Financial Reporting Standards (IFRS) or other financial reporting frameworks. The Global, Area, Regional and country PPDs, EY quality functions and IFRS desks, together with other finance and sustainability professionals, who work with teams in each member firm, are knowledgeable about the changing regulatory nonfinancial reporting landscape, EY people, clients and processes. They are readily accessible to support assurance engagement teams.

Additionally, EY has enhanced quality management related processes to address such aspects as the engagement acceptance process, training and accreditation requirements, and resource assignments specifically related to assurance services over nonfinancial reporting matters.

EY provides input to a number of public and private initiatives to improve the quality, comparability and consistency of nonfinancial reporting, including climate risk. These activities take place at a global, Regional and national level.



Independence practices

Independence practices

The EY Global Independence Policy requires EY Netherlands and our people to comply with the independence standards applicable to specific engagements, e.g., the IESBA Code of Ethics and Dutch rules on auditors' independence (e.g. the Regulation regarding the Independence of Accountants performing Assurance engagements' (*Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten*)). The EY Global Independence Policy is an example of a policy issued by EYG to enable the operation of the SQM and the performance of ISQM 1 engagements.

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

Failure to comply with applicable independence requirements will factor into decisions relating to a person's promotion and compensation, and may lead to other disciplinary measures, including separation from our firm.

We have implemented EY global applications, tools and processes to support us, our professionals and other employees in complying with independence policies.



EY Global Independence Policy

The EY Global Independence Policy contains the independence requirements for EYG member firms, professionals and other personnel. It is a robust policy predicated on the IESBA Code and supplemented by more stringent requirements in jurisdictions, where prescribed, by the local legislative body, regulator or standard-setting body. The policy also contains guidance designed to facilitate an understanding and the application of the independence rules. The EY Global Independence Policy is readily accessible and easily searchable on the EY intranet.

EY Global Independence Policy is an example of an Intellectual resource provided by a Global Function to

drive consistency in the System of Quality Management.



Global Independence System

The Global Independence System (GIS) is an intranet-based tool that helps EY professionals identify the entities from which independence is required and the independence restrictions that apply. Most often, these are listed audit entities and their affiliates, but they can also be other types of attest or assurance clients. The tool includes family-tree data relating to audit clients and their affiliates, other entities for which independence restrictions apply, and for other entities for which there are no independence restrictions. Family-tree data is updated by client-serving engagement teams. The entity data includes notations that indicate the independence rules that apply to each entity, helping our people determine the type of services that can be provided or other interests or relationships that can be entered into.

GIS is an example of a technological resource provided by a Global Function to drive consistency in the System of Quality Management.



Global Monitoring System

The Global Monitoring System (GMS) is another important global tool that assists in identifying proscribed securities and other impermissible financial interests. Professionals ranked as manager and above are required to enter details about all securities they hold, or those held by their immediate family, into the GMS. When a proscribed security is entered or if a security they hold becomes proscribed, professionals receive a notice and are required to dispose of the security. Identified exceptions are reported through an independence incident reporting system for regulatory matters.

GMS also facilitates annual and quarterly confirmation of compliance with independence policies, as described below. GMS is an example of a technological resource made available to EYG member firms to drive consistency in the System of Quality Management.



Independence compliance

EY has established several processes and programs aimed at monitoring the compliance with

independence requirements of EYG member firms and their people. These include the following activities, programs and processes.



Independence confirmation

Annually, our firm is included in an Area-wide process to confirm compliance with the EY Global Independence Policy and process requirements, and to report identified exceptions, if any.

All EY professionals are required to confirm compliance with the EY Global Code of Conduct annually. All client facing professionals at the ranks of manager and upwards, and certain others, based on role or function, are required to confirm compliance with independence policies and procedures quarterly.



Independence compliance reviews

EY conducts internal procedures to assess member firm compliance with independence matters. These reviews include aspects of compliance related to non-audit services, business relationships with the companies we audit and financial relationships of EYG member firms.



Personal independence compliance testing

Each year, the EY Global Independence team establishes a program for personal independence compliance testing (PICT), which is an audit of an individual's compliance with the requirement to report financial interests in GMS. As part of the PICT, the selected individuals will provide account statements and other documentation of their financial interests, which are then compared to information reported in GMS as of the relevant period being tested to determine if there are unreported interests. Any unreported interests are evaluated with consequences assigned as deemed appropriate. For the 2023 testing cycle, EY Netherlands tested more than 160 partners and other personnel.



Non-audit services

We monitor compliance with professional standards, laws and regulations governing the provision of non-audit services to audited entities through a variety of mechanisms. These include the use of tools, such as

PACE (see page 31) and the Service Offering Reference Tool (SORT) (see below), and training and required procedures completed during the performance of audits and internal inspection processes. There is also a process in place for the review and approval of certain non-audit services in advance of accepting the engagement.



Global independence learning

EY develops and deploys a variety of independence learning programs. All EY professionals and certain other personnel are required to participate in annual independence learning to help maintain independence from the companies EYG member firms' audit.

The goal is to help EY people understand their responsibilities and to enable each of them, and their member firms, to be free from interests that might be regarded as incompatible with objectivity, integrity and impartiality in serving an audit client.

The annual independence learning program covers independence requirements, focusing on recent changes to policy, as well as recurring themes and topics of importance. Timely completion of annual independence learning is required and is monitored closely

In addition to the annual learning program, independence awareness is promoted through events and materials, including new-hire programs, milestone programs and core service line curricula.

The annual independence learning program is an example of an intellectual resource provided by a Global Function to drive consistency in the System of Quality Management.



Service Offering Reference Tool

Service Offering Reference Tool (SORT) serves as the master list of approved EY services. We assess and monitor our portfolio of services on an ongoing basis to confirm that they are permitted by professional standards, laws and regulations, and to make sure that we have the right methodologies, procedures and processes in place as new service offerings are developed. We restrict services from being provided that could present undue independence or other risks.

SORT further provides EY people with information about EY service offerings. It includes guidance on which services can be provided to entities we audit and non-audit clients, as well as independence and other risk management issues and considerations.

SORT is an example of a technological resource made available to EYG member firms to drive consistency in the System of Quality Management.



Business Relationships Independence Data Gathering and Evaluation

EY people are required to use Business Relationships Independence Data Gathering and Evaluation (BRIDGE) in many circumstances to identify, evaluate and obtain advance approval of a potential business relationship with an entity we audit, thereby supporting our compliance with independence requirements.

BRIDGE is an example of a technological resource made available to EYG member firms to drive consistency in the System of Quality Management.



Audit committees and oversight of independence

We recognize the important role audit committees and similar corporate governance bodies undertake in the oversight of auditor independence. Empowered and independent audit committees perform a vital role on behalf of shareholders in protecting independence and preventing conflicts of interest. We are committed to robust and regular communication with audit committees or those charged with governance. Through the EY quality review programs, we monitor and test compliance with EY standards for audit committee communications, as well as the pre-approval of non-audit services, where applicable.



Safeguarding independence in the Netherlands

We further intensified our efforts to ensure compliance within EY NL with all applicable independence rules. EY's Dutch Independence Desk, whose area of responsibility covers all EY professionals and service lines in the Netherlands, and consists of 13.5 FTEs (see KPI 13 in Appendix 3

in this Transparency Report for detailed figures per rank). This size allows the Independence Desk to plan and operate pro-actively in all relevant independence-related areas. It is able to look more deeply into more situations in areas where independence rules may be at risk of being breached. If and when breaches of independence rules are discovered, we evaluate the circumstances and assess whether further process improvements are necessary.

