

MCA Declaration

July 2023

The EY logo consists of the letters 'EY' in a bold, white, sans-serif font. A yellow triangle is positioned above the 'Y', pointing towards the right. The logo is set against a dark background.

Building a better
working world





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Our annual declaration

EY Consulting is continually seeking better ways of working as we collaborate with clients to help them solve their complex industry issues and capitalise on opportunities to grow, optimise and protect their businesses. Our collaborate approach, combined with our global connectivity and understanding of industry issues, inspires us to ask better questions, design better answers and realise long-lasting results. We are committed to the Management Consultancies Association (MCA) Consulting Excellence scheme, which brings members together to make the industry better. Our evidence of ethical behaviour, client service and value and professional development in this document demonstrates how we commit to Consulting. Excellence throughout our practice.

Ethical behavior

Consulting Excellence firms work with clients, partners, employees and other stakeholders in an ethical way. This means:

- 1 We are responsible and good citizens.
- 2 We conduct our business ethically.
- 3 We foster an ethical culture.



Ethical behavior

Society expects businesses to do much more than just turn a profit.

Aspirations for value creation have evolved significantly, and today there is a much wider set of stakeholders who demand that a company's actions are transparent. People expect accountability, authenticity, progress on workforce diversity, a focus on improving environmental standards, and delivering a credible social impact.

We are committed to empowering more organisations to do just that. Building a

better working world is our purpose and that means extending value creation beyond the boardroom and into the communities to which we all belong. That requires a clear vision, and an appreciation of the positive impact organisations can have on our society. It also means nurturing greater trust in the corporate world through transparency, restoring faith in the capital markets to deliver.



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Building a better working world is our purpose and that means extending value creation beyond the boardroom and into the communities to which we all belong.



Enhancing audit quality

At EY that begins by ensuring that a complex, ever-changing world is underpinned by the confidence that audits provide. But, if we are to succeed, we must go beyond the services we provide to deliver greater value to society.

Andrew Walton, EY's UK Head of Audit, comments: "Delivering sustainable, consistent high quality audits is our priority, and we are disappointed that this year's FRC inspection results are out of line with our improved performance in recent years. We know we can do better, and we are determined to deliver the high quality audits expected of us.

We are committed to continuous improvement and have announced an additional \$1b investment globally in our audit technology and processes.

The audit profession plays a vital role in the functioning of the capital markets. We are committed to working with the FRC and other stakeholders to demonstrate the attractiveness of audit as a profession for the long-term, and to serving the public interest."

We are committed to consistently delivering high quality audits in the public interest. We achieve this through living our quality culture that has independence, scepticism and doing the right thing at its core. Our quality strategy has evolved to focus on more effective coaching and support, reduced work intensity and greater standardisation and simplification.

To find out more detail about EY's audit quality results and investment in audit quality please read our in-depth [Audit Quality Report](#).

Ethical behavior

Without trust you can't create value

That is why trust is an integral part of our culture at EY, underpinned by rigorous oversight to ensure we are accountable for our actions and behaviours at every level.

We believe that trust is the foundation on which organisations build strong bonds with their stakeholders, creating the confidence required to empower growth over the long term. At the same

time, for the financial system to work effectively, trust in the capital markets is vital.

We have engaged actively with the UK Government's audit, corporate reporting, and corporate governance reform agenda, recognising the role which these can play in continuing to make the UK an attractive market for investors.

At EY, we also continue to make significant investments in audit quality and have incorporated





enhanced procedures regarding disappointed that this year's FRC inspection results were out of line with its improved performance in recent years and is determined to do better and deliver the high-quality audits expected by its stakeholders.

We are also active in driving change around ESG reporting and analysis to ensure reliable and valuable data.

As interest in ESG investment grows, it is critical that the industry relies on **enhanced standards for sustainability** information coupled with independent assurance.

In recognition of the high standards to which we hold ourselves - including how we conduct ourselves as individuals - we have revisited our processes for reviewing conduct issues and

complaints. In order to strengthen the independent oversight of our decision-making, we have introduced the Sanctions Review Committee, which is chaired by an independent chair and provides feedback in relation to the outcomes of partner disciplinary processes. EY UK's Public Interest Board also provides independent oversight of the firm's policies and processes more generally. We have also launched Ethical Leadership training. Designed by MindGym, the behaviour-change sessions adopt practical real-life scenarios that resonate with the day-to-day responsibilities of our UK Partners.

In addition to this we are rolling out the Conduct Portal, which offers direct, interactive, and situation-driven access to comprehensive information and advice.

Ethical behavior



Image above: Our Birmingham office raising funds on Red Nose Day 2022

A responsible approach

Our Corporate Responsibility strategy continues to evolve. This year, we appointed a dedicated UK Corporate Responsibility Lead, introduced a new charitable giving process, aligned our volunteering efforts to focus on supporting [EY Ripples](#), our global corporate responsibility programme, and introduced more robust governance processes around our pro-bono offerings.

The charities we support as a firm are now selected through a nomination and voting process across our EY people. We support a range of national charities through our firm-wide campaigns, EY Giving Day and the Winter Appeal, and we help local charities from each of our UK offices. This year, fundraising activity included abseiling down our 1 More London Place office, an iron-man event around Southampton, and teams battled it out across the UK in Red Nose & Spoon races for [Comic Relief](#). We raised a total of £181,700 for our chosen charities, including Comic Relief and the EY Foundation, before adding matched funding.

We are privileged to have been Comic Relief's honorary accountant since 1999. Each year, EY helps process all donations received from the public following the nationally televised event in March and general fundraising, bringing together a wide group of volunteers from across the firm. Since 2017, EY has banked nearly £9m for Comic Relief's Red Nose Day and processed over 38,000 cheques for the charity.

Sam Steel is one of the Insurance Audit team working as an Account Support Associate. His blossoming career with us was inspired and facilitated by EY's ongoing support for [Whizz-Kidz](#). The UK charity's goal is a society in which every young wheelchair user is mobile, enabled and included. We help by offering work placements and other support to young people on the cusp of their careers.

EY is now the Official Events Partner of [Morph's Epic Art Adventure](#) in London.

