



How can today's actions create sustainable value for tomorrow?

EY Value Realized:
2022 US Progress Report

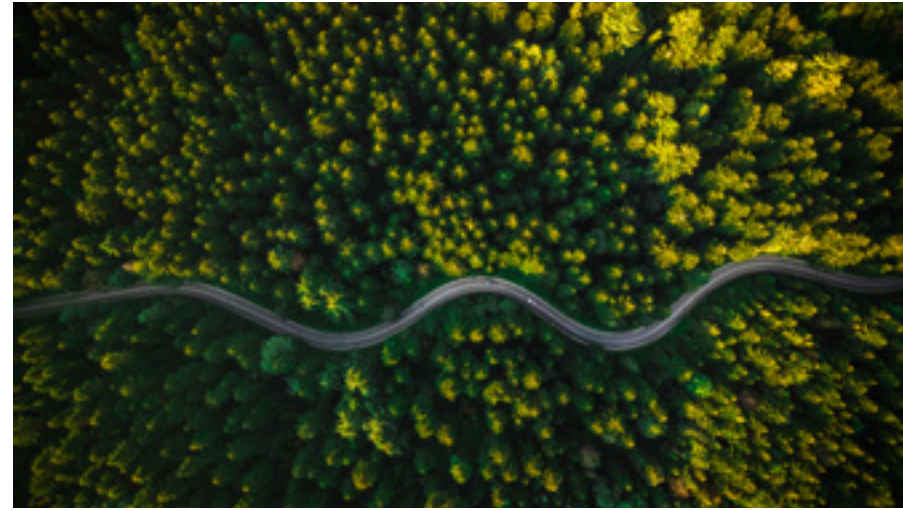


The better the question. The better the answer. The better the world works.



Building a better
working world

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Message from Julie Boland

As we look back at FY22, we cannot help but reflect on the significant changes we have collectively experienced. Geopolitical conflict, public health crises and economic challenges reshaped how we live and work. During this period of transition, the global EY organization maintains a steadfast commitment to our purpose of *Building a better working world* and focus on creating long-term value for our people, society and clients. Now, more than ever, we see that businesses drive positive change when we serve our stakeholders' interests. Since these changes affect us all, not just our organization and clients, we are working diligently to engage others in our journey to create sustainable, inclusive growth, moving from ambition to action.



Creating an exceptional experience for our people

We recognize that our people are the heart of our business. The insights and services we provide, the innovative technologies we develop, and the transactions and strategic transformations we support are only possible thanks to the hard work, ingenuity and commitment of our people.

Therefore, we continue to invest in a robust set of programs to help attract and retain talent, encourage our people to prioritize wellbeing, support dynamic learning and development opportunities, and create an inclusive environment where people of diverse backgrounds and points of view can thrive. In FY22, we made tremendous progress in delivering against these priorities. The US firm invested over \$100 million in learning opportunities, including the EY Badges program, which offers more than 250 badges across topics like technology, sustainability and leadership. In addition to the compensation and recognition programs, and time off and flexibility, the EY Better You initiative offers access to dozens of carefully curated resources to provide our people with physical, emotional, financial and social support. Last year, 82% of Ernst & Young LLP (EY US) employees took advantage of the EY Wellbeing Fund, reimbursing the cost of gym memberships, exercise equipment, ergonomic home office furniture, and more.

Delivering an exceptional experience for our people is our top priority, and we are honored to receive recognition for our efforts. EY US was named one of *Fortune* magazine's 100 Best Companies to Work For® list for the 24th consecutive year, PEOPLE 100 Companies that Care® list for 2022, and the US 2022 LinkedIn Top Companies list.

Although FY22 was marked by challenges that significantly impacted our people, including the continued impacts of COVID-19, we have collectively supported each other and adapted to help ensure we thrive professionally and personally. Thanks to the resilience of our people, we have emerged stronger as an organization and better able to serve our clients.

Contributing to society, strengthening our communities and protecting the planet

Inspired by our purpose of *Building a better working world*, we take our role in society seriously and continue actively supporting and getting involved in the communities where we work and live. Through EY Ripples, our global flagship corporate responsibility program, the US firm positively impacted 4 million lives with our volunteering efforts, focusing on environmental sustainability, impact entrepreneurs and next-generation skills development. We also directly support Black and Hispanic/Latino business leaders through the EY US Entrepreneurs Access Network. We're recognizing and advising ambitious women entrepreneurs through Entrepreneurial Winning Women™ and supporting broader entrepreneurs across the US through the Entrepreneur Of The Year® program.

Like many of our clients, we have made ambitious climate commitments to protect our planet. The global EY organization became carbon negative in 2021, and we aim to reach net zero by 2025. In the US, we continue to offset our entire office electricity footprint through virtual power-purchasing agreements. This past year, the global EY organization joined RE100, a global initiative bringing together the world's most influential businesses committed to 100% renewable energy. We sponsor a 1,000-person strong Eco-Innovator community, an active internal network of environmental champions who help inform our priorities and drive action.

We recognize that achieving our ambitions requires significant changes in how we operate internally and serve clients. With this in mind, we established an EY Americas Sustainability and ESG leadership team and are now strengthening US governance and sponsorship for these efforts to accelerate our progress.

Delivering long-term value for our clients

Our work with clients spans a broad set of services, providing insights that inform strategy and business decisions, driving technology-enabled transformations that create value, and conducting high-quality, analytics-driven audits that serve the public interest and build trust. In FY22, we proudly served more than 20,000 clients and delivered over 350,000 engagements. We continue to bring together multidisciplinary teams across our service lines, sectors and third-party alliances to meet our clients' needs and help them adapt to a rapidly changing market landscape.

Given the profound challenges we face as a society related to the environment and the critical role that businesses can play, we are increasingly working with our clients to help them become more sustainable. In FY22, EY US worked with more than 2,300 clients on their sustainability journey and executed nearly 7,500 engagements.

In 2022, the global EY organization achieved recognition from Verdantix on its Green Quadrant: ESG and Consulting report for the market-leading climate change and sustainability services we provide to our clients. The report highlights our broad spectrum of services, a globally consistent climate change and sustainability team founded more than 25 years ago, proprietary digital solutions, and skilling programs.

We also recognize that value-led sustainability is bigger than any one business. It is everybody's business. We work across our stakeholders – partnering across industries, engaging with standard setters, and building new alliances – to drive exponentially greater impact through collaborative action. We have extended our alliances with Microsoft, SAP, IBM, Enablon and ServiceNow to jointly address our clients' sustainability-related needs.

While the journey ahead remains challenging, we are honored to support our clients as they deliver value-driven, sustainable outcomes for their stakeholders.

A record year and a look ahead

Our commitment to serving the best interests of our stakeholders has made us a more sustainable and successful organization and has created the foundation for exceptional growth, even during challenging times. In FY22, EY US revenues reached \$19.2 billion, growing at 18%. Each day, 57,000 people across the US work to create more sustainable, inclusive growth through collaboration across our organization, industries, alliance partners, communities, and government.