Worldwide, EY is further improving and interconnecting systems such as PACE, GIS and SORT to ensure compliance with independence rules and reduce the risk of human error. We benefit from these improvements. In parallel we continued our campaign in the Netherlands to stress to all our professionals the importance of full compliance with all applicable independence rules. This campaign is reinforced by a personal independence partner sanction framework as well as a personal independence executive sanction framework from the level of manager and up. For the total number of internally reported or identified independence violations at EY in the Netherlands during the fiscal year 2022/2023, we refer to KPI 24 in Appendix 3.

Both EU regulations and the more restrictive Dutch 'Regulation regarding the Independence of Accountants performing Assurance engagements' prohibit auditors of a PIE client to provide non-audit services to this client, with very few exceptions. No cases of non-compliance were identified during the fiscal year 2022/2023



Personal independence in the Netherlands²

Our professionals have to comply with internal and external rules on personal independence. We monitor, for example, the compliance of our professionals with rules regarding directorships they are not allowed to accept. Professionals ranked as manager and above are required to enter details about all securities they hold, or those held by their immediate family, into the GMS. Compliance with the GMS requirements is monitored through our Personal Independence Compliance Testing (PICT) program. Our sample sizes vary from year to year; we aim to ensure that all partners are tested at least once every five years, with certain partners in managerial roles being selected more frequently.

² Figures in this paragraph relate to EY NL and not only EYA in the Netherlands as non assurance partners and employees may cause independence violations related to assurance engagements.

58 partners (equity) were tested in the period covered (1 April 2022 to 31 March 2023). These tests did not identify any independence breaches and identified three administrative violations. For one partner this resulted in a financial penalty and for one other partner in a non-financial sanction (2021/2022: 56 tests, zero breaches, seven administrative violations, for which one partner received a financial penalty and five partners a non-financial sanction).

Furthermore, 105 executives (including partners (non-equity) were tested in the period which resulted in one breach and 15 administrative violations. For 14 executives this resulted in non-financial performance consequences (2021/2022: 87 tests, one breach, eight administrative violations, for which seven executives received a non-financial performance consequence).

The overall non-compliance rate for partners and executives is 11% in both the current and prior reporting period.



Audit partner rotation

EU and Dutch regulations limit the number of years partners and other senior team members are allowed to be involved in an audit and/or assurance engagement at the same client. We employ tools that track the involvement of our professionals, thereby enabling effective monitoring of compliance with these regulations. We refer to the paragraph rotation and long association.



Investing in
exceptional
talent and
continuing
education

Investing in exceptional talent and continuing education



The EY employee value proposition (EVP) is the promise we give to our employees for working at our firm. But this isn't something that just happens. It's on our people to make it happen. We provide the opportunities, the scale, the technology, the learning, the diverse and inclusive culture. It's up to our people to build their own exceptional experience from the building blocks we offer.

The EY EVP "The exceptional EY experience. It's yours to build" is designed to empower EY people to be intentional about their careers, enabling them to seek out the experiences, the learning, the skills, the impact and the leadership behaviors that will help them build the career they want, and a better working world for themselves and others.

We are committed to investing in our number one asset – our talent – to ensure we keep our promise to them. Delivering on the EVP in turn helps us to drive further advances in audit quality, creating real value and insights for entities that are audited by us.

Changing environments mean that investments in exceptional talent need to be agile. Audit engagement teams already bring together an increasingly diverse set of skills and this trend will only accelerate as new technologies are adopted and the role of the audit professional continues to evolve. Skill sets will need to be further enhanced to encompass new competencies, such as coding and data visualization, and new areas, such as the analysis of non-financial information (for example, rapidly changing ESG standards).

Audit professionals also need to understand and assess the risks and considerations associated with these technologies, particularly as companies implement new systems and generate new data that impact financial reporting, such as business models dealing with cryptocurrencies.

Talent investment needs to focus more broadly on the development of new skillsets – enabling teams to harness the full potential of new technology and bring a new lens to their work.

In addition, the EY organization has taken action to address emerging risks, through both training and a focus on increasing awareness of these risks.

Common themes that teams need to focus on are communicated throughout the organization.



Attracting and recruiting talent

In a world with a decreasing talent pipeline, where the number of students graduating with an accounting degree continues to drop, competition for talent with the relevant skills has never been higher. Finding the next generation of high-quality auditors remains our top priority. We keep the recruiters who we work with up to date and upskill them with current trends and hot topics in audit, so that they are armed with the information to talk to candidates. We are also exploring several recruitment innovation platforms and talent attraction initiatives with the purpose of networking with new and diverse audiences that we didn't have the opportunity to connect with via the traditional channels and innovate in the ways we connect and attract our future talent.

For example, in the last year, EY designed the EY Talent Tree in the Metaverse. Through a series of global talent events, EY teams have hosted hundreds of potential future audit professionals in an environment that strips away the physical barrier of real-world meeting rooms, and replaces them with a new, highly interactive virtual world. What has been achieved so far is very exciting – a series of events on a global scale that helped identify new talent from the next generation of potential accounting professionals, who live and breathe technology; and who will help forge the future of our profession.

Another innovation initiative EY is currently working on is an Audit virtual work experience program, with the support of an external vendor. This program is designed primarily for university and college students who are at early stages of their studies and are looking to explore future career paths. The purpose of this program is to connect with students and showcase the work EY teams do in audit, in a direct and open way, with the aim to build a network with our future talent from the early stages in their academic journey.

In order to recruit people who fit with the EY culture, it is important to take into account not only technical excellence, but also other attributes – communication skills, high ethical standards and the ability to collaborate in high-performing teams. All joiners are expected to live up to high standards of

integrity, and to have strong business acumen and leadership potential.



Retention and focus on wellbeing

Having recruited the talent, retaining it within the business is a key contributor to the delivery of high-quality audits. Retention can vary based on external drivers such as market conditions. However, there is one factor that is consistent around the globe: employee expectations.

Achieving a work-life balance is important for EY people. People are now far more focused on getting the balance right between their professional and personal lives. Forty-three percent of EY auditors now work remotely two or more days per week and have a greater wellbeing experience as a result.

An increasingly important talent priority has been a focus on wellbeing and improving the day-to-day experience of EY people. The overarching goal is to embed a wellbeing culture through the commitment of leadership to provide the financial, physical, emotional and social support that enables EY people to be the best they can be. In practice, this can include equitably balancing work allocations and breaking down barriers that have previously prevented professionals from setting and adhering to healthy boundaries.

The better the organization can support people's wellbeing, the more likely it is to provide them with compelling reasons to continue their career journey within the EY network.

However, new entrants to the world of work are less likely to stay at the same organization for their entire careers. Boosting retention, therefore, now means focusing more on the journey than the destination.

As part of this commitment, there is a stronger focus on experience management, scheduling auditors onto engagements, where they can find opportunities to expand their knowledge, as part of longer-term career progression.



Personalized careers with diverse experiences

As the workforce becomes more diverse in terms of background, skill sets and education, aspirations also change. With more people with specialized skills entering the organization, EYG member firms are implementing more flexible career paths for all professionals that link to future-focused service delivery model thinking.

The workforce is evolving, and individuals often have different career hopes, so we are providing all our people with the necessary tools and processes to manage their progression. A more individualized career structure is vital in attracting new talent and in helping to develop and retain the existing workforce.

Promotions focus on people's skills, not the number of years in a post. For example, the EY organization is introducing more "agile promotions," where career progression takes place when an individual is ready rather than at set times in the year.

We are seeing success through these redesigned career paths. In the March 2023 employee listening survey, 82% of respondents indicated that they know which skills they need to build the career they want.



Mobility

In an organization that spreads across more than 150 jurisdictions, one of the most powerful experiences EYG member firms can offer their people is to work across cultures and borders. People join EY for exceptional and diverse experiences, with more than 90% of member firms' new hires in EY Assurance being motivated by joining a highly globally integrated organization.