Whizz-Kidz is working in partnership with Wild in Art to deliver the first step free art trail of its kind, taking place in Summer 2023. The trail will feature up to 70 six foot tall Morph sculptures, each of which will feature unique designs to provoke conversations about creativity, accessibility and inclusion. The accessible route will be set against a backdrop of some of London's most iconic landmarks, including St Paul's Cathedral, Shakespeare's Globe and Borough Market.

The trail aims to raise £500,000 for the charity, closing off with an auction of the bespoke sculptures.

Image below: The launch of Morph's Epic Art Adventure with our EY Ambassadors



Other charitable contributions this year have included:

£181,700

for chosen charities before matched funding

£57,000

to the EY Foundation via Partner contributions and payroll

£32,000

to charities through our EY Applause system, which is used to recognise our people for behaviour that goes above and beyond expectations

£1,885,000

in sponsorships and donations investing in our community

£232,000

through EY matched funding, matching employee fundraising as individuals and teams

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Seeing people like yourself is vital in the workplace – the opportunity to be able to be a buddy or mentor is particularly exciting. But first and foremost, I'm excited to build my career at EY and it's wonderful that these two things can go hand in hand, considering the EY and Whizz-Kidz relationship.

Sam Steel, Account Support Associate, EY

Ethical behavior

Case study

When refugees from the conflict in Ukraine began to arrive in the UK, volunteers from across EY were ready to help.

Our work on the Refugee Connect Framework provides extensive support for the [Refugee Employment Network](#) (REN), a UK charity dedicated to creating and maintaining a network across both public and private sectors to support refugees into long term employment or self employment.

EY is a long-standing supporter of REN and has played an important role in its previous support of Afghan refugees. EY volunteers share an aspiration for refugees to have access to suitable and sustainable employment and self-employment. REN facilitates connections between employers and local, regional, and national service providers to share best practices and guidance. By working with UK governments and employers, such as EY, REN capitalises on resources and skills for meaningful job creation and employment support programmes for refugees.



How can integrating refugees help society to grow?

Building a better working world requires people from different backgrounds and experiences to tackle today's complex business challenges.



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

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Through EY’s support we have an improved website, new jobs and member search, a communications strategy, and a series of pilots that will be ready to be scaled up in the autumn, including several job fairs.

The volunteer team from across the firm offers a diverse range of skills and experience and are helping by sharing their practical knowledge, such as process design and implementation, project management, stakeholder management and impact measurement, and are providing their time on a pro-bono basis to the charity. They also provide guidance and coaching that supports job-seeking and practical skills training that helps employers to become refugee ready.

Employment is a crucial step in integrating into a new country, helping migrants **build support networks, earn livelihoods and integrate into the UK.**

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EY and REN are addressing together some of the key challenges refugees face when seeking meaningful work in the UK.

Hiring people from different backgrounds, such as refugees, is not only good for society it’s good for business and the whole economy. Yet many refugees are unable to work, for various reasons, and are therefore unable to take those first steps towards getting to know the language and culture of their new home. Refugees bring valuable skills and experiences which can address skills gaps in the UK and enhance our ways of working.

Janice Lopatkin, MBE
Chair of the charity

This year EY took part in a work fair organised by REN in Hertfordshire.

300+

people attended the event, which brought together a mix of refugees, employers, and REN members. Following the success of the event, REN are in the process of launching a nationwide programme of similar events to help refugees find meaningful employment.



Image: Refugee Employment Network
Image credit: Gregory Owain



Client service and value

A woman with dark hair is shown in profile, looking towards a laptop on a desk. The background is a bright, modern office with large windows and a blurred desk area. The overall tone is professional and focused.

Consulting Excellence firms promote the highest standards of client service and value. This means:

- 4 We provide excellent consulting services which deliver the outcomes clients seek and need.
- 5 We are transparent with clients and respond to their concerns.
- 6 We always strive to improve the value we can deliver to our clients.

Client service and value

Every day we help our clients navigate the diverse challenges of an ever-changing **corporate landscape.**

By harnessing the power of our collective expertise, sector knowledge, data, technology, and strategic relationships we provide world-class services, solutions, products, and platforms to help organisations succeed.

To generate long-term value for clients means helping to address today's challenges and prepare for the next wave of technological and geopolitical change.

By making even greater use of EY's biggest strengths - use of **technology, great people, client-centric approach and global reach** - we are helping

clients address challenges and opportunities, build trust with their stakeholders and ultimately thrive in a fast-changing world.

We also measure client and non-client perceptions of our brand to ensure that their experience reflects a belief that we actively live our purpose and uphold our commitments. We are delighted that the results show belief that we lead our category in behaviours such as "building trust in business", "building trusted relationships" and "having diverse teams and culture".



Building capabilities

We plan to [double the size of our Consulting practice](#) over the next four years, creating over 10,000 opportunities for people to support our clients in this space by 2026. More than half of the new roles will be based outside of London, in cities including Manchester, Glasgow, Edinburgh, and Birmingham.

The expansion will meet increasing demand from clients implementing large-scale, strategic transformation programmes, enabled by technology, data, and people. It will also allow us to develop an even stronger regional presence where we can have more impact for both clients and communities. The expansion is backed by £75m of investment in addition to the £95m already invested in the practice since 2020.

We have also made progress on the operational separation of our UK audit practice. Our voluntary implementation of the Financial Reporting Council's (FRC's) principles for operational separation has involved changes to our governance structure for the firm including; the appointment of two new Independent Non-Executives and the creation of a new UK Audit Board whose purpose is to provide independent oversight of the firm's focus on delivery of high-quality audits in the public interest.

The new UK Audit Board supplements EY's Public Interest Board (formerly known as the Independent Oversight Committee) which provides oversight of the management and supervision of the whole EY firm in the UK.

As part of these governance changes, we have also established an Audit Remuneration Committee which is responsible for overseeing the remuneration policy of the audit business.

[You can read our stand-alone audit report here.](#)

Meanwhile, to ensure we can offer our clients the best support, we continue to request feedback after each engagement. We collate feedback scores and qualitative responses to understand how we've performed and where we can make improvements.

We also continue to expand our knowledge and skills through an ecosystem of alliances as well as extending or building entirely new capabilities through carefully considered acquisitions.