In my first year as the EY US Chair and Managing Partner and Americas Managing Partner, I have been humbled and amazed by the impact we can achieve when we work together toward a common goal. I'm proud of the actions we have taken to drive sustainable growth, and I am excited to see more progress in the days and years ahead. The *EY Value Realized: 2022 US Progress Report* provides highlights of these achievements, and helps inform our priorities going forward.



Julie Boland,

EY US Chair and Managing Partner
and Americas Managing Partner



About this report

EY Value Realized: 2022 US Progress Report provides an in-depth look at how Ernst & Young LLP (EY US, the US member firm or we) supports the global EY organization's commitment to creating sustainable long-term value for our people, society and clients.

Unless otherwise stated, the information in this report, and the data presented, covers the 2022 fiscal year (July 1, 2021 to June 30, 2022) for EY US, which is a US-based member firm of the global EY organization. The EY global network comprises independent professional services practices conducted by separate legal entities throughout the world. These legal entities are members of Ernst & Young Global Limited, a UK company.

This report includes references to the United Nations (UN) Sustainable Development Goals (SDGs) as well as the World Economic Forum's International Business Council Stakeholder Capitalism Metrics (WEF IBC), which are found in the appendix to this report. The appendix also includes a suite of indicators that highlight our progress in creating long-term value for our stakeholders. To learn more about our progress toward aligning our strategy and operations with the UN Global Compact Ten Principles as part of our signatory commitments as a global organization, please see the *EY Global Value Realized 2022 Report*.

Key links



The background of the entire page is an aerial photograph of a dense, lush green forest. A paved road winds through the trees in a wavy, S-shaped pattern across the middle of the image. Several cars are visible on the road, providing a sense of scale. The lighting is bright, creating a vibrant green color palette.

OVERVIEW

Our purpose and commitment to creating long-term value

Our purpose is *Building a better working world*. We work with clients across the private and public sectors to address complex challenges, and the insights and services we provide help instill trust in the capital markets and deliver long-term, sustainable value across stakeholders.

In an increasingly volatile world, our purpose is our guide – it provides meaning and context for the work we do each day. For us, this means investing in our people to develop inclusive leaders, innovating on behalf of our clients, and spearheading efforts to positively impact communities and the planet. Now, more than at any other time in recent history, we see that when organizations collaborate to serve the interests of people, clients and society, can drive positive change.

Like others, we are on a journey to create sustainable, inclusive growth, and we recognize that we cannot do this alone. This is why we are working closely with our stakeholders – inside and outside of the firm – to adapt, innovate and accelerate progress together.

Through our four integrated service lines and deep sector knowledge, we help our clients to create and protect value:

- ▶ **Assurance:** serving the public interest by building trust and confidence in business and the capital markets
- ▶ **Consulting:** driving business transformation through the power of people, technology and innovation
- ▶ **Strategy and Transactions (SaT):** helping clients reimagine their ecosystems, reshape their portfolios and reinvent themselves for a better future
- ▶ **Tax:** enabling business decisions through insights on tax, government policy and regulatory obligations





Our purpose

Building a better working world

Our values

People who demonstrate integrity, respect, teaming and inclusiveness

People with energy, enthusiasm and the courage to lead

People who build relationships based on doing the right thing

Our ambition

Create long-term value for our stakeholders as one of the world's most trusted, distinctive professional services organizations.

- ▶ **Client value:** Build trust and transparency in business and the capital markets and help to protect and create value
- ▶ **People value:** Provide experiences, training, skills and support to build an exceptional EY experience
- ▶ **Societal value:** Have a positive impact on the planet and the communities in which we live and work
- ▶ **Financial value:** Help drive revenue growth and profitability

FY22 year in review

PEOPLE



79%

indicated their EY experience was exceptional

57,000+ people employed across the US

365,000+ job applicants and **15,000+** new hires

79% of our people indicated their EY experience was exceptional

37% women and **35%** racially and ethnically diverse individuals in our new class of PPMDDs

24th consecutive year on *Fortune* magazine's **100** Best Companies to Work For® list

SOCIETAL



4M

lives positively impacted through EY Ripples programs

4 million lives positively impacted through EY Ripples programs

\$79 million in community investments

35% of addressable spend with small and diverse-owned businesses

On track to stay below our goal of a **35% reduction** in travel emissions by FY25

900+ members in the Eco-Innovators employee network

43 LEED certified and **6 WELL** certified offices

CLIENT



No.1

favorite brand among professional services firms

No. 1 favorite brand among professional services firms based on Global Brand Survey

20,000 clients served, and over **350,000** engagements delivered

~2,390 clients supported on their sustainability journey across nearly **7,500** engagements

Preferred auditor to take companies public since 2012

FINANCIAL



\$19.2B

total revenues

Total revenues of **\$19.2 billion**; **18.5%** growth

Assurance: **\$4.9 billion**; **11%** growth

Tax: **\$5.1 billion**; **9%** growth

Consulting: **\$6.6 billion**; **25%** growth

Strategy and Transactions: **\$2.5 billion**; **39%** growth

*Partners, principals, managing directors and directors

Operating with integrity

We live by a set of shared global values that define who we are. These values guide our actions and behavior. They influence the way we work with each other, and the way EY professionals serve clients and engage with our communities.

We are:

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

Anchored by our values, our **Global Code of Conduct** (the Code) provides the ethical framework that informs our actions, strengthens our relationships and bolsters our purpose of *Building a better working world*. The Code sets the standard for how EY people behave and treat each other at work, how relationships are built with colleagues and clients, how services are delivered, and how we uphold and protect our reputation. It was recently enhanced to reflect our commitment to inclusiveness, diversity and antiracism and is supported by broad communications and training programs. To further embed the Code in our organization's culture, we require all EY people to complete an annual declaration affirming that they have read and understood and will act in accordance with the Code.

As outlined in the Code, EY personnel have a responsibility to speak up when they observe behavior that does not live up to the principles contained in the Code. The **EY/Ethics Hotline** provides EY people, clients and others a means to confidentially report any activity or concern that may involve unethical or illegal behavior that is inconsistent with the Code. EY people are expected to report any concerns about corruption or other behavior that does not comply with the Code as part of the Reporting Fraud, Illegal Acts And Other Non-Compliance With Laws And Regulations Policy and the Code. All reports received are given careful attention and addressed in a timely manner. Reports can be made either online in one of nine languages or via our telephone hotline, which provides interpreters in several languages.



Our ethics policies:

- ▶ Anti-Bribery Global Policy
- ▶ Competition and Anti-Trust Law Compliance Global Policy
- ▶ Conflict of Interest Global Policy
- ▶ Equal Employment, Non-Discrimination and Anti-harassment Policy
- ▶ Hospitality & Gifts Global Policy
- ▶ Insider Trading Global Policy
- ▶ Reporting Fraud, Illegal Acts and Other Non-Compliance with Laws and Regulations and Code of Conduct Global Policy (NOCLAR)



In addition to the Code, we expect all EY personnel to understand and abide by all our ethics policies and complete related learnings on a routine basis. Our ethics policies are essential to the way we operate and enable us to maintain integrity, independence, accountability and transparency in everything we do. All EY personnel are expected to complete trainings on a number of topics, including anti-bribery and corruption, annually.