EYG member firms provide a variety of on-demand mobility solutions and programs, leading to an increase in new Assurance mobility assignments of more than 100% this year. The global mobility platform, Mobility4U, provides professionals with a single point of entry to locate opportunities worldwide. That includes job swaps, where individuals can exchange roles with an EY peer on either a long- or short-term basis. There is a focus on enabling specific business-driven mobility initiatives that give people an opportunity to learn or share specific knowledge and skills. Strategic mobility programs for member firm partners and future leaders also continue, which support in particular EY's emerging market Regions.

Post-pandemic, EYG member firms are increasingly able to offer virtual mobility experiences. These provide the benefits of working cross-border with new teams and enable EY people to expand their global networks.

A mobility return on investment analysis showed that international experience increased retention (+15%) and positively impacted career opportunities. Ninety-five percent of mobility assignees reported a positive impact on career one year post assignment, 97% of assignees said their international assignment

experience was exceptional and 95% would recommend an EY mobility assignment.



Performance management

EY has a performance management framework, LEAD, that supports our people's careers, inspires their growth and recognizes the value they bring to our firm. Through ongoing feedback, counselor insights and development conversations, LEAD helps align individuals with the EY strategy and enables a focus on the future. An individual's dashboard provides a snapshot of performance against the Transformative Leadership dimensions, including quality, risk management, technical excellence and engagement metrics. Feedback received during an annual cycle is aggregated and used as an input to compensation and reward programs.

At the center of the framework are conversations between counselee and counselor, covering topics such as understanding diverse career paths, creating an inclusive and equitable environment and pursuing learning and new experiences. These conversations help to identify opportunities for further development and to build future-focused skills.

The performance management framework extends to partners, principals, executive directors and directors, and applies to all EYG member firms around the world. It reinforces the global business agenda by continuing to link performance to wider goals and values. The process includes goal setting, ongoing feedback, personal development planning and an annual performance review, all tied to partners' recognition and reward. Documenting partners' goals and performance is the cornerstone of the evaluation process. A member firm partner's goals are required to reflect various global and local priorities across six metrics, the most important one being quality.



Engagement

Employee engagement is a vital sign of success in building the right culture. Audit professionals want to feel that their employer cares about their progress and job satisfaction. Understanding the ambitions, concerns and pressures faced by EY people makes it possible to provide a better environment in which they can flourish.

Engagement levels are regularly monitored through a variety of channels, and the March 2023 EY employee listening survey showed that 73% of audit professionals had a favorable attitude in terms of engagement (up 1% from 2022).

Listening to the views and concerns of EY people is a key element in increasing engagement. The EY employee listening strategy gives our people a voice at every step of their EY experience, so that we know what they need and what EY can do to help build exceptional experiences. Understanding the evolving perspectives and experiences of EY people is essential to delivering our EVP.

The EY employee listening survey is run three times per year to gather feedback on key elements that drive engagement and retention. Each survey focuses on different strategic drivers (Careers, Learning and skills, etc.) and includes other relevant topics.

The EY Team Experience survey is another critical element of our employee listening strategy, aimed at improving and unifying the day-to-day experience for our engagement teams. Eligible team members provide feedback on their experience of an engagement across a variety of questions, rated on a five-point scale. This feedback provides actionable insights and pathways for tangible change at the engagement team level.

EY Assurance runs an initiative known as "Global Voices", which unites 200 high-performing junior professionals from across the world and all sub-service lines. Its purpose is to empower and engage the EYG member firms' workforces by seeking their feedback on a wide range of topics of strategic importance, to broaden leadership perspectives. Leadership teams are increasingly engaged and motivated to understand the group's perspectives on business-critical challenges like talent retention, technology and innovation and ESG & societal impact.



The Audit Academy

The Audit Academy is the EY global learning program for auditors. It builds auditors' core skill sets, and evolves over time – for example to complement those core skills with the new capabilities needed to support the EY Digital Audit. Every year, the content and focus of the Audit Academy is adjusted to address new technologies and strategic priorities that promote audit quality. Any changes are agreed by Assurance leadership, following recommendations from the EY Global Assurance Learning Steering Committee. The global learning program is supplemented with Dutch specific local learning to address developments in local laws and regulations.

Inspection and quality review findings are reviewed regularly to assess and address root causes, and the conclusions are then fed into the Audit Academy

curriculum to enhance and strengthen continual learning.

Teams can be sure that they are receiving leading-class and globally consistent core learning. Whether that involves focusing on changes in regulation, mastering emerging technologies or embedding data analytics into existing audit practices, the Audit Academy has the resources in place to support every need. Moreover, the Audit Academy encourages and empowers individuals to apply professional skepticism, think critically and deliver exceptional client service.

Post pandemic, the Audit Academy now provides a blend of on-demand learning and simulation or case study-based learning that can be deployed either physically or virtually.



Professional development

To encourage the building of new skills, the EY Badges program enables professionals to gain future-focused skills including artificial intelligence, blockchain, robotic process automation, innovation and cybersecurity, as well as other capabilities that are in high demand, such as sustainability. EY Badges is a self-directed learning initiative that supplements a substantial program of core structured training for auditors.

Allied to EY Badges is the EY Tech MBA and Masters in both Business Analytics and Sustainability. These are online qualifications awarded by Hult International Business School, a triple-accredited university, that are available free of charge to all EY people.

As of 30 June 2023, almost 47,000 EY Badges had been awarded to current audit professionals, including 16,000 in analytics and data strategy alone. In addition, more than 23,000 EY Badges have been awarded to people who have since left EY.

In total, during the financial year to 30 June 2023, EY audit professionals undertook 8.8m hours of learning (compared with 8.2m hours for the previous year), averaging 87.6 hours each. The average hours of learning in our firm in the Netherlands (EYA) is 167 hours (we refer to KPI 6 in Appendix 3).

In the March 2023 EY employee listening survey, 87% of respondents said that EY provides them with learning opportunities that build the skills they need to be successful and 83% said that what they are learning at EY is helping them to achieve their career aspirations.

There are also a variety of learning programs that have been developed specifically for member firm

partners. These are available to all member firm partners worldwide and cover topics including Transformative Leadership, Disruptive Technology, and Sustainability. These are supplemented by high-touch, immersive programs for select groups of Partners on topics such as Client Leadership and Disruptive Technology, and there are also regular learning programs on audit-specific topics such as fraud.

Where an EYG member firm audits and reviews International Financial Reporting Standards (IFRS) financial statements, relevant audit engagement team members undertake learning to become IFRS-accredited.

We require audit professionals to obtain at least 20 hours of continuing professional education each year and at least 120 hours over a three-year period. Of these hours, 40% (eight hours each year and 48 hours over a three-year period) must cover technical subjects related to accounting and auditing. In the Netherlands audit professionals also need to comply with the continuous education requirements of the NBA.



Knowledge and internal communications

In addition to professional development and performance management, we understand the importance of providing audit engagement teams with up-to-date information to help them perform their professional responsibilities. There is significant EY investment in knowledge and communication networks to enable the rapid dissemination of information to help people collaborate and share best practices. Some EY resources and tools include:

- EY Atlas, which includes local and international accounting and auditing standards, as well as interpretive guidance
- Publications such as International GAAP, IFRS developments and illustrative financial statements
- Global Accounting and Auditing News – a weekly update covering assurance and independence policies, developments from standard-setters and regulators, as well as internal commentary thereon
- Practice alerts and webcasts, covering a range of global and country-specific matters, designed for continuous improvement in EYG member firms' Assurance practices
- Quality connect – a weekly update (every Monday) in the Netherlands covering assurance and independence policies, developments from standard-setters and regulators, as well as news regarding internal policies & procedures, enablement & implementation and developments within the Practice.