The acquisition of several businesses over the year served to **strengthen our skills and experience.**

Specialist customer consultancy [Blackdot](#) strengthens EY transformation, customer and growth capabilities. It provides strategy design and implementation services to assist clients with achieving long-lasting customer-centred growth. Blackdot has served clients globally through a network covering Australia, the UK, Singapore and Canada. The acquisition assists EY teams in serving clients to develop and implement customer-centric growth strategies, including design, user experience, digitisation, omnichannel, go-to-market and commercialisation.

Client service and value

[PeakEPM](#) is a leading UK provider of financial planning, stress testing, and cost management consulting for financial services, industrial and energy firms. The 27-strong team joined our Financial Services Consulting teams across London, Edinburgh, Manchester, and Newcastle. Combining PeakEPM's technical modelling with EY teams' financial transformation capabilities and global scale provides the foundations to build a broad and wide-reaching new service offering for EY clients as they transform and grow their businesses.

We have also added [Digital Detox](#) to our stable. Digital Detox is a UK-based digital engineering consultancy specialising in custom software development for digital applications. Its focus is on the health wellness and sciences, real estate, hospitality and construction, and technology, media, and telecoms (TMT) sectors.

The acquisition will help further **build EY digital engineering capabilities**, complementing the existing Technology Transformation Teams including [EY Seren](#).

We also completed deals with [Seaton Partners](#) to support our Microsoft growth ambition to expand capacity, capabilities, and market presence, and [Lane4](#), that specialises in leadership and team development, organisational performance, transformation, and culture change. The 130-strong team joined the EY People Advisory Services teams, operating as EY Lane4.

How can we stay innovative in a crisis?

EY Lane4 continue to demonstrate its capabilities through award-winning leadership development programmes at Sellafield, Europe's largest nuclear site. The partnership began in 2018, with the ambition to create a high performance culture and embed a consistent mindset, skillset and toolset amongst their top 3,000 leaders. All with the aim of helping them achieve the mission of making Sellafield safer, sooner.

When COVID-19 hit, all programmes were put on pause, evaluated and redesigned to be delivered virtually. In just six months, an immersive virtual programme was re-launched and the pathway to creating long-term change across all layers of leadership at Sellafield continued. The virtual programme maintained the experiential elements previously valued and quickly became transformational for leaders and their teams who were battling the day-to-day challenges of life during a pandemic.

Over 1,650 leaders have completed the virtual programme. 96% agreed that it has been applicable to their leadership needs, priorities and tasks. 91% agreed that it has been a worthwhile business investment.



We also have more than 30 industry alliances and more than 100 technology and innovation relationships which ensure we are well-positioned to develop new services and support networks for our clients.

This year we were proud to launch [EY Carbon](#), a new sustainability service offering that will support clients across all sectors in preparing their net zero plans ahead of next year's deadline set by the government at COP26. Recognising the huge challenge that these new regulations will place on UK businesses, EY Carbon is being backed by over £100m of investment.

The EY Carbon team - expected to employ 1,300 within three years - will advise and support businesses as they prepare their net zero plans for independent scrutiny and verification. They will help clients develop robust and ambitious plans while building longer-term sustainability strategies.



Client service and value

Case study


How can we transform the way student police officers learn?

Better training leads to better policing. That was the motivation behind a collaboration between [Greater Manchester Police](#) (GMP) and EY to transform how new recruits learn.

With almost 7,000 officers, GMP is one of the largest police forces in the UK. As part of a root and branch improvement programme, the force asked EY to create a three-year partnership to

ensure student officers were given the right knowledge, skills, and behaviours to best protect the communities they serve.

An EY project team from across service lines shared their skills and experience with colleagues from the GMP to implement [The Policing Education Qualifications Framework](#) (PEQF) to ensure all recruits across the 43 Police Forces in England and Wales benefited from consistent, accredited learning programmes developed by the College of Policing.



How can what you learn transform who you become?

Building a better working world means helping our clients develop the future-focused skills that can drive long-term, sustainable growth and foster trust in our societies.

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

Working in close collaboration we designed and implemented a transformation that improved GMP's learning delivery capabilities and served to underpin their social value objectives. Drawing on our long-standing relationships across public, private, and voluntary sectors, we fostered connections with other organisations, such as the London Metropolitan Police, to establish best-practice principles and shared learning.

During implementation, we expanded the project team to include new university partners and defined a detailed project plan to implement the learning pathways.

GMP has been able to redeploy officers previously carrying out a trainer role to front-line policing units because of the new learning partnership.

After launching the new learning programmes

1 the results were rapid and positive, within just three months

188 recruits were enlisted

85%

of students reported that they were satisfied or very satisfied with the quality of teaching and learning.

2 the programme has the potential to deliver cost savings from lower employer national insurance contributions for apprentice officers who are aged

25 or under¹

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When I started on the PEQF Project, I knew that it would be exciting, challenging and exhausting, but I wasn't prepared for everything in and out of work that we have all been through together. I am a very different (better) Police Officer for having worked as part of this collaborative team with EY.

Chief Inspector in GMP
PEQF Business Change Manager

We established a Social Value workstream and hosted a Violence Reduction Unit conference with

23 guest speakers

1,000

participants from more than 30 organisations.

¹ When compared to the costs for non-apprentice recruits.





Professional development

Consulting Excellence firms develop the capabilities of their consultants, provide career development opportunities and support the welfare of all their employees. This means:

- 7 We undertake training and professional development planning each year.
- 8 We promote strong core consulting capabilities and specialisms in our consultants and teams.
- 9 We support our employees' career progression, professional development and welfare.

Professional development

We value our people. Every day we empower them by offering opportunities and experiences that will help them to flourish in their daily lives and prosper in their careers.

We work hard to nurture a healthy workplace where everyone feels they belong and where well-being is a priority. We are proud of our continuous learning culture where people can unlock new potential for themselves and our clients.

That is how we attract and retain some of the most experienced and talented people and why we continue to grow as a business, creating greater value for all.

80% of our people feel free to be themselves at EY, a consistent percentage for a second year running. Our commitment to inclusivity, training and development helped place us at number eight in the LinkedIn Top Companies list for 2022. We are also proud to feature in [Stonewall's Top 100 employers](#) with a Gold Employer award.