We take all ethical breaches seriously and respond appropriately through prompt investigation, remedial action and consequence management. Whenever potential ethical breaches are identified, corrective actions are taken. Any EY person who fails to live up to our high standard of ethics, integrity and honesty is subject to discipline, up to and including termination. Last year, EY US agreed to a settlement with the Securities and Exchange Commission concerning unethical behavior involving the sharing of answer keys to exams that were administered in connection with internal and external continuing professional education (CPE) programs. In response to this issue, we have implemented several remediation measures and controls, including new learning programs and testing and monitoring programs, to enhance the EY CPE environment by both preventing and detecting future improper or unethical behavior.

Independence and impacts of client and engagement choices

As a professional services organization, we recognize that we have the ability to impact the communities in which we operate, directly and indirectly. We consider not only whether we can perform an engagement – but also whether we should perform that engagement – through a rigorous independence process. We have a responsibility to understand how EY US services, and the clients receiving them, align with our goals around supporting the public interest, human rights and the planet.

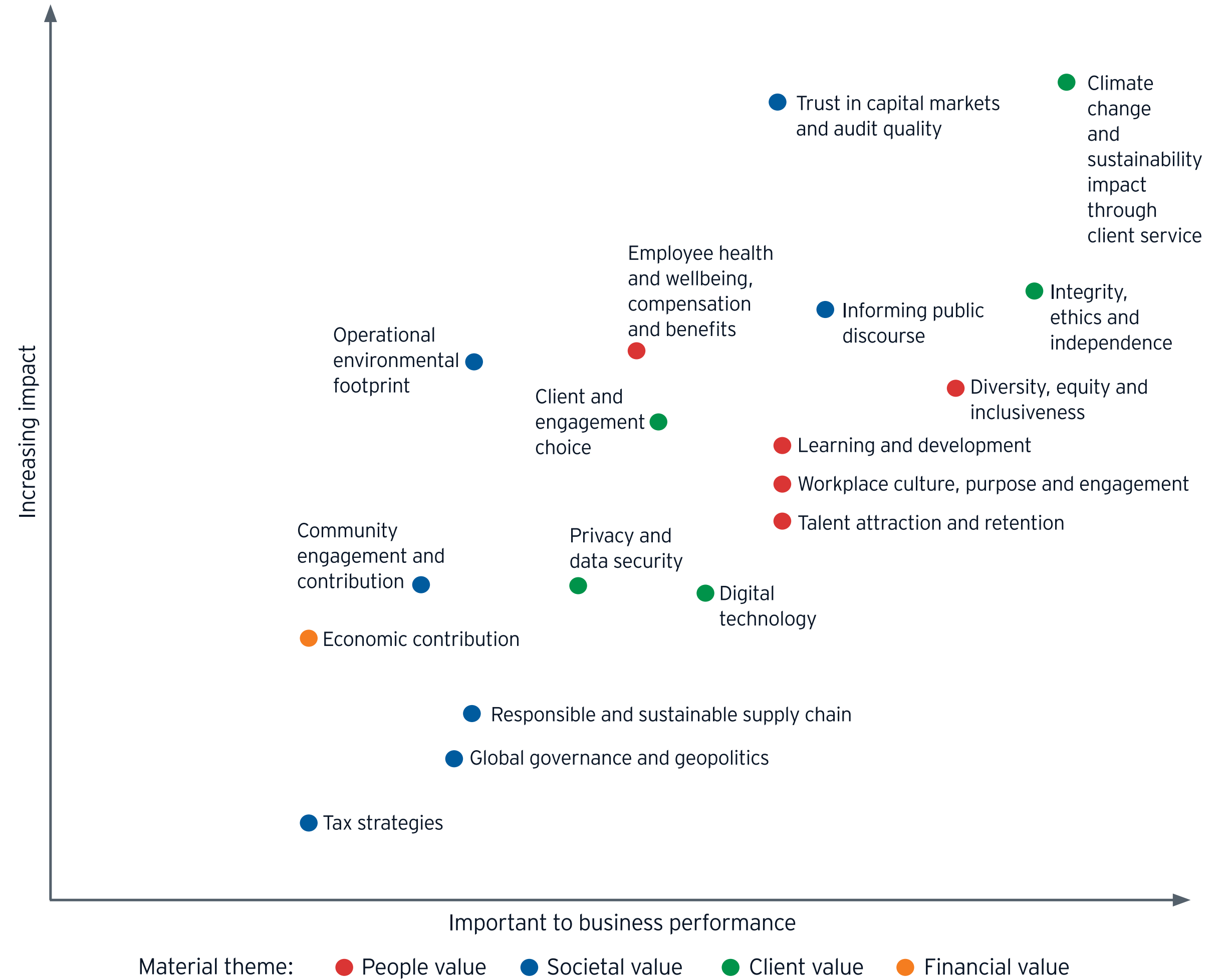


Understanding what matters most to our stakeholders

Understanding the needs and expectations of our stakeholders is essential for our firm to deliver on its ambition and effectively create long-term value for our people, clients and society. We conduct periodic materiality assessments at a global level to identify and prioritize the environmental, social and governance (ESG) topics that matter most to our stakeholders and where we have the greatest opportunity to have a positive. The most recent materiality assessment was completed in FY22 and included leadership input across markets and regions, including the US member firm, external stakeholder interviews with clients, regulators and academics, industry and peer analyses, employee focus groups, internal and external media and communication reviews, and impact analyses. The material topics, presented in the matrix, guide our strategic priorities and reporting and influence our governance models and enterprise risk processes.

For more information on the results of our global materiality assessment and more details on each topic, please refer to the [EY Global Value Realized 2022 Report](#).

Outside of the materiality assessment, we engage routinely with both internal and external stakeholders to gather insights that inform our strategy, ambition and ESG practices.