Revenue and remuneration

Revenue and remuneration



Financial information

Revenue represents combined, not consolidated, revenues (excluding HVG Law), and includes expenses billed to clients, and revenues related to billings to other EYG member firms. Revenue amounts disclosed in this report include revenues from both audit and non-audit clients.

The revenue of Ernst & Young Nederland LLP is specified in the table below:

Ernst & Young Netherlands LLP (€000.000)	2022/2023		2021/2022	
	€	%	€	%
Statutory audit services	287	67%	247	64%
Other assurance services	88	21%	103	26%
Assurance services	375	88%	350	90%
Assurance-related services (including compilation)	24	6%	25	6%
Other services	25	6%	12	3%
Rendering services Ernst & Young Accountants LLP	424	100%	387	99%
Other income Ernst & Young Accountants LLP	2	0%	2	1%
Ernst & Young Accountants LLP	426	100%	389	100%
Ernst & Young Belastingadviseurs LLP	305		281	
EY Advisory Netherlands LLP	304		275	
Ernst & Young Netherlands LLP and subsidiaries	70		58	
Intercompany eliminations	-75		-70	
Ernst & Young Netherlands LLP	1.030		933	

This breakdown can also be stated in accordance with Article 13 (2) (k) of the EU Regulation 537/2014:

Ernst & Young Accountants LLP 2022/2023 (€000.000)	Statutory audit services	Other assurance services	Assurance- related services	Other Services	Total
NL based EU-PIE clients and their subsidiaries	88 31%	8 9%	- 0%	- 0%	96 23%
NL based subsidiaries of EU-PIE's based in other EU countries	14 5%	2 2%	- 0%	- 0%	16 4%
Dutch PIE clients (non EU-PIE)	4 1%	- 0%	- 0%	- 0%	4 1%
Other (non EU-PIE) statutory audit services clients	181 63%	18 20%	3 13%	- 0%	202 48%
Other assurance services clients		60 69%	3 13%	1 4%	64 15%
Other assurance related services clients			18 74%	4 16%	22 5%
Other services clients				20 80%	20 3%
Total revenue for rendering services Ernst & Young Accountants LLP	287	88	24	25	424

In the tables above, revenues from statutory audit services are presented in line with the definition of a statutory audit in Article 1 of the Dutch Audit Firms Supervision Act, including attachments. This definition differs from the definition of a statutory audit in Article 13 (2) (k) of the EU Regulation 537/2014.

In the tables above, revenues from statutory audits at entities belonging to a group of undertakings of which the parent is a public interest entity (the subsidiaries of a PIE), are limited to those entities of which the parent company (the PIE) is audited by EYA or by a member firm of the international EY network.



Partner remuneration

Quality is at the centre of the EY strategy and is a key component of EY performance management systems. Our partners³ are evaluated and compensated based on criteria that include specific quality and risk management indicators. Equally, when our partners do not adhere to quality standards, remedial actions are taken. These may include performance monitoring, compensation adjustment, additional training, additional supervision or reassignment – or, in instances of

³ The term 'partners' in this chapter refers to partners equity and non equity. In case of a distinction between partners equity and partners non equity this is made explicit in the main tekst.

repeated or particularly serious non-compliance, separation from EY.

EY policies prohibit evaluating and compensating lead audit engagement partners and other key audit partners on an engagement based on the sale of non-assurance services to companies they audit. This reinforces to EY partners their professional obligation to maintain independence and objectivity. For audits conducted in accordance with the requirements of Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014, EY prohibits evaluating and compensating any partner or professional involved in, or able to influence the carrying out of, an audit engagement based on the sale of non-audit services to their audit clients. This reinforces that professionals are obligated to maintain independence and objectivity.

Specific quality and risk performance measures have been developed to account for:

- Providing technical excellence
- Living the EY values as demonstrated by behaviors and attitude
- Demonstrating knowledge of, and leadership in, quality and risk management
- Complying with policies and procedures
- Complying with laws, regulations and professional duties

The EY partner compensation philosophy calls for meaningfully differentiated rewards based on a partner's level of performance, as measured within the context of the performance management framework. Partners are assessed annually on their performance in delivering high quality, exceptional client service and people engagement, alongside financial and market metrics.

We operate under a system that requires quality to be a significant consideration in a partner's overall year-end rating.

To recognize different market values for different skills and roles, and to attract and retain high-performing individuals, the following factors are also considered when we determine our partners' total reward:

- Experience
- Role and responsibility
- Long-term potential

LEAD for partners, principals, executive directors and directors (PPEDDs) applies to all partners in EYG member firms around the world. LEAD for PPEDDs reinforces the global business agenda by continuing to link performance to wider goals and values. The process includes goal setting, ongoing feedback, personal development planning and performance review, and is tied to partners' recognition and reward. Documenting partners' goals and performance is the cornerstone of the evaluation process. A partner's goals are required to reflect various global priorities, one of which is quality.

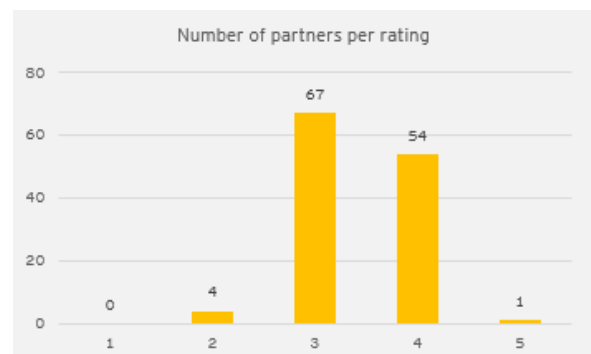
Within the LEAD framework, each partner is assigned to one of four categories:

- Need to progress
- Progressing
- Differentiating
- Strategic Impact

The category to which a partner is assigned is an important factor in determining the partner's remuneration and its annual growth, but leaves margins for individual upward or downward yearly adjustments, according to the performance of the partner during the relevant year, in comparison with peers.

Quality has a decisive influence on the score of a partner on this 3-point scale. Quality itself, in turn, is measured using an indicator with a numerical 5-point scale, where 1 is the lowest score and 5 the highest. To stress the importance of quality in the assessment of the performance of our partners a quality rating lower than 3 in general means that the overall rating of the partner will be "Did not meet expectations".

For the Q&ERM year 2023 (period from 1 April 2022 to 31 March 2023), the rating of our external auditors (a group that includes most, but not all of EYA's partners) on the 5-point quality scale (5 is the highest score) was as follows:





Appendix 1: list of PIE audit clients

Appendix 1: list of PIE audit clients

In the fiscal year that ended on 30 June 2023, Ernst & Young Accountants LLP performed audits of the following PIEs (public interest entities under Dutch law (OOBs)):