80% said:



EY in the UK

18,500+

people employed in the UK
up from 17,000 in FY21

35%

based outside of London in
offices across the UK, from
Aberdeen to Southampton



Professional development

A culture of learning

We nurture a culture of curiosity and continuous learning at EY. We leverage inspiring leadership, and dedicated Learning Days to engage and prompt our people to prioritise professional growth by accessing our market-leading learning resources, completing EY Badges or Masters; working on interesting client opportunities and developing relationships to personalise their learning paths and careers.

In 2022, we delivered almost 700,000 hours of formal learning for our UK people, equivalent to 40 hours per person.

Learning for all new - and even potential - recruits is something we value just as much as developing our more seasoned staff. This year, Olympic medallist Tom Daley joined us as one of our expert speakers in a week of virtual events designed



to support school leavers, students, and graduates with physical, mental, financial, and personal well-being.

Dedicated Learning Days and a Learning at Work Week in May 2022 continued to be popular with staff with 12,500 in attendance across the sessions, doubled in comparison to the year before. EY was Highly Commended for Inspiring a Lifelong Learning Culture by the judges Work Week Impact Awards 2022, and our 2021 Learning at Work Week won the Campaign for Learning's Impact Award for "Innovation in Learning and Development". To inspire everyday learning, we continue to use on-the-job learning behaviours and tools to create

developmental experiences, whether working on-site or remotely.

Our learning and development activities are aligned with EY's Transformative Leadership model that brings together EY's purpose, values, and leadership behaviours.

The model is designed to help **us navigate the challenges of a rapidly changing working world** and offer innovative, practical solutions to our clients and society as a whole.

In 2022 EY launched the Disruptive Tech Programme at our EY Tech University attended by members of EY UK senior leadership. This programme encourages our leaders to think like a futurist. The course is designed to demonstrate how fast technology is changing, and what we can do to adapt and innovate to stay ahead of the curve.

Participants, which now includes some of our clients, learn how to identify key tech trends and ways to navigate through disruption as well as gain a deeper understanding of emerging technology. The course enlists some of the biggest influencers in the Silicon Valley ecosystem: entrepreneurs, venture capitalists, tech practitioners and faculty from Stanford University.

[You can read more about how we empower learning in our case study on page 20.](#)



Professional development

Health and well-being

Our strategy is based on four pillars:



As well as being inclusive, it is important that our workplace is also a healthy one. That is why we invest in a range of measures to promote the physical and mental well-being of our people.

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To create an inclusive, healthy workplace, we invest in a range of measures to promote the physical and mental well-being of our people.



This is supported by a range of services, including a comprehensive range of resources and topics covered as part of our Health EY Thrive programme.

This year, our people attended more than a dozen webinars on topics from sustainable health, and positive thinking, to cancer, and children's well-being.

We introduced an 'Essentials' level of cover to help those without funding for our existing private healthcare benefits.

Our Health EY care pathways provide benefits, but we've listened to feedback that not all EY employees can use these services in full because not everyone has private healthcare coverage. Providing this new private healthcare benefit will complement existing health services. These include Digital GP, Employee Assistance Programme, Income Protection Insurance, Workplace Adjustments, and Domestic Abuse Support, and our health knowledge and prevention.

In 2022, we also launched a mental health toolkit that provides information on how to manage your mental health and ways to support others. The digital toolkit also has a dedicated section to help employees navigate the impact of significant life events, including crisis support.

EY is also one of the few employers in the UK with an Independent Domestic Violence Advocate service, providing support and information on domestic abuse.

More than 250 apprentices took part in a special Personal Safety session hosted by the EY Student Experience Team, with support from the Business Resilience team and the Metropolitan Police. The hour-long session touched upon general crime prevention, staying safe when travelling and socialising, safety apps and technology, domestic abuse and drink spiking.

Recognising that menopause can be a workplace issue, this year the firm also signed the Menopause Workplace Pledge to provide greater support and information for employees. At the same time, in addition to continuing our sponsorship of this year's [FlushFest](#), the world's only Menopause Festival, EY's 300-strong Menopause Community, part of our EY Life Network, made an impact across the business and outside in the community.

The Community hosted lunch and learn sessions, shared advice and suggestions on treatments and was featured in an article in the [Financial Times](#). We also developed a Menopause Matters care pathway to help support EY people and introduced menopause guidelines for employees and managers to map available support.





Commitment to diversity and inclusion

Consulting Excellence firms are committed to diversity and inclusion within their workplace and workforce. This means:

- 10 We respect and embrace diversity and inclusion and understand the importance and positive benefit of people from different backgrounds working for our companies and our clients.
- 11 We recruit and retain people from a diverse talent pool and strive to build cultures where difference is valued, respected and celebrated at all levels. Furthermore we are committed to developing diverse future leaders and ensuring their progression in the industry.
- 12 We support industry efforts to improve progress on diversity and inclusion, implementing best practice and monitoring the diversity of the consultancy sector workforce over time. This includes encouraging the collection of data to assess the effectiveness of D&I policies and participating in the MCA annual report.

Commitment to diversity and inclusion

Diversity, equity, and inclusiveness

We believe that successful diversity, equity and inclusiveness means success for everyone. Diverse perspectives, combined with an inclusive culture and equitable outcomes, drive better decision-making, stimulate innovation, increase organisational agility, and strengthen resilience to disruption.



We've continued to take action to meet our targets around gender, ethnicity and Black representation. Our targets are ambitious but by aiming high we hope to drive the behaviours needed to create longer term change.

Addressing racial inequality is an important part of creating a culture of belonging in EY. As a company and as individuals, we continue to stand against discrimination, and we have made progress on our seven anti-racism commitments.

[You can read more about our commitments and our progress here](#)

This year, 14% of our UK Partners were from ethnic minority backgrounds and 5% of those were Black Partners, up from 4% last year. We have set scorecard targets to improve ethnic minority Partner representation by 1.5% in each UK service line and 1% by the end of FY22.

Our Talent processes and outcomes have been enhanced to better **support equity in recruitment.**



Commitment to diversity and inclusion



We welcomed a record 1,473 student hires into the UK business this year

204 school leavers

1,269 graduates

Attracting and retaining the best

We employ 18,500+ people across the UK, with 35% based outside of London. Our Newcastle office is one of our largest with a widespread commitment to EY Ripples activities, supporting social mobility and employability, which results in a large intake of school leavers each year, undertaking a variety of degree and business apprenticeships. This year, we strengthened our UK partnership with the largest ever number of new Equity Partners. The new cohort included 75 internal promotions and 45 external hires. In total, 36% of new Partners are women and 23% are from ethnic minority backgrounds, with 2% identifying as Black or mixed-Black

heritage. Strong client demand has also led to EY elevating the Associate Partner role title to Partner in the UK, bringing the total UK Partner number to 1,534.