Our key stakeholders and engagement mechanisms



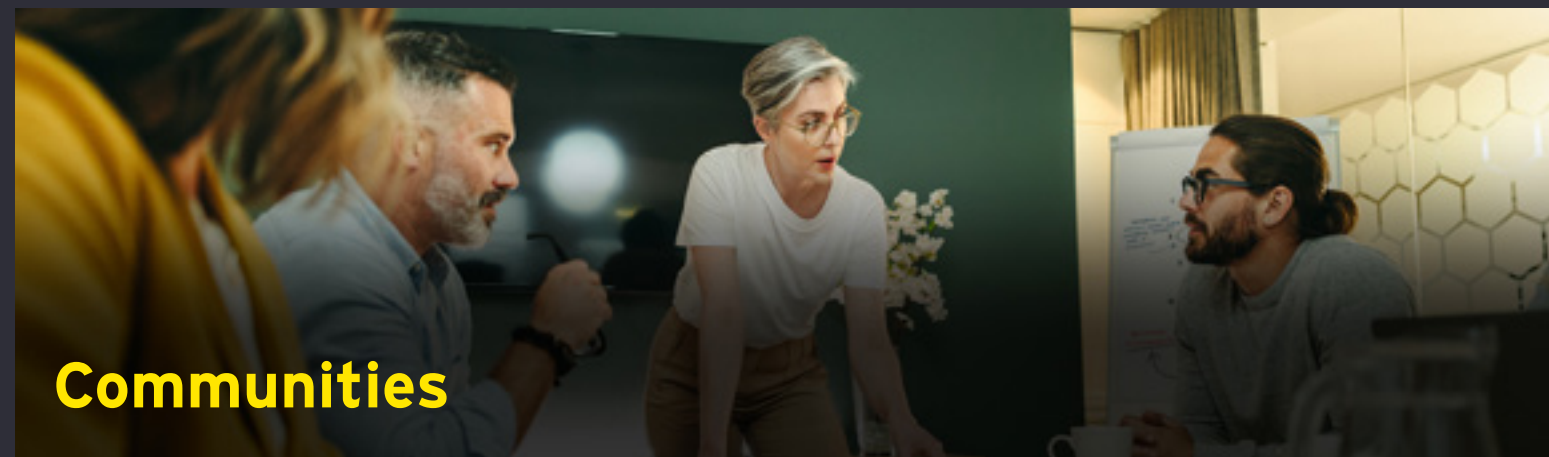
We solicit formal and informal input on strategic priorities from EY leaders through standing committees and councils, including the Global Executive, Global Sustainability Executive, Global Practice Group, Global Governance Council, Americas Operating Executive (AOE) and US Executive Council (USEC). These leaders also participate in the annual EY People Pulse survey as well as regular leadership surveys and forums for specific topics and activities.



We have several formal and informal channels through which we engage with our people to understand what is important to them. These include regularly scheduled all-hands calls, the annual EY People Pulse survey, the Americas People Advisory Forum and employee resource groups. In addition to engaging with current professionals, we have recruiting and alumni teams that connect with prospective candidates and former employees.



We regularly connect with clients through direct feedback requests, engagement and proposal work, and industry-specific discussions. In addition, we provide formal survey and interview mechanisms that enable them to provide feedback on our services. We also engage with clients and surface new insights by convening cross-industry and cross-topic forums.



We engage directly with the local communities in which we work through the programs supported by our Corporate Responsibility team and through relationships with various community and nonprofit organizations. Our employees are encouraged to volunteer at least once a year within local communities and with nonprofits through our EY Ripples program, and we also see high levels of involvement in corporate responsibility programs throughout the year.



We are committed to driving positive and sustainable change by providing comments on and contributing to emerging regulations and standards, participating in industry and sector collaboration, and developing thought leadership to inform public debate. We also interact with policymakers, regulators and other government stakeholders to share our unique insights and advance the public debate.



We are dedicated to building relationships with suppliers that reflect the market, clients and communities we serve. We maintain a supply chain services database to communicate with suppliers; collaborate directly with suppliers on carbon reduction strategies, requiring 75% of EY suppliers to set science-based targets by FY25; and have a robust supplier diversity program to engage with and support diverse suppliers.

Strengthening our governance to accelerate progress

The **Americas Operating Executive (AOE)**, our senior management body in the Americas region, focuses on strategy, execution and operations. AOE members represent all of our organization's service lines, regions, functions and subcommittees. The subset of AOE members based in the United States comprise the **US Executive Committee (USEC)**; the USEC makes decisions specific to the US member firm.

This past year, we launched the Americas Corporate Sustainability and ESG Steering Committee and the Americas Sustainability and ESG Markets Operating Committee to assist the AOE and USEC in making strategic decisions related to our sustainability and ESG priorities, build alignment across the organization and enable successful execution. The establishment of these committees strengthens our capacity to integrate ESG priorities with our strategy and ambition to drive long-term value for our clients, people, communities and broader society.

The Steering Committee is chaired by **Monica Dimitracopoulos**, EY Americas Corporate Sustainability and ESG Leader and sponsored by **Sam Johnson**, EY Americas Vice Chair of Markets and Accounts. It is composed of service line, region and function leaders who are responsible for the implementation of components of our internal sustainability and ESG strategy.

The Operating Committee is chaired by **Velislava Ivanova**, EY Americas Chief Sustainability Officer and EY Americas Climate Change and Sustainability Services Leader, and **Orlan Boston**, EY Americas Sustainability and ESG Markets Leader. With a goal of driving cross-service line collaboration on ESG and sustainability solutions for clients, the committee meets bimonthly and is composed of leaders from each service line and country.

Our efforts are guided and supported by the EY Global Chairman and CEO **Carmine Di Sibio** and the firm's global Sustainability teams led by EY Global Vice Chair - Sustainability **Steve Varley** and EY Global Deputy Vice Chair of Sustainability **Amy Brachio**. Read more about our global governance in the **EY Global Value Realized 2022 Report**.

Americas Operating Executive

US Executive Committee



Americas Corporate Sustainability and ESG Steering Committee

Americas Sustainability and ESG Markets Operating Committee



Service line, region and function implementation

EY US is committed to providing experiences, training, skills and support to build an exceptional EY experience.



PEOPLE



Our purpose, shared values and ambition to create long-term value for all our stakeholders guide the work we do, including our work to support our people. We are committed to creating exceptional experiences for our people and recognize that it is only with their engagement, ingenuity and effort that we can build a better working world.

Our people strategy focuses on attracting and engaging talent, supporting individual wellbeing and development, and creating an inclusive environment where people of diverse backgrounds and points of view can belong and thrive. Our Talent team, led by EY Americas Vice Chair - Talent **Ginnie Carlier**, hires and onboards our people, providing them with all the resources they need to have an exceptional EY experience.

Over the past year, we've earned the following accolades, which are a testament to our commitment to enhancing the lives of EY US employees:

- ▶ *Fortune* magazine's 100 Best Companies to Work For® list for the 24th consecutive year in 2022
- ▶ PEOPLE 100 Companies that Care® list for 2022
- ▶ DiversityInc's Top 50 Hall of Fame and Top 50 Companies for Diversity for 2022
- ▶ 100% rating on the Human Rights Campaign's Corporate Equality Index for 2022, designating EY US as a Best Place to Work for LGBT+ Equality
- ▶ Seramount's 100 Best Companies list for 2022
- ▶ US 2022 LinkedIn Top Companies list

Each of us can advance social equity, personally through our interactions, and structurally through the systems and processes that we may influence. The global EY organization produced a **series of short films featuring EY colleagues around the world**, spotlighting a range of different experiences to help us better connect and understand each other. It's one step forward in our journey to create positive change through greater awareness. We've sparked deeper conversations and inspired further learning and action. We're now sharing a selection of these films externally, in the hope that they make a difference beyond our organization too. The path toward social equity is one of continued progress, intentional learning and meaningful dialogue – it's a path we are committed to – one conversation and action at a time.