ABN AMRO Bank N.V.	Dutch Residential Mortgage Portfolio II B.V.
ABN AMRO Captive N.V.	Ebusco Holding N.V.
ABN AMRO Clearing Bank N.V.	Enexis Holding N.V.
ABN AMRO Groenbank B.V.	Enexis Netbeheer B.V.
ABN AMRO Hypotheken Groep B.V.	Essity Capital B.V.
Achmea B.V.	Euronext N.V.
Achmea Bank N.V.	EXOR N.V.
Achmea Pensioen- en Levensverzekeringen N.V.	FBTO Zorgverzekeringen N.V.
Achmea Reinsurance Company N.V.	Ferrari N.V.
Achmea Schadeverzekeringen N.V.	Ferrovial Netherlands B.V.
Achmea Zorgverzekeringen N.V.	FL Entertainment N.V.
ad pepper media International N.V.	Fugro N.V.
Airbus SE	GarantiBank International N.V.
Akelius Residential Property Financing B.V.	Heimstaden Bostad Treasury B.V.
Algarve International B.V.	Hydratec Industries N.V.
Ariston Holding N.V.	InterBank N.V.
ASN Beleggingsfondsen AIF N.V.	International Card Services B.V.
ASN Beleggingsfondsen UCITS N.V.	Interpolis Zorgverzekeringen N.V.
ASN Biodiversiteitsfonds N.V.	ISS Finance B.V.
Asset Repackaging Trust Five B.V.	Iveco Group N.V.
Asset Repackaging Trust Six B.V.	Klaverblad Schadeverzekeringsmaatschappij N.V.
Athora Netherlands N.V.	Koninklijke BAM Groep N.V.
Aurorus 2020 B.V.	Koninklijke Heijmans N.V.
Basic-Fit N.V.	Koninklijke KPN N.V.
BBVA Global Markets B.V.	Koninklijke Philips N.V.
BE Semiconductor Industries N.V.	Lemonade Insurance N.V.
Beter Bed Holding N.V.	Lowland Mortgage Backed Securities 6 B.V.
BNP Paribas Fund III N.V.	Magoi B.V.
Citycon Treasury B.V.	Mizuho Bank Europe N.V.
CNH Industrial N.V.	N.V. Hagelunie
DAS Nederlandse Rechtsbijstand Verzekeringmaatschappij N.V.	N.V. Noordhollandsche van 1816, Levensverzekeringsmaatschappij
Davide Campari-Milano N.V.	N.V. Noordhollandsche van 1816, Schadeverzekeringsmaatschappij
De Friesland Zorgverzekeraar N.V.	
de Volksbank N.V.	

N.V. Schadeverzekering Metaal en Technische Bedrijfstakken	Stichting De Huismeesters
N.V. Schadeverzekering-Maatschappij Bovemij	Stichting L'Escaut Woonservice
NatWest Markets N.V.	Stichting Parteon
NE Property B.V.	Stichting Pensioenfonds ING
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V.	Stichting Pensioenfonds Medisch Specialisten
Nederlandse organisatie voor wetenschappelijk onderzoek (NWO)	Stichting Pensioenfonds Rail & Openbaar Vervoer
Nederlandse Waterschapsbank N.V.	Stichting Pensioenfonds Werk- en (re)Integratie
NEPI ROCKCASTLE N.V.	Stichting Philips Pensioenfonds
NIBC Bank N.V.	Stichting PME pensioenfonds
NS Insurance N.V.	Stichting Portaal
OBAM N.V.	Stichting Pré Wonen
Onderlinge Waarborgmaatschappij Centramed B.A.	Stichting Rabobank Pensioenfonds
ONVZ Aanvullende Verzekering N.V.	Stichting Shell Pensioenfonds
ONVZ Ziektekostenverzekeraar N.V.	Stichting TBV
ONWARD Medical N.V.	Stichting Volkshuisvesting Arnhem
Ordina N.V.	Stichting Weller Wonen
Palmboomen Cultuur Maatschappij Mopoli (Palmeraies De Mopoli) N.V.	Stichting WonenBreborg
PB Holding N.V.	Stichting WoonFriesland
PEARL Mortgage Backed Securities 1 B.V.	Stichting Woongoed Middelburg
Proteq Levensverzekeringen N.V.	Stichting Woonpartners
Reis- en Rechtshulp N.V.	Stichting Zeeuwland
REN Finance B.V.	STMicroelectronics N.V.
Sagax EURO MTN NL B.V.	TKH Group N.V.
SCILDON N.V.	TomTom N.V.
Securitised Residential Mortgage Portfolio I B.V.	Tulip Mortgage Funding 2019-1 B.V.
Securitised Residential Mortgage Portfolio II B.V.	Tulip Mortgage Funding 2020-1 B.V.
Sif Holding N.V.	Universal Music Group N.V.
Signify N.V.	UVM Verzekeringsmaatschappij N.V.
SRLEV N.V.	VanEck ETFs N.V.
Stellantis N.V.	Vastned Retail N.V.
Stichting Antares Woonservice	VCL Master Netherlands B.V.
STICHTING ARCADE mensen en wonen	Volkswagen Financial Services N.V.
Stichting Bedrijfstakpensioenfondsen voor de Bouwnijverheid	Volkswagen International Finance N.V.
Stichting Bo-Ex '91	Waard Leven N.V.
Stichting BPL Pensioen	Waard Schade N.V.
Stichting Casade	Woonpartners Midden-Holland, Stichting voor Bouwen en Beheren
	Wurth Finance International B.V.
	ZF Europe Finance B.V.
	Zilveren Kruis Zorgverzekeringen N.V.



Appendix 2: approved EYG member firms

Appendix 2: approved EYG member firms



List of approved EYG member firms in an EU or EEA member state

As of 30 June 2023, the following EYG member firms are approved to carry out statutory audits in an EU or EEA member state:

Member state	Statutory auditor or audit firm
Austria	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Belgium	EY Assurance Services SRL
	EY Bedrijfsrevisoren SRL
	EY Europe SRL
Bulgaria	Ernst & Young Audit OOD
Croatia	Ernst & Young d.o.o.
Cyprus	Ernst & Young Cyprus Limited
	Ernst & Young
	Ernst & Young CEA (South) Services Ltd
	Ernst & Young CEA (South) Holdings Plc
Czech Republic	Ernst & Young Audit, s.r.o.
Denmark	EY Godkendt Revisionspartnerselskab
	EY Partnership P/S
	Komplementarselskabet af 1. januar 2008 A/S
	EY Grønland Godkendt Revisionsanpartsselskab
Estonia	Ernst & Young Baltic AS
	Baltic Network OU
Finland	Ernst & Young Oy
France	Auditex
	Ernst & Young Audit
	Ernst & Young et Autres
	EY & Associés
	Picarle et Associates
Germany	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
	Ernst & Young Heilbronner Treuhand-GmbH Wirtschaftsprüfungsgesellschaft
	EY Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
	Treuhand-Süd GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft
	TS GmbH Wirtschaftsprüfungsgesellschaft
	TS Treuhand GmbH Wirtschaftsprüfungsgesellschaft
	Schitag Schwäbische Treuhand GmbH Wirtschaftsprüfungsgesellschaft
Greece	Ernst & Young (Hellas) Certified Auditors Accountants S.A.
Hungary	Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság
Iceland	Ernst & Young ehf

Member state	Statutory auditor or audit firm
Ireland	Ernst & Young Chartered Accountants
Italy	EY S.p.A.
Latvia	Ernst & Young Baltic SIA
Liechtenstein	Ernst & Young AG, Basel
	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany
	Ernst & Young AG, Vaduz
Lithuania	Ernst & Young Baltic UAB
Luxembourg	Ernst & Young Luxembourg S.A.
	EYL Luxembourg
	Ernst & Young S.A.
Malta	Ernst & Young Malta Limited
Netherlands	Ernst & Young Accountants LLP
Norway	Ernst & Young AS
Poland	Ernst & Young Audyt Polska sp. z o.o.
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Finance sp. k
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Doradztwo Podatkowe sp. k.
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.
	Ernst & Young Usługi Finansowe Audyt sp. z o.o.
Portugal	Ernst & Young Audit & Associados - SROC, S.A.
Romania	Ernst & Young Assurance Services SRL
	Ernst & Young Support Services SRL
Slovakia	Ernst & Young Slovakia, spol. s r.o.
Slovenia	Ernst & Young d.o.o.
Spain	ATD Auditores Sector Público, S.L.U
	Ernst & Young, S.L.
Sweden	Ernst & Young AB

Total turnover for the year ended on 30 June 2023 for these EYG member firms, resulting from statutory audits of annual and consolidated financial statements was approximately €2.60 billion.