This year, we enhanced our recruitment team and capabilities with a particular focus on the technology and sustainability sectors to help future-proof the ability to help clients with their ever evolving challenges.

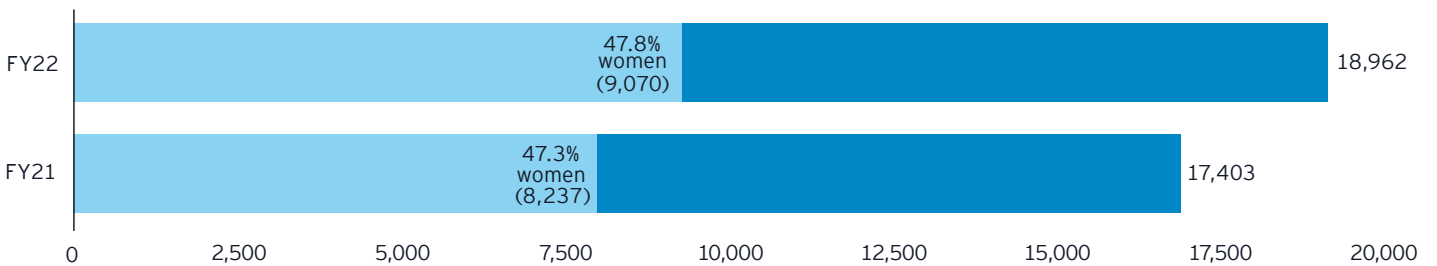
As a result, in 2022 we recruited 5,514 people into new roles, 37% of whom were outside London, and we promoted another 3,522. This experienced hire figure includes those who joined EY through acquisitions.

There was a particular focus on student recruitment over the year. We believe that a key to unlocking our vision lies in entry-level recruiting. Our approach is underpinned by robust attention to DE&I for female and Black talent alongside business priorities.

We welcomed a record **1,473 student** hires into the UK business this year, which includes 1,269 graduates and 204 school leavers. Of those, 41% are women, **45% from an ethnic minority heritage**, and 4% identify as Black or mixed-Black heritage. Almost 40% are based outside London in our regional offices.



Headcount change



Equity Partner change



Commitment to diversity and inclusion

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Our recruitment success was recognised in a raft of industry accolades, including winning the Work of the Year and Equality, Diversity, and Inclusiveness categories in the prestigious annual RAD Awards for our [Better Verses film](#). We also picked up trophies in the 2022 Firm Awards and Recruiter Awards.

This June we were ranked 11th in the Top 100 Apprenticeship Employers, the highest of the Big Four and a rise of 5 places on our ranking in 2021. The most recent [gender pay gap report](#), which covers the 2020/21 UK Tax year, shows a 0.2% widening to a median of 15.5%, reflecting a slow change in the representation of female Partners despite our continuing drive to improve. In 2021, 32% of our new Partners were female, moving our representation from 23% to 24% of the UK

partnership. Our internal partner candidates are more diverse, with c40% women in the Pathways to Partner programme.

However, our external hires to the Partnership in 2021 were majority male. This was a particular concern as our fastest growth areas, and thus our biggest recruits, are in the more traditionally male-heavy technology sector, and will be an area of focus going forward.





Image above: RAD Awards for our Better Verses film

Our ethnicity gap fell by 0.7% to a median of 15.1%. We sought to increase diversity at every level of the business by deploying a differential focus on Race and Gender. We also addressed issues such as work allocation and performance reviews that had hampered progress. As a result, female and ethnic minority partner representation has accelerated.

We continue to work with our suppliers to ensure job candidates are diverse and we will remain mindful of strategic acquisitions and hiring of Partners in line with our DE&I commitments.

As part of our effort to close the recruitment gap in attracting talent from

low-income backgrounds, 13% of our graduate and apprentice hires received free school meals.

We increased the number of managers to receive recruitment training designed to reduce bias during the process.

Our commitment to sharing the impact of our internal and external activities in advancing our diversity, equity, and inclusiveness was recognised by the [UK Social Mobility Awards](#) this year, where we were shortlisted in the Progression Programme category.

Commitment to diversity and inclusion

A new scorecard target requires equity in promotion outcomes by ethnicity and we are using our culture of equality change methodology to tackle barriers to equitable progression.

Including an investment in training to ensure our people have a deeper understanding and appreciation of the topic of race by launching two new learning programmes. Let's Talk About Race is a work-based learning programme which has been completed by more than 8,000 people. Meanwhile, our Allyship training offers a series of six videos with supporting workshop materials delivered to all employees every two months across the year.

We continue to expand the number of pre-entry level opportunities we offer. We have already removed academic screening from the application process, making the process school and qualification blind.

We believe that through better initial engagement with students, we can work with them to build their aspirations and commitment to a professional services career. Then, with coaching and support,

we are confident that the selection criteria can be better and more fairly applied.

In 2022, we became one of the founding partners of the socio-economic diversity task force, [Progress Together](#). The new, independent body will focus on boosting socio-economic diversity in UK financial and professional services. Data from a survey of almost 10,000 people from 49 financial and professional services firms reveal employees whose parents haven't held professional positions are 30% less likely to be working at a senior level compared with colleagues from professional backgrounds.

Through workshops, resources, firm-to-firm mentoring, and benchmarking, Progress Together will help to progress and retain a socioeconomically diverse workforce.

Supporting and funding the [EY Foundation](#), an independent charity that works with young people from low-income backgrounds to realise their career ambitions, continues. A survey of more than 1,000 Black young people was completed so we could understand their experience of moving from education to employment. We are now in the



process of implementing the four key recommendations from the Getting in and Getting on report.

The largest of our diversity and inclusivity employee networks is the EY Women's Network with more than 3,500 members. For more than a decade it has been active in empowering more women to build their careers across the firm while accelerating gender diversity, equity and inclusion. Providing a disruptive voice on gender issues while championing inspirational women and role models set the tone for activities in 2022. The network also focused on increasing male engagement in gender issues.