Attracting and engaging talent

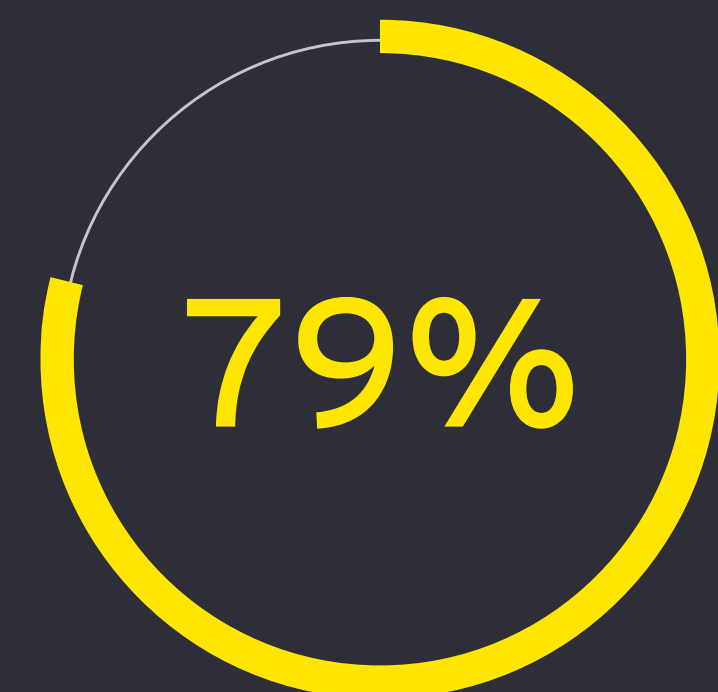
The better working world we envision starts with the 57,000 people across EY US who are helping to build it every day. Our approach to hiring recognizes that top talent come from a variety of channels and that, collectively, our employees' unique experiences strengthen the services we offer.

Our strong recruitment programs attract college students, professionals with advanced degrees and experienced professionals, and we have created employment opportunities that address a wide range of experience levels. We are committed to providing exceptional career development experiences for our people, which in turn helps us recruit and retain top talent.

In FY22, EY US had over 365,000 job applicants and over 15,000 new hires. Once people join our firm, we invest in their ongoing learning and development through both formal programs and on-the-job apprenticeship. We provide them with a suite of learning and engagement opportunities, including programs that enable personalized career development through our **EY Badges program**; **EY Ripples volunteer opportunities** that have an impact across our local communities; the ability to build and continue relationships through our professional networks and EY **alumni connections**; and **flexibility and mobility** in the workplace to promote a healthy work-life balance.

Engaging in an ongoing dialogue with our people is essential to providing them with the support they need to help fulfill our purpose of *Building a better working world*. Three times a year, our EY People Pulse survey enables our people to share their overall work experience and voice their opinions on what matters most to them. This feedback allows us to refresh our programs on a regular basis to address their needs. In the July 2022 survey, 79% indicated their EY experience was exceptional, an increase of 6% from July 2021.

We strive to create a work culture where people feel seen, heard and valued, a culture where all our people can fully participate. We will continue to identify opportunities that empower our people to feel represented and have opportunities to contribute to building our culture.



indicated their EY experience was exceptional

Source: July 2022 People Pulse Survey

Supporting health and wellbeing

We believe that supporting our people's health and wellbeing is one of the best ways to help them thrive, both personally and professionally. While the last few years have presented new challenges for us all, this has only strengthened our commitment to our people. For us, this means prioritizing wellbeing and providing access to the programs, resources and tools needed to integrate this mindset into our work. Through our Better You initiative, we offer over 40 benefit programs to provide our people with physical, emotional, financial and social support. As part of this expanded priority and focus, we have appointed a Chief Wellbeing Officer, **Frank Giampietro**, dedicated to meeting the wellbeing needs of our people.

This year, we expanded our existing benefits to better support our people. As of January 2022, we have expanded our coverage to expenses associated with out-of-area travel and lodging when a medical procedure covered by our medical plans isn't available within 50 miles of an employee's home. This includes, but is not limited to, access to reproductive health services, transplants and bariatric and gender-affirming surgeries. Additionally, we launched the EY Wellbeing Champion Network, which provides opportunities for employees of all ranks, service lines and geographic regions to formally connect and learn from each other as volunteer wellbeing advocates among their teams. To learn more about all the benefits and wellbeing programs we offer, visit our **Better You** site.

In addition to offering our people a range of benefits, we also encourage flexibility at work to promote a healthy way of working and better work-life balance. We provide flexible work arrangements, including virtual, in-person and hybrid models, as well as flexible hours, to help our people work, connect and collaborate more easily. Because we recognize the importance of promoting work-life balance, we have also implemented unlimited paid time off and annual weeklong winter and summer breaks for the entire US firm. We continue to examine how we can demonstrate a strong commitment to supporting EY people to find the right level of balance for their life circumstances.

40

unique benefit programs provide our people with physical, emotional, financial and social support.



Physical wellbeing

Resources to help our people to reach and maintain their optimal physical health include:

- ▶ Health, eye and dental insurance and care for all eligible employees (>95% of our workforce)
- ▶ A reimbursement of up to \$1,000 per calendar year for wellness-related purchases (e.g., exercise equipment, nutritionist)
- ▶ Support for families, including adoption, surrogacy and fertility assistance, providing 16 weeks of parental leave for new parents of all genders and monetary support for dependent care

Emotional wellbeing

Emotional support and daily life resources to help our people manage their personal lives and build resiliency include:

- ▶ The opportunity to meet with a mental health coach for support with stress or burnout or a therapist for issues such as depression and anxiety for up to 25 free sessions per year
- ▶ Programming that encourages mindful collaboration and leadership across our organization, including access to daily mindfulness drop-in sessions
- ▶ EY Assist specialists to help our people tackle their daily life responsibilities

Financial wellbeing

Financial support to help our people plan for the future include:

- ▶ Retirement options including 401(k) matching plans and a pension fund for all qualified employees
- ▶ Free access to a financial advisor and legal assistance to support financial wellbeing

Social wellbeing

Social impact programs to help our people connect with communities and each other include:

- ▶ Opportunities for skills-based volunteerism through our EY Ripples program
- ▶ An avenue for members to connect with each other, EY leadership and the markets in which we live through our professional networks
- ▶ Reimbursement of up to \$800 per person, per year through the EY Way of Working (WoW) Fund, to be used for commuting, dependent and pet care costs incurred while getting together with colleagues in person for moments that matter

Supporting wellbeing in the workplace

Our One Manhattan West; Hoboken; Houston; Atlanta; Tysons and Los Angeles offices have all achieved the WELL Certification's gold level. The WELL Building Standard® is a performance based system that recognizes buildings that are designed with people's wellbeing at the forefront. We understand that creating a healthy environment at work is an important part of employee wellbeing.