Appendix 3: Audit quality indicators

Appendix 3: Audit quality indicators

On September, 25 2014, the working group “Toekomst accountantsberoep” of our professional association NBA published the report “In het publiek belang” (“In the public interest”). Among other important proposals to increase the quality of services provided by Dutch audit firms, this report contained a set of key performance indicators (KPIs) which Dutch Audit firms with an OOB license should report on regularly. This proposal by the working group was endorsed by the NBA. On 4 March 2016, the NBA published a guidance document on a standard set of KPIs to be published in the Transparency Report of OOB licensed audit firms. In this Appendix, we provide the information regarding these KPIs for our firm. Where a KPI coincides with an internal EY KPI included in this Transparency Report, we provide a reference. If we cannot give a score for a KPI, we indicate why.

Teaming general

1. Number of partners, (senior) managers and other team members (based on FTE). Total numbers per group and numbers as a percentage of total headcount. These figures include FTEs at supporting services within our service line Assurance.

	FY 2022-2023		FY 2021-2022	
	FTE	%	FTE	%
Partners	166	8.0	163	8.5
(Sr.) Manager	519	24.9	449	23.4
Other	1,396	67.1	1,304	68.1
Total	2,081	100.0	1,916	100.0

2. Average number of years of experience, split between partners, (senior) managers and other team members. Only the years of employment/partnership at EY are registered and included for the score of this KPI.

	2022 - 2023	2021 - 2022
Partner	20.1	19.4
Manager	9.6	10.3
Other	3.2	3.4
Total	6.1	6.4

3. Employee turnover (employee's that left EYA during the fiscal year) of partners, (senior) managers and other team members, split between key talents / high potentials and others. Total numbers per group and numbers as a percentage of headcount per group.

	2022 - 2023				2021 - 2022			
	# High potentials / key talent	% Headcount of this group	# Non High potentials / key talent	% Headcount of this group	# High potentials / key talent	% Headcount of this group	# Non High potentials / key talent	% Headcount of this group
Partner	2	7.7	2	1.4	2	10.0	10	7.4
Manager	25	21.6	69	20.2	28	22.2	89	27.8
Other	22	7.8	189	18.0	25	9.0	234	22.6
Total	49	11.5	260	16.9	55	13.0	333	22.3

4. Hours spent on audit engagements (split between OOBs and non-OOBs), other engagements and internal projects by partners, (senior) managers and other team members (excluding specialist hours). Total number of hours and number of hours as a percentage of all hours spent by each group.

	2022 - 2023				2021 - 2022			
	Partner	Manager	Other	Total	Partner	Manager	Other	Total
Financial audit (OOB)	40,444	121,026	310,847	472,317	45,583	120,635	297,002	463,220
Percentage of total	11.1	11.5	9.5	10.1	12.2	12.1	9.4	10.2
Financial audit (Non-OOB)	97,312	334,898	1,175,978	1,608,188	85,095	298,038	1,105,865	1,488,998
Percentage of total	26.7	31.7	35.9	34.3	23.0	29.8	35.0	32.9
Other engagements	27,409	107,254	437,580	572,243	38,830	134,113	493,781	666,724
Percentage of total	7.5	10.2	13.4	12.2	10.5	13.4	15.6	14.7
Indirect hours	199,618	492,400	1,349,529	2,041,547	201,042	446,964	1,261,668	1,909,674
Percentage of total	54.7	46.6	41.2	43.4	54.3	44.7	39.9	42.2
Total	364,783	1,055,578	3,273,934	4,694,295	370,550	999,750	3,158,316	4,528,616

5. Overtime hours as a percentage of total available contract hours.

% of total available contract hours	2022 - 2023	2021 - 2022
Percentage of overtime	5.1	5.7

Training and coaching

6. Training hours of partners / employees per group (internal and external training). Total hours spent by each group and average per FTE.

	Total hours		Hours per group member	
	2022 -2023	2021 -2022	2022 -2023	2021 -2022
Partners	8,836	10,588	53	63
(Sr.) Managers	50,361	43,920	97	98
Other	288,411	259,269	207	199
Total	347,608	313,777	167	163

7. Average investment (cash out in euros) in training and education per employee.

In the absence of an unambiguous definition of this KPI, we cannot provide a score.

8. Number of internal hours spent on preparation and provision of training/teaching courses.

	2022 - 2023	2021 - 2022
Preparation time	12,608	16,083
Delivery time	7,883	10,487
Total	20,491	26,570

9. Average number of hours spent on an audit by partners, (senior) managers and other team members, split between OOB and non-OOB audit engagements. Hours per group as a percentage of the total number of hours spent by all groups together ('leverage').

	2022 -2023		2021 -2022	
	Financial audit OOB	Financial audit non-OOB	Financial audit OOB	Financial audit non-OOB
Partners	8.6%	6.1%	9.8%	5.6%
(Sr.) Manager	25.6%	20.8%	26.0%	19.7%
Other	65.8%	73.1%	64.2%	74.7%
Total	100.0%	100.0%	100.0%	100.0%

10. Number and ratio of engagements for which the benchmark for KPI 9 is not met.

The benchmark has not yet been defined.

11. People survey results relating to coaching and audit quality topics.

% employees that agree	2022 - 2023	2021 - 2022
Overall outcome: people who have an exceptional EY experience	77%	80%

Quality measures

12. Audit hours spent per stage of the audit before and after financial year-end.

We cannot provide a score for this KPI, as our current systems do not include the required information with this level of detail.

13. Number of FTEs working for PPG (Vaktechniek), other quality-related support functions and the Independence Desk, split between partners, (senior) managers and other team members.

FTE	2022-2023				2021 - 2022			
	Partner	(Sr.) Manager	Other	Total	Partner	(Sr.) Manager	Other	Total
Assurance support	4.4	9.6	0.6	14.6	5.7	12	1.3	19
Accounting support	4.9	14.0	1.4	20.3	4.2	13.3	1.4	18.9
Quality Monitoring & Development	3.7	18.0	12.0	33.7	3.6	10.4	7.1	21.1
Internal Audit	1.8	3.8	2.0	7.6	1.8	3.8	2	7.6
Independence	2.0	5.7	6.2	13.9	2	5.3	6.3	13.6
Total	16.8	51.1	22.2	90.1	17.3	44.8	18.1	80.2

14. Number of consultations relating to audit and accounting topics.

	2022 - 2023	2021 - 2022
Accounting	48	71
Auditing	647	740
Total	695	811

168 of these consultations relate to going concern issues (2021-2022: 210) and 152 of these consultations relate to (suspected) fraud and non-compliance (2021-2022: 140). The decrease in consultations is mainly caused by the decrease in going concern consultations.

15. Number of annual report reviews (Accounting Review, ARs) conducted by experts outside the audit team before issuance of the audit opinion (including annual report reviews as part of the OKB process. OKB is the term used within EY in the Netherlands for EQRs i.e. Engagement Quality Reviews).

	2022- 2023	2021- 2022
Number of annual report reviews (ARs) conducted by experts outside the audit team before issuance of the audit opinion	168	181

During 2021-2022 we experienced more first time adopters (i.e. first time adoption of IFRS) and initial public offerings (IPOs) which caused more ARs

16. Number of EQRs (OKBs) performed - total number and number as a percentage of the number of statutory audits (wettelijke controleopdrachten, WeCos) performed.

	2022 - 2023		2021 - 2022	
	Weco	non-Weco	Weco	non-Weco
Number of OKBs performed	300	27	303	27
Percentage of audits on which an OKB was performed	16.8%	3.7%	17.9%	3.5%

17. Number of hours spent on OKBs (total and average per OKB performed) split between partners, (senior) managers and others.

FTE	2022 - 2023			2021 - 2022		
	Partner	(Sr.) Manager	Total	Partner	(Sr.) Manager	Total
Number of hours spent on OKBs	6,026	4,775	10,801	6,804	4,404	11,208
Average hours per OKB performed	18.4	14.6	33.0	20.6	13.4	34.0

18. Hours spent on OKBs: total number of hours spent on audit engagements on which an OKB is performed (1), total number of hours spent on OKBs (2), and (2) as a percentage of (1).