We have a thriving AbilityEY Network, whose vision is for EY to be a truly inclusive organisation, where everybody feels valued, empowered and inspired to be their authentic self. Our AbilityEY Network has 7 communities that include different physical and neuro differences; the 7 communities include hearing, long term health, mental health, mobility, neuro-diversity, stammering, and visually impaired. These communities inform our work on this agenda including workplace accessibility, policies and support.

One of the ways we do this is through our first [Neuro-Diverse Centre of Excellence \(NCoE\)](#), launched in Manchester earlier this year, with another to open in Glasgow in 2023. The centre is designed to fuel innovation in technology, bring a new dimension of creativity, and drive greater diversity and inclusion in the UK workplace.

The NCoE fosters an extended supportive environment for individuals with Neuro-cognitive differences who self identify as requiring additional support and will help them apply their strengths and meet clients' business needs in emerging technologies, such as artificial intelligence, data science, automation, blockchain and cyber.



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We continue to invest in an exceptional employee experience for all our employees regardless of difference.

Commitment to diversity and inclusion


Case study

Ralitsa Nenkova's learning journey opens doors for her career aspirations.

Voted one of the most inspirational women in risk by the [Chartered Insurance Institute](#), the London-based Director has a thirst for knowledge and a passion for what she can achieve in EY.

She is one of eight UK graduates to benefit from the [EY Tech MBA](#) set up just two years ago to help empower our people to build exceptional experiences and create a fulfilling and rewarding career path.

That is the philosophy behind our approach to learning at EY. We think building a better working



What makes your people worth more than the value they build?

Building a better working world begins at an individual level. We help to create careers as every bit unique as each of our people in the UK.

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

world begins at an individual level, helping to create careers as every bit unique as each of our 18,500+ people in the UK. That means providing training and development opportunities that go beyond supporting job flexibility and advancement alone. We work together to build careers and bring out the best in each other.

Meanwhile, this year we launched two new fully-accredited qualifications in association with Hult International Business School - an EY Masters in Business Analytics and the EY Masters in Sustainability. These courses are free for EY people, regardless of rank

or location, with the aim of helping EY people to get the knowledge, practical skills and experience they need to create long-term value for clients, people, and society.

These degrees are part of our highly successful EY Badges programme. There are some 250 Badges on offer across 25 topics, such as technology, sustainability, and leadership. Data Analytics, Innovation, Digital and Cybersecurity are some of the most popular subjects. In the UK we have had over 4,200 EY Badges earned to date with more than 8,000 in progress.

The programme is designed as an opportunity to continuously **improve**, **transform**, and **stay relevant**.



“

This has been the best workplace development programme I have been part of in my whole career! It has added huge value to my wider team and clients, encompassing all the latest developments in technology.

Ralitsa Nenkova, Director, EY

Research* shows those who completed EY Badges are

38% more likely to be rated a high performer

with those who complete the EY Tech MBA confirming a

28% increase in intent to stay at EY and are

6X more likely to be promoted

*Based on 56,547 people who earned EY Badges in FY20 and the impact in FY21.



Commitment to sustainability

Consulting Excellence firms are committed to sustainable development within their organisations and their work with clients. This means:

- 13 We commit to ensuring that our firms operate in an increasingly sustainable way and strive to ensure that sustainability is considered by our clients in our work with them.

Commitment to sustainability

Transition to a sustainable future

To fund the transition to a sustainable future, financial institutions need to deepen their knowledge of the businesses they finance.

At the same time, we all need to work harder - and smarter - in the climate action we take as individuals, in business, and as a society.

We continue to invest in building our sustainability services, solutions, and people capabilities and advising governments and regulators worldwide on ESG standards and the transition to a green future.

We had a strong presence at COP26 in Glasgow and are active in helping to accelerate the transition to a low-carbon global economy while protecting and creating value from sustainability around the world.

We are also active in supporting others with their own decarbonisation journeys. This year we launched [EY Carbon](#), a new sustainability service offering that will support clients across all sectors with a full suite of decarbonisation services to help them harness the opportunities and mitigate the risks of a low carbon regenerative economy.

EY Carbon is backed by over £100m of investment by EY in the UK with an ambition to recruit more than 1,300 professionals over the next three years. The team has also recently launched EY Sustainability Transformation Hub - a net-zero transformation progress tracker, powered by Microsoft within our Technology Hub, designed to help businesses plan, measure, and execute on their transition to net zero.



EY's global carbon ambition is to be net zero in 2025

To achieve this, we will reduce absolute emissions by

40% across Scopes 1, 2 and 3 by FY25 (versus FY19 baseline), consistent with a

1.5°C science-based target approved by the [Science Based Targets initiative \(SBTi\)](#). The Global organisation will then remove or offset more than the remaining emissions every year. In response, the UK firm has developed a

net zero strategy

to support our global ambition. See page 34 for the six key actions critical to achieving it. Where we can make the biggest difference is through supporting our clients with this agenda and through a reduction in travel. Achieving our ambitious air travel emissions reduction targets will require cultural and behavioural change, as well as effective travel management processes.

To accelerate our own progress on carbon reduction, diversity, and social mobility, we secured an Environmental, Social and Governance-linked revolving credit facility ([ESG-linked RCF](#)).

Understanding the issues at the very heart of sustainability is also critical to our success. That is why we created

the [EY Masters in Sustainability](#) with Hult International Business School. The master's degree offers our people an opportunity to develop the knowledge and skills across multiple facets of sustainability, including inclusive business and climate change.