We were also among the first to receive International Well Building Institute's WELL enterprise provider designation at the beginning of FY22, furthering our workplace-reimagined solutions, including workforce enablement, workplace and the built environment, and advanced technology solutions, providing a holistic offering for clients in all industries.





Providing learning and development opportunities

We have a deep commitment to creating continuous learning and career development opportunities for our people. Our ability to innovate and improve the quality of services we provide to clients is intimately connected to the growth of our people. At each stage in their tenure, we provide apprenticeship, formal learning and personalized skill-building opportunities. In FY22, we invested \$300 million globally in learning and an additional \$100 million in our people in the US.

Every day is a learning experience for our people. We operate in an apprenticeship model, providing on-the-job learning and resources to empower our people to develop the right skills tailored to their role within our community. Employees are encouraged to leverage conversations with coworkers, past experiences and internal tools to help them put their best foot forward each day.

Our EY Badges program is distinctive to the EY experience. We offer 254 EY Badges that span across three pillars (technology, business and leadership) and cover 25 different topics, including artificial intelligence, entrepreneurship and sustainability. This program combines learning with practical application, enhancing participants' ability to deliver relevant services to clients and coach their colleagues.

Building on our EY Badges program, our MBA and advanced-degree programs, including the EY Tech MBA, EY Masters in Business Analytics and EY Masters in Sustainability in collaboration with Hult International Business School, are free for EY people regardless of rank, tenure or location. Our aim is to help equip participants with the knowledge, practical skills and experience to design, develop and recommend business solutions and that create long-term value for our clients, people and society. We expect more than 250 graduates from these advanced degree programs in the coming fiscal year.

84%

of our US people favorably report that our firm provides them with learning opportunities that build the skills they need to be successful.

Source: March 2022 People Pulse Survey

In addition to more in-depth programs, we offer educational opportunities through our internal employee experience management platform, SuccessFactors. All EY people can browse a suite of online learnings and virtual live classrooms where participants are able to connect directly with live facilitators. Additionally, we continue to deliver in-person and hybrid learning, especially for big career milestones including promotions and first internships. Courses range from Business specific skills, such as economics or artificial intelligence, to extracurricular skills, like sewing or meditation. We require client-facing employees to complete 40 hours of continuing professional education (CPE) each year, and our programs include a wide range of CPE-eligible learnings.

We are continuously refreshing our library of learnings and are committed to providing diversity, equity and inclusion-focused opportunities aimed at developing and building inclusivity skills, as well as other continuous professional education resources. To find out more about our learning and development opportunities, please see our **personalized career development insights**.

3.1m

Total learning hours delivered

57

Average learning hours per employee

\$105.2m

Total spend on learning

\$2.1k

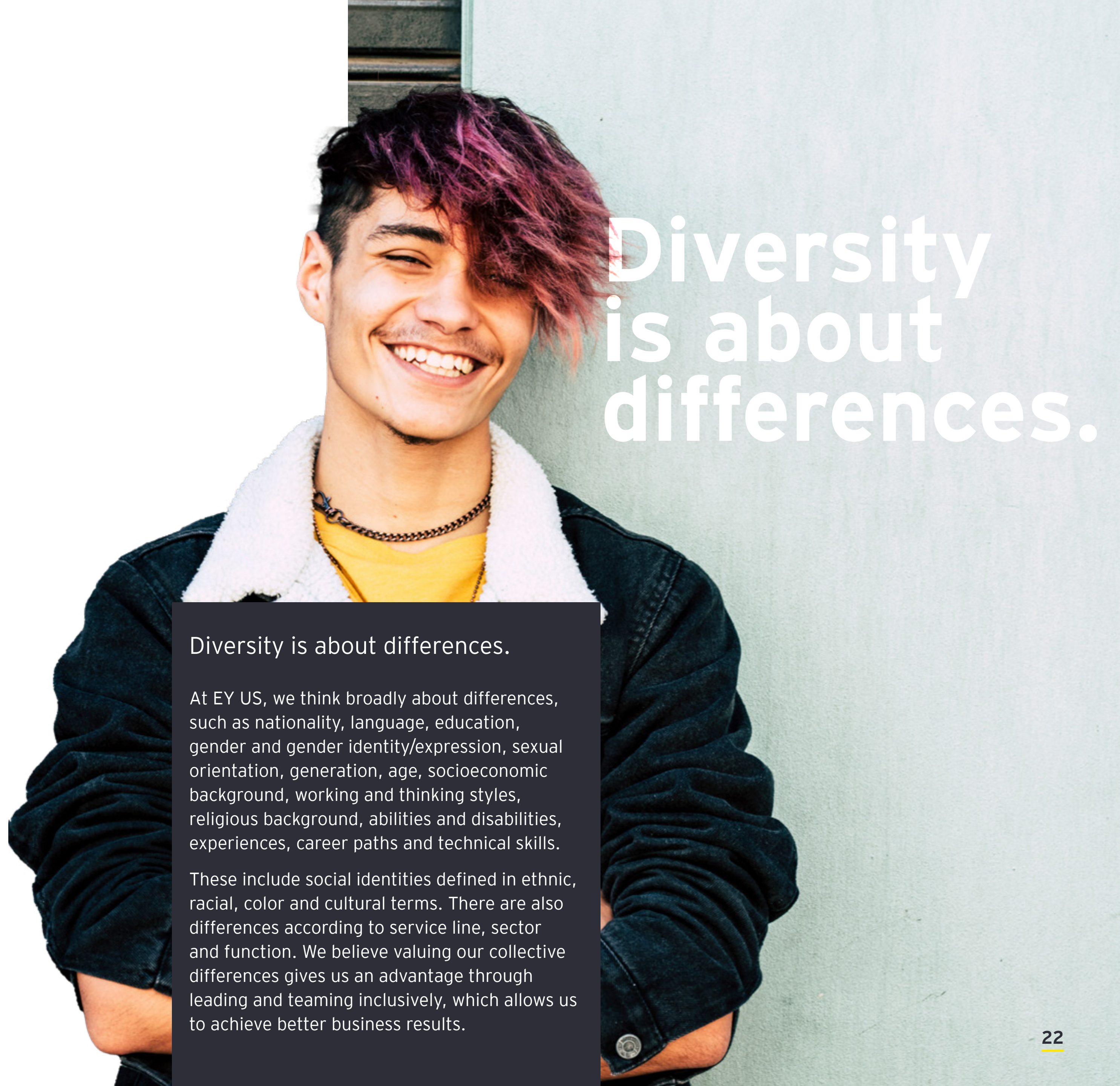
Spend on learning per employee



Building a more diverse, equitable and inclusive culture

To help EY clients tackle their toughest challenges, we need the best ideas from the broadest group of people. To help us achieve that goal, our value of inclusiveness underpins all our actions to create meaningful work experiences for all EY people. We are committed to nurturing an environment where all differences are valued, practices are equitable, and individuals share a sense of belonging. Building a more diverse, equitable and inclusive workplace is the responsibility of all our people since it is core to who we are, how we work and how we live our values. Led by **Leslie Patterson**, EY Americas and US Diversity, Equity & Inclusiveness Leader, our DEI Center of Excellence supports our inclusive culture and embeds equitable talent and business practices across the firm. Our values and commitments inform how we approach recruiting, develop talent, engage with suppliers and invest in the communities we serve.