	2022 - 2023	2021 - 2022
Number of hours on audit engagements on which an OKB is performed	866,039	805,974
Number of hours performed on OKBs	10,801	11,208
Average hours performed on OKB as a percentage of the hours performed on the audit engagement	1.2%	1.4%

19. Hours spent by IT specialists as part of audit engagements (split between OOBs and non-OOBs): total number of hours and number of hours spent by IT specialists on audits as a percentage of the total number of hours spent on audits.

	2022 - 2023			2021 - 2022		
	OOB	non-OOB	Total	OOB	non-OOB	Total
Hours IT specialists	60,351	106,640	166,991	54,811	73,700	128,511
Hours IT specialists as a percentage of total hours	10.2%	5.6%	6.7%	9.5%	4.6%	5.9%

20. Number and ratio of engagements for which the defined benchmark for KPI 19 is not met.

The benchmark has not yet been defined.

21. Hours spent by other specialists as part of audit engagements (OOBs and non-OOBs): total number of hours and number of hours as a percentage of all hours spent on all audits.

	2022 - 2023			2021 - 2022		
	OOB	non-OOB	Total	OOB	non-OOB	Total
Hours Actuary	13,964	4,158	18,122	11,158	3,559	14,717
Hours Actuary as a percentage of total hours	2.4%	0.2%	0.7%	1.9%	0.2%	0.7%
Hours Tax	11,752	32,677	44,429	12,697	25,022	37,719
Hours Tax as a percentage of total hours	2.0%	1.7%	1.8%	2.2%	1.6%	1.7%
Hours Valuation	6,691	24,679	31,370	5,843	16,924	22,767
Hours Valuation as a percentage of total hours	1.1%	1.3%	1.3%	1.0%	1.1%	1.0%
Hours Fraud	8,160	7,752	15,912	7,317	6,854	14,171
Hours Fraud as a percentage of total hours	1.4%	1.4%	0.6%	1.3%	0.4%	0.6%
Total hours financial audit	590,573	1,902,395	2,492,968	579,273	1,609,499	2,188,772

22. Number of hours spent on activities to improve the accounting profession (NBA, university, publishing etc.).

	2022- 2023	2021- 2022
Teaching at university	5,500	5,550
Technical committee work	3,650	3,300

No data is available regarding the number of hours spent on NBA and publishing.

23. Number of issued audit opinions as part of statutory audits (WeCos, split between OOBs and Other).

	2022 - 2023	2021 - 2022
Statutory audits - PIE	193	183
Statutory audits - non-PIE	1,590	1,510
Total Statutory audits	1,783	1,693

24. Number of internally reported or identified independence violations - total and as a percentage of total headcount of EY NL (not only Assurance).

	2022 - 2023			2021 - 2022		
	Independence	Administrative requirements	Total	Independence	Administrative requirements	Total
Total breaches / violations	13	99	112	6	82	88
% of total number of employees	0.3%	2.2%	2.5%	0.1%	2.0%	2.1%

25. Number of internal warnings for independence violations - total and as a percentage of total headcount.

We refer to KPI 24. EY does not differentiate between violations resulting or not resulting in warnings; all violations are followed up.

26. Number of audit files that have been subject to a quality review (other than OKB).

	2022- 2023	2021- 2022
Number of audit files that have been subject to a quality review (other than OKB)	38	40

These quality reviews relate to our Audit Quality Review process.

27. Number of audit files that have been subject to a quality inspection performed by an external oversight institution.

	2022- 2023	2021- 2022
Number of audit files that have been subject to a quality review performed by an external oversight institution	20	15

28. Conclusions of the accounting firm based on additional review and/or remediation procedures performed as a result of the findings reported by external regulators.

We refer to the section on External Quality Assurance Review in this Transparency Report.

29. Number of fines (including amounts) imposed on the firm by external regulators.

	2022- 2023	2021 - 2022
Number of penalties received from external oversight institutions	0	0

30. Number of partners that have been deregistrations from the auditor register - total and as a percentage of the total number of partners.

	2022 - 2023	2021 - 2022
Number of partners that have been deregistered from AFM Auditors register	4	10
As a percentage of the total number of partners	2%	7%

These deregistrations are the result of leaving EY, another role at EY, or retirement.

31. Number of annual report adjustments made relating to fundamental and / or material errors (both Dutch GAAP and IFRS) relating to companies for which EY was also the auditor in the prior financial year - total and as a percentage compared to the total number of audit opinions issued.

	2022 - 2021	2021 - 2022
Annual report adjustments	48	79
As a percentage of the total number of audit opinions (legally and not legally required)	1.9%	3.2%

The number of fundamental errors in 2022 - 2023 is 3 (2021 - 2022: 1)

32. Number of adjustments made relating to material errors at audit clients based on the outcome of reviews performed by external regulators - total and as a percentage of total issued audit opinions.

	2022 - 2023	2021 - 2022
Number of adjustments made relating to material errors at audit clients based on the outcome of reviews performed by external regulators	0	0
As a percentage of the total number of audit opinions	0%	0%

33. Number of audit engagements terminated early

At the initiative of	2022-2023			2021 - 2022		
	OOB	non-OOB	Total	OOB	non-OOB	Total
EY	0	5	5	1	4	5
Client	0	2	2	1	2	3
Both	0	6	6	0	2	2
Total	0	13	13	2	8	10

34. Number of claims received including status and expected outcome assessment.

We refer to the paragraphs on Litigation in the section 'Relevant ethical and legal requirements' of this Transparency Report.

35. Number of incidents reported to external oversight institutions.

	2022 - 2023	2021 - 2022
Number of incidents reported to external oversight institutions	1	3

36. Number of proceedings with the Disciplinary Council (Accountantskamer) including outcome.

We refer to the paragraphs on Litigation in the section on 'Relevant ethical and legal requirements' of this Transparency Report.

37. Number of EY/Ethics Hotline complaints including outcome of complaint resolution process.

We refer to the paragraphs on Whistleblowing in the section on 'Relevant ethical and legal requirements' of this Transparency Report.








Appendix 4: Biographies

Appendix 5: Biographies



Members of the board of directors as at October 25, 2023




	<p>Patrick (P.J.A.) Gabriëls (1972, Dutch) Policymaker of EYA since 1 September 2017.</p> <p>Patrick started his career in accountancy in 1996, joined EY in 2002 and became partner in 2006. He served many large (listed) multinational enterprises as auditor or advisor. At EY, he has co-founded several initiatives to drive innovation, including EYnovation, HighTechXL and Innovate EY.</p> <p>Patrick is chair of the board of EYA since 1 July 2021. In addition, he is a member of the board of Ernst & Young Nederland LLP since the same date.</p> <p>Patrick is currently also a member of the Board of Trustees of the auditing education program (Curatorium Accountantsopleiding) of Tilburg University.</p> <p>Former positions and activities:</p> <ul style="list-style-type: none"> ▶ Sector leader of EY's industry group Technology Media and Telecom in the Netherlands ▶ Member of the board EYA, responsible for Innovation
	<p>Auke (A.) de Bos (1965, Dutch) Policymaker of EYA since 1 February 2018.</p> <p>Auke joined EY in 1996 and became partner in 2005. Since 2005, he has worked within the Professional Practice Group of our firm, for the most part as Professional Practice Director for the Netherlands. As such, Auke is responsible for the consistent delivery of external and internal auditing and accounting standards to our professionals, including policies, procedures and methodologies. Within the Board of Directors of EYA, Auke is responsible for subjects related to his role as Professional Practice Director.</p> <p>Auke is editor-in-chief of various in-house EY publications. In addition, he is a part-time professor of Business Economics at Erasmus University (Rotterdam). He focuses his research and teaching on auditing and corporate governance, subjects on which he has published dozens of articles. Auke is currently also a member of the board of the Foundation for Auditing Research in Breukelen. And he is also participating in various industry committees in the Dutch auditing sector on behalf of EY.</p>
	<p>Tom (T.) de Kuijper (1978, Dutch) Policymaker of EYA since 1 June 2018.</p> <p>Tom joined EY in 2001 and became partner in 2013. During his career at EY, Tom worked with both domestic and international clients. In recent years, he focused on large financial institutions, either as auditor or as advisor. Tom spent two years in Sydney, working at EY's Australian practice. Within the Board of Directors of EYA, Tom is responsible for Operations.</p> <p>Former positions and activities:</p> <ul style="list-style-type: none"> ▶ Talent leader of the EY Financial Services the Netherlands ▶ Change / Implementation within the Assurance Board of EY NL