Commitment to sustainability

Accelerating sustainability

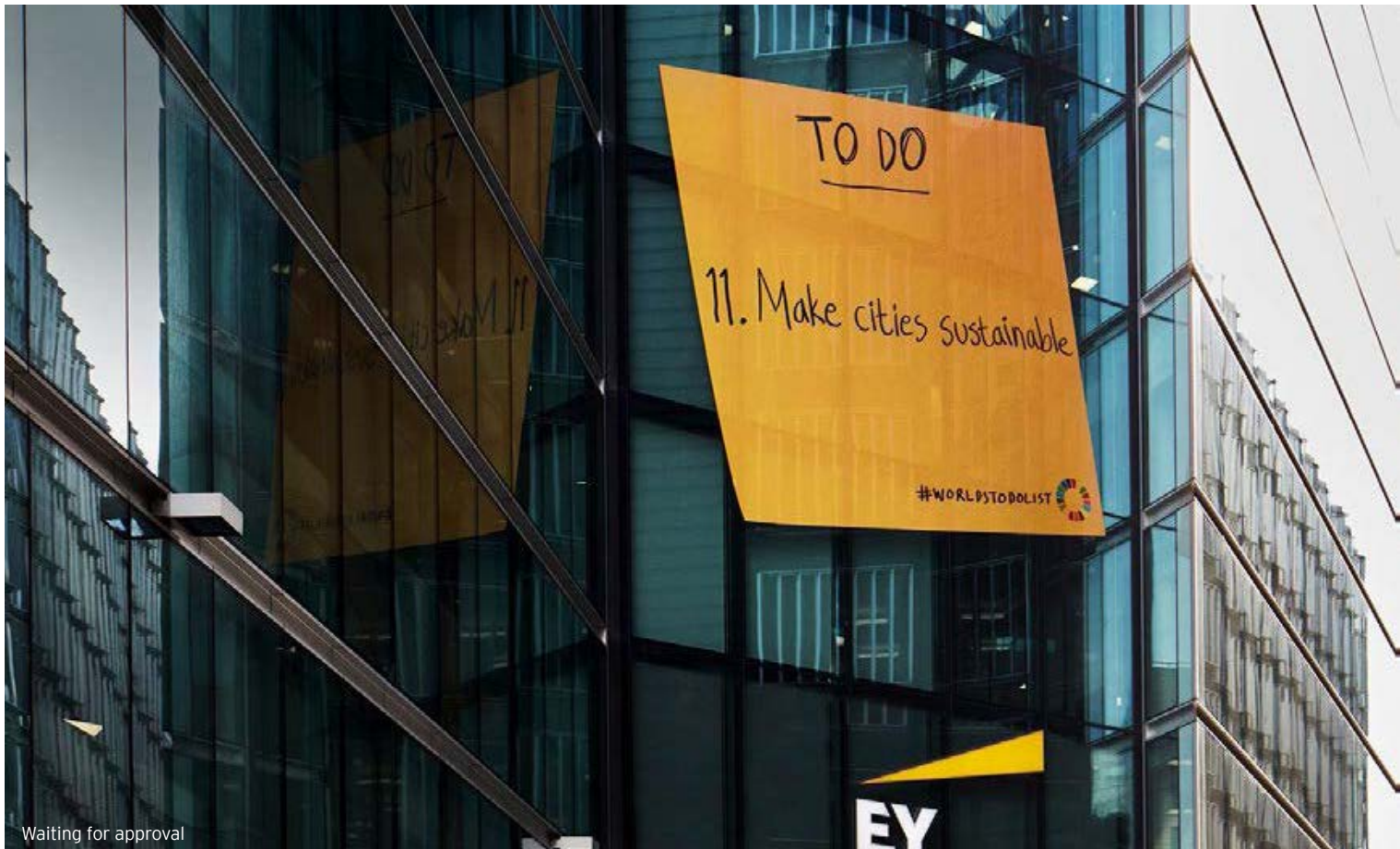
Sustainability is one of the defining challenges of our lifetime. That is why we are continuing to invest in services and solutions to help clients understand ESG and what this means for them, decarbonise their businesses and provide solutions to other sustainability challenges and opportunities.

As a result, we maintained a strong presence at [COP26](#) in Glasgow, collaborating with a range of stakeholders. We provided thought leadership and key insights on sustainability, ESG, and financial

services and took part in more than 50 events while listening to a diverse collection of global views on environmental issues and emerging challenges.

A delegation from EY took part in the Scottish Financial Enterprise Green Finance Youth Summit with COP26 President Alok Sharma MP and other senior leaders to discuss the role of the financial services industry in helping to tackle climate change. The summit highlighted the importance of Financial Services supporting new

Image below: The World's To-Do List creative campaign to bring the Global Goals to life.



sustainable businesses, collaborating with businesses to help them transition to green alternatives, and the need to develop the right skills and relationships to drive the journey to net zero.

Our teams are now working to translate the outcomes agreed at the conference into measurable business action, the impact of which will resonate beyond the UK alone and help tackle climate change at a global level.

To achieve these outcomes, it is imperative for businesses and governments to work in tandem. Through our experience, expertise and convening power, we are able to help accelerate these partnerships. For example, we are advising the Scottish Government's Energy and Climate Change Directorate on a programme to accelerate the delivery of large-scale transformational low-carbon infrastructure projects. Our specialist teams have taken a holistic approach when reviewing and advising on a

number of low-carbon projects as part of the Scottish Government's [Low Carbon Infrastructure Transition Programme \(LCITP\)](#).

At the same time, we are advising and collaborating with clients to implement global, enterprise-wide strategies that address the climate emergency.

We recognise that to fund the transition to a sustainable future, financial institutions - and their people - need to deepen their understanding of the impact of sustainability and their knowledge of the businesses they finance. We are supporting our clients on a wide range of sustainability issues, including investor concerns, ESG reporting and disclosures, and performance metrics.

We are actively helping others with their decarbonisation journeys and advising governments and regulators on ESG standards and the transition to a green future.

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The COP26 climate summit highlighted the importance of Financial Services supporting new sustainable businesses, collaborating with businesses to help them transition to green alternatives.