DEI is an integral part of both our business strategy and culture. Our **EY US Board Diversity Statement**, signed by our US Executive Committee (USEC), defines what diversity means to us and commits our leadership to actively engage in fostering a diverse workforce and an equitable, inclusive environment where all our people are valued and feel a sense of belonging, where they are able to bring their differences to work each day and where they contribute their personal best in every encounter. With this foundation of leadership accountability, we have set key US DEI priorities for our firm that align our focus and drive strategic execution. Below are a few highlights from our FY22 work, and details on our DEI initiatives can be found in our full **US DEI report and latest data appendix**.



Diversity is about differences.

Diversity is about differences.

At EY US, we think broadly about differences, such as nationality, language, education, gender and gender identity/expression, sexual orientation, generation, age, socioeconomic background, working and thinking styles, religious background, abilities and disabilities, experiences, career paths and technical skills.

These include social identities defined in ethnic, racial, color and cultural terms. There are also differences according to service line, sector and function. We believe valuing our collective differences gives us an advantage through leading and teaming inclusively, which allows us to achieve better business results.

EY US key DEI priorities

1 **Continue to build a workforce that reflects diversity** across a broad range of differences at all levels.

2 **Cultivate an inclusive culture committed to antiracism** where all differences are valued, practices are equitable, and everyone experiences a sense of belonging.

3 **Foster an environment where our people are inspired** and equipped to team and lead inclusively in their interactions every day.

Achieving representation of women and racially and ethnically diverse professionals in leadership

Our ambition is to achieve 50% representation for women and racially and ethnically diverse (R&ED) professionals at our partner rank by 2025. As of July 2022, we've achieved 28% women and 20% R&ED representation at the partner rank. Although we continue to make incremental progress, we recognize there is more work to do in the coming years.

Building inclusiveness through learning

To help our people become more inclusive leaders and team members, we provide a voluntary web-based, mobile-enabled virtual learning program, Inclusive Leadership for All, which establishes a shared common language and best practices on inclusive behaviors for individuals and teams.

Committing to pay equity

We conduct a rigorous annual compensation planning process that provides salary increases and informs internal market adjustments based on role, market analysis, performance, internal pay equity and affordability. All changes are modeled with a consistent approach across all genders, races and ethnicities.

Recognizing our Neuro-Diverse Centers of Excellence

Our Neuro-Diverse Centers of Excellence (NCoE) model, which leverages inclusive recruiting processes and working environments for neurodivergent candidates and employees through upskilling and process redesign, has been named a Global Lighthouse model for inclusion and value creation by the World Economic Forum. First launched in Philadelphia in 2016, NCoE have been launched across six cities in the US, and 12 additional cities in eight countries, with a 92% retention rate for neurodivergent employees hired through the program.

Driving disability inclusiveness internally and beyond

As part of our commitment to advancing disability inclusiveness in business, we're expanding our role with The Valuable 500 – a global initiative of 500 organizations committed to innovating together for disability inclusion. EY Global Chairman and CEO Carmine Di Sibio is one of The Valuable 500's 13 Iconic Leaders – a group of CEOs committed to co-creating solutions to advance opportunities for people with disabilities. We are also an early adopter of Generation Valuable, which will identify and build a community of rising leaders with disabilities who share their experiences upward to show C-suite leaders how to make businesses more inclusive.

Expanding health care access for our LGBT+ professionals

As part of our commitment to provide inclusive health care for all, we offer a comprehensive health care navigation platform for the EY LGBT+ community, with access to a queer- and trans-led team of care coordinators who assist patients with finding gender-affirming providers, understanding benefits, navigating gender-affirming coverage and more. To drive access and impact, we provide these benefits, including a \$50,000 benefit for gender-affirming medical care, to our people at no cost.

Empowering our people to make positive change

We strive to empower our employees to make positive change through teaming and leadership. In October 2022, a roundtable discussion was hosted in Washington, DC, with our Eco-Innovators and Black Professional Network employee resource groups on the local impacts of environmental racism in the Washington, DC, area. Following this discussion, our people participated in a community service event in Ward 8 – a historically redlined section of the city that continues to see underfunding.

EY US is committed to having a positive impact on the planet and the communities in which we live and work.

SOCIETY AND PLANET

Our ability to address today's social, economic and environmental needs without compromising future generations' ability to do the same ranks among the most critical issues of our time. We believe that we have an obligation to act responsibly and in the long-term interests of our stakeholders. As a large organization, we are conscious of the positive environmental, social and economic impact our firm can have on the communities in which we operate, as well as on the planet. We are committed to becoming a more sustainable organization internally, driving market-wide change and creating a positive impact across our local communities. Through these efforts and our work supporting clients on their own sustainability journeys, we can play a catalyzing role in creating a better, more sustainable working world.

Reducing our carbon footprint

Climate change is a pressing global issue with the power to change lives, communities, businesses and the planet. It is critical that we find ways to work together across organizational boundaries to reduce our carbon footprint and accelerate the path to net zero. At EY US, our environmental efforts are underpinned and guided by the **EY global environmental statement**, which outlines our commitments, governance, key areas of operational focus and global carbon ambition.

In 2021, the global EY organization committed to reaching net zero by 2025 by eliminating avoidable carbon emissions and reducing the rest through carbon offsets. As part of this ambition, we set a science-based target (SBT) to reduce our absolute Scope 1, 2 and 3 emissions by 40% by FY25 compared to an FY19 baseline across the global EY organization. As such, in FY21, we reached a major milestone – we became carbon-negative globally. To reach net zero in 2025, we will continue to deliver on our seven-point plan to reduce our greenhouse gas (GHG) emissions in line with our SBTi-validated 1.5°C pathway target. Read more about our global progress and our seven-point plan to reduce our greenhouse gas emissions and become an even more sustainable organization in our most recent **global carbon ambition update**.

Our seven-point plan to reach net zero by 2025

- 1 Reduce our business travel emissions, with a target to achieve a 35% reduction by FY25 against our FY19 baseline.
- 2 Decrease our overall office electricity usage and procure 100% renewable energy for our remaining needs, earning RE100 membership by FY25.
- 3 Structure electricity supply contracts through virtual power purchase agreements to introduce more renewable electricity than we consume into national grids.
- 4 Use nature-based solutions and carbon-reduction technologies to remove or offset more carbon from the atmosphere than we emit every year.
- 5 Provide all client project teams with tools that enable them to calculate, then work to reduce, the amount of carbon emitted during client engagements.
- 6 Require 75% of our suppliers, by spend, to set SBTs by no later than FY25.
- 7 Invest in EY services and solutions that help clients profitably decarbonize their businesses and provide solutions to other sustainability challenges and opportunities.