	<p>Hanneke (S.D.J.) Overbeek - Goeseije (1975, Dutch) Policymaker of EYA since 1 December 2020.</p> <p>Hanneke joined EY in 1997 and became partner in 2009. During her career she served a combination of private and public, domestic and international companies as auditor or advisor. Over the last years she has been the external auditor of several Dutch multinational listed companies. Hanneke has spent several years in the United States of America and Switzerland, working in their Assurance practice. As a member of the Board of Directors of EYA, Hanneke is responsible for Talent.</p> <p>Former positions and activities:</p> <ul style="list-style-type: none"> ▶ Leader of EY's Financial Accounting Advisory Service practice for the period 2012 - 2015 ▶ From 1 July 2011 to 30 June 2019 member of the Partner Admission Committee
	<p>André (A.) Wijnsma (1972, Dutch) Policymaker of EYA since 1 February 2020.</p> <p>André joined EY in 1996 and became partner in 2008. André has extensive experience as external auditor of multinational companies and PIEs/OOBs. Since 2020 is André responsible for the Assurance markets strategy, client acceptance and continuance and the stakeholder dialogue within the Board of Directors of EYA.</p> <p>Former positions and activities:</p> <ul style="list-style-type: none"> ▶ from 1 July 2012 to 31 December 2016 member of the Partner Admission Committee ▶ from 1 January 2017 till December 2020 Markets Leader for EY The Netherlands, responsible for the overall markets strategy, balanced client portfolio, management of the Business development department ▶ from 1 January 2017 till December 2020 Markets Segment Leader Consumer & Retail Western-Europe



Members of the supervisory board as at October 25, 2023

	<p>Richard (R.) van Zwol (1965, Dutch) Chair, member since 1 February 2021.</p> <p>Richard is a State Councillor, member of the Advisory Division of the Council of State. He studied Legal Management Science at Tilburg University and attended the Higher Professional Programme in Public Finances.</p> <p>He also serves as Chair of the EU Network of Independent Fiscal Institutions and Chair of the 'Staatscommissie Demografische ontwikkelingen 2050' (State Commission for Demographic Developments).</p> <p><i>Former positions and activities</i></p> <ul style="list-style-type: none"> ▶ Secretary-General of the Ministry of the Interior and Kingdom Relations ▶ Secretary-General of the Ministry of Finance ▶ Secretary-General of the Ministry of General Affairs ▶ Sherpa of The Netherlands at the G20 2009/2010 ▶ Secretary of cabinet formations in 2003 and 2006/2007 ▶ Adviser to the Prime Minister's Office ▶ Director of Financial and Economic Affairs at the Ministry of the Interior and Kingdom Relations ▶ Chairman of the board of the Stichting Wetenschappelijk Instituut of political party CDA ▶ Member of the curatorium of the Stichting Prinsjesfestival
	<p>Tanja (T.L.) Naqel (1960, Dutch) Member since 1 September 2017.</p> <p>Tanja has an extensive background in the financial services industry. She is Chair of the Board of Stichting DSI (Dutch Securities Institute) and a member of the supervisory boards of the Stichting Oncode and the Veerstichting. She is also a lecturer at the Erasmus Governance Institute. Tanja holds a master's degree in Law from Utrecht University.</p> <p><i>Former positions and activities</i></p> <ul style="list-style-type: none"> ▶ CEO and Chair of the Board of Directors of Theodoor Gilissen ▶ Member of the Supervisory Board of PNO Group Holding ▶ Member of the Supervisory Board of KAS BANK ▶ Member of the Advisory Board of the Frans Hals Museum/De Hallen Haarlem ▶ Member of the Supervisory Board of the Stichting Nederlands Scheepvaartmuseum ▶ Board member of the Universiteitsfonds Utrecht ▶ Several senior management positions including Director Private Banking Nederland at Van Lanschot Bankiers ▶ Started her career at AMRO Bank

	<p>Lineke (A.C.W.) Sneller (1965, Dutch) Member since 13 April 2023.</p> <p>Lineke Sneller is a professor of Administrative Information Management at Nyenrode Business University. She is part of the Nyenrode Faculty Expertise Center Accounting, Auditing & Control. Lineke earned a master's degree in Econometrics from Erasmus University and is a post-master registered controller. She received her PhD from Nyenrode in 2010 with the thesis "Does ERP add Company Value".</p> <p><i>Former positions and activities</i></p> <ul style="list-style-type: none"> ▶ Member of the supervisory board of Achmea ▶ Member of the supervisory board of ProRail ▶ Member of the supervisory board of Infomedics Holding ▶ Member of the supervisory board of Van Wijnen ▶ Member of the external audit and advisory committee of UWV ▶ Member of the board of Stichting Berenschot Beheer ▶ Member of the supervisory board of CCV ▶ Non-executive director of the board of Ortec ▶ CIO Vodafone Nederland
	<p>Yasemin (Y.I.) Tümer (1955, Dutch) Member since 1 July 2023.</p> <p>Yasemin Tümer is Chair of the Supervisory Board of Hof Wonen, Topfonds Gelderland OostNL and Stimuleringsfonds Creatieve Industrie. She is also a member of the Monitoring Committee Politie Nederland and chair of the Angel Initiative Foundation. She obtained a master's degree in Sociology at the University of Groningen and a master's degree in Philosophy at the University of Utrecht.</p> <p><i>Former positions and activities</i></p> <ul style="list-style-type: none"> ▶ Regional Director Eastern Europe at DHV Ingenieurs ▶ Interim managing director of the NPS ▶ Partner at KPMG Consulting ▶ Partner at Atos Origin ▶ Member of the Supervisory Board at UW Re-integratie ▶ Member of the Supervisory Board at Bo-Ex Woningcorporatie ▶ Member of the Supervisory Board at Onderwijsgroep Amarantis ▶ Member of the Supervisory Board at Postcode Loterij Nederland ▶ Member of the Investigative Committee Vuurwerkkramp Enschede
	<p>Patrick (P.F.L.) Rottiers (1965, Belgian) Member since 12 November 2018.</p> <p>Patrick started his career at EY in 1988 as an auditor and was appointed an audit partner in 2000. Patrick holds a master's degree in economics from Brussels University. During his career he fulfilled several roles including that of Assurance Leader as well as Risk Management Leader EY Belgium before his appointment to his current role as Country Managing Partner EY Belgium. He is a member of the Advisory Council of the Belgium Olympic and Intrafederal Committee (BOIC) as well as the Advisory Council of the Impulscentrum Groeimanagement voor Middelgrote Ondernemingen ('iGMO') - Vlerick Business School. Patrick is an alumnus of the Vlaamse Economische Hogeschool Brussel and holds a master's degree in Far Eastern Business from the Economische Hogeschool Sint-Aloysius.</p>

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