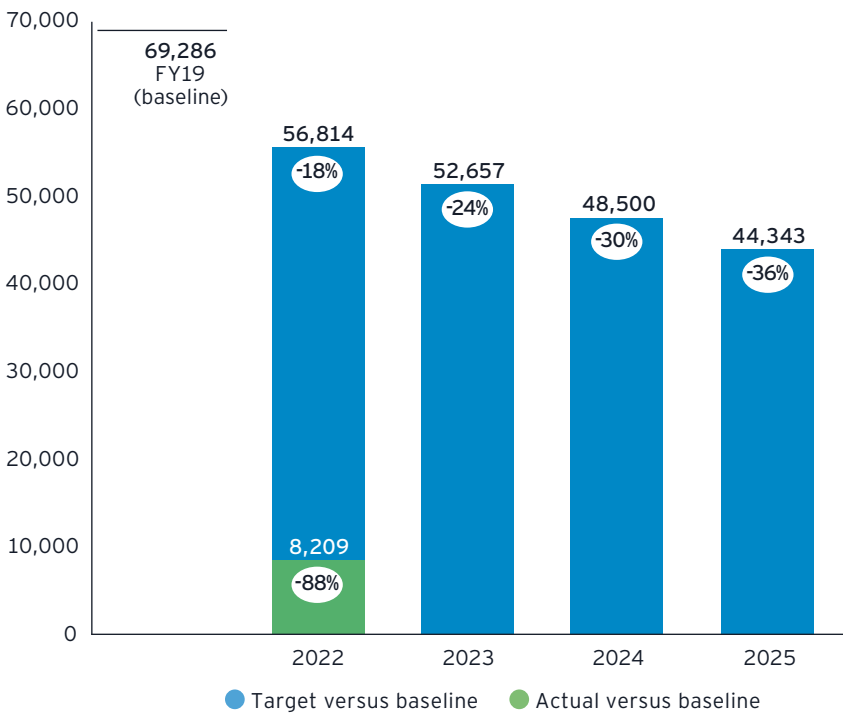
Commitment to sustainability

The UK firm has developed a net zero strategy to support our [global ambition](#), comprising six key actions critical to achieving it:

- 1 Reduce air travel emissions by 36% by FY25** (versus FY19 baseline)
- 2 Reduce electricity consumption** and ensure 100% of energy is backed by renewables certification
- 3 Ensure the UK Virtual Power Purchase Agreement delivers certified renewable energy to cover EY's consumption** and helps to further decarbonise the UK energy sector
- 4 Deploy internal tools to enable our people to calculate and reduce CO₂e from delivering their work**
- 5 Ensure 75% of EY's suppliers (by spend) set Science Based Targets** by no later than FY25
- 6 Reduce the environmental impact of internal operations** by delivering best-practice initiatives

1. Scope 3 air travel emissions (tCO₂e)

FY22 performance: We remained well within the FY22 air travel emissions limit, although recognise this was mainly due to pandemic-related travel restrictions in place during much of the reporting period. As pandemic recovery continues and business travel resumes, we are focused on limiting emissions to achieve net zero in FY25.



Pollinators are the cornerstone of healthy ecosystems. Critical in preventing biodiversity decline and nature loss and supporting agriculture and food production. Project HonEY partners with an ecosystems specialist to manage new honeybee colonies, invest in grasslands and species-rich meadows, and improve foraging environments. We'll leverage these activities in FY23 to engage our people, stakeholders and broader communities on sustainability and biodiversity issues through a series of workshops and experiences, supporting conversations on how to create a better, more sustainable working world.

*Emissions data relating to our carbon ambition are determined by Ernst & Young Global Limited ('EY Global') using an alternative methodology to that of EY UK LLP (i.e. air travel data shown in the GHG emissions summary in 'Appendices'). The most material difference is EY Global's consolidation of air travel emissions by engagement country (i.e. management view), compared to the UK LLP's consolidation by traveller's home country (i.e. geographical view). EY Global's approach accounts for the difference in reported air travel emissions data - details of their methodology are available on page 49 of the EY Value Realized 2022 Report.


Commitment to sustainability

Case study

EY became the first of the Big Four accountancy firms in the UK to secure an Environmental, Social and Governance-linked revolving credit facility (ESG-linked RCF).

The move is part of our commitment to accelerate progress on carbon reduction, diversity, and social mobility.

Achieving these goals is key to the success of our business and has the potential to make a significant impact on the communities in which we operate. The arrangement will serve to underpin our commitment to tackling climate change and inequality while building sustainable, purpose-led growth. By aligning our financial goals with our sustainability, corporate responsibility, and diversity, equity and inclusiveness strategies, we are further embedding ESG in our investment decisions.



How could innovation power sustainable growth?

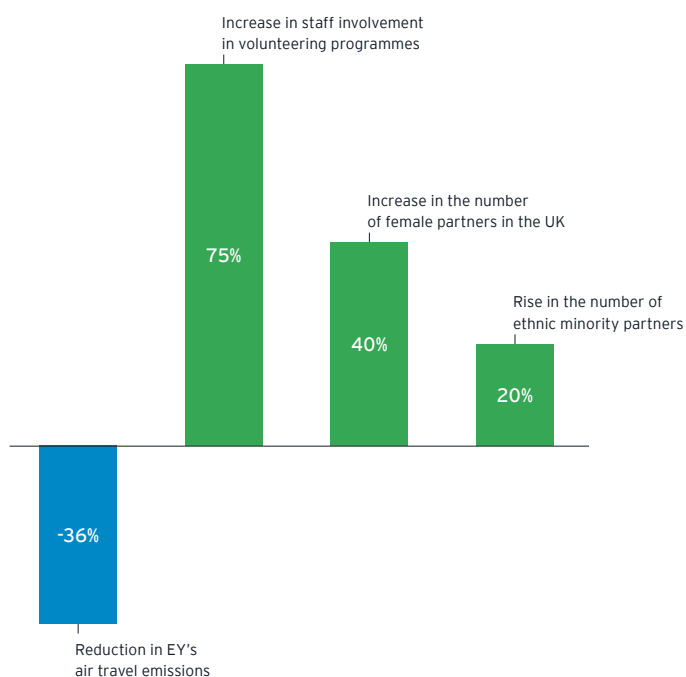
Building a better working world has sustainability at the centre, protecting and creating new sources of value for business, people, society and the world as a whole.

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

[The facility](#), arranged with Lloyds, HSBC, and Santander UK, is linked to three ESG targets to be achieved by 2025: a reduction in carbon emissions from air travel by 36%; a 75% increase in staff involvement in volunteering programmes; and a rise in the number of female and ethnic minority partners in the UK, to 40% and 20% respectively.

Our performance against these metrics will be verified annually by external auditors and will determine the interest rate applicable under the RCF.

Our 2025 commitments



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This will help to support our progress by holding the business to account and linking our targets to clear commercial outcomes.

“

We're determined to accelerate the pace of change and this ESG-linked RCF will help us to do exactly that.

Hywel Ball
EY's UK Chair

EY | Building a better working world

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

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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