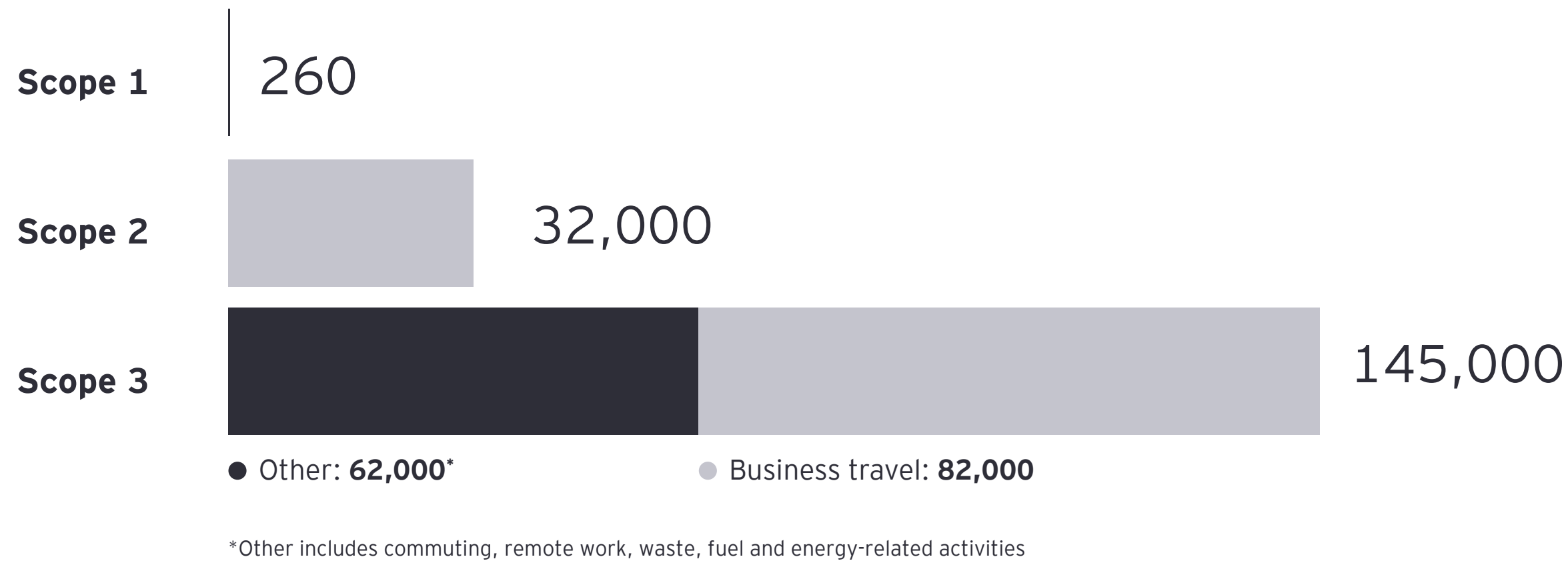
To deliver against our carbon ambition, we have adopted an integrated approach to reducing our emissions, with a near-term focus on business travel and office-level improvements in the US. We have established a multidisciplinary team representing each area of our business to identify new opportunities to reduce carbon emissions, pilot and scale new approaches and engage our people in the change. EY US is also actively working with our clients and suppliers to reduce our carbon footprint across the value chain. This effort requires leadership engagement, improved data coverage and performance management, and changes in behaviors and processes.

In the US, our largest source of carbon emissions is related to business travel (Scope 3). Business travel plays a critical role in enabling us to deliver exceptional client service, win in the market, collaborate across EY teams and strengthen our EY culture. But, during the pandemic, our teams demonstrated that we can deliver high-quality engagements in a hybrid environment, and we have an opportunity to reframe our approach to travel so that it is deliberate and considered, allowing us to stay on track to reach net zero by 2025. Coming out of the pandemic, emissions from business travel increased in FY22 from FY21 levels. This increase was not unexpected, as many EY US businesses resumed more normal business practices, and we saw significant business growth. But we are still on track to support our global target of a 35% reduction in travel by 2025 from 2019.

We enable environmentally conscious travel decisions through our tools, process and policies. For example, the EY Sustainable Travel Approval Tool (STAT) provides EY people with greater visibility on both the financial and carbon footprint impacts of business travel. Additionally, employees have access to a carbon estimator tool that calculates the travel emissions for client projects or internal teams. In the US, we have adapted our travel policies to eliminate day trips when virtual engagement can be used and encourage rail travel over air where possible. In FY23, we launched an initiative to engage our largest clients in an effort to jointly reduce carbon emissions related to business travel and expect to scale this over time.

Since our Scope 1 and 2 emissions are mainly related to energy usage across EY offices, our Real Estate Services (RES) team has been driving overall office electricity use reduction through our EY@Work workplace program, and developing a Sustainability Checklist that embeds sustainable practices in our end-to-end delivery process for office locations. By implementing the EY@Work program, RES has reduced our office carbon footprint consistently over the last 13 years and, along with other real estate initiatives, further reduced our consumption of resources.

EY US carbon footprint for FY22 in metric tons of carbon dioxide equivalent (mtCO2e)



**76%
reduction**

in US business travel emissions since FY19, on track to support our global target of a 35% reduction in travel by 2025.

We continue to explore options to create more sustainable and healthy offices across the US. Currently, 43 of our offices are located within LEED-certified buildings (over 70% of our leased square footage), with another two buildings in the process of obtaining this certification. LEED-certified buildings are more energy efficient, have lower carbon emissions and provide healthier built environments for people. We retire renewable energy credits (RECs) equivalent to 100% of our estimated electricity consumption, generated by two **wind farms in Texas**, with which we have renewable energy virtual power purchase agreements. Our portion of the wind farm projects added 515,226 MWh of renewable energy to the grid in Texas during FY22. This figure is equivalent to greenhouse gas emissions from more than 70,000 homes' electricity use for one year. These virtual power purchase agreements support our global commitment to RE100, a global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to achieving 100% renewable electricity over time.

To offset the emissions we have not yet eliminated, we continue to invest in a carbon offset portfolio with leading project developers and global climate solutions providers. All projects meet our criteria for quality offsets and have demonstrated that they are independently verified, additional, permanent and not used for other purposes; will not result in leakage; and have a positive impact on the community. Projects include forest protection, regenerative agriculture, and blue carbon and biochar.

We recognize the importance of understanding, mitigating and reporting on broader risks related to climate change. In alignment with the Taskforce for Climate-related Financial Disclosures (TCFD), the global EY organization completed a **climate risk assessment** in FY22 and FY23. We plan to leverage this assessment to deepen our understanding and mitigate risks to our operations in the US.

Our net-zero target is ambitious, and we have developed an integrated approach to validate that we have the right governance, changes in the way we work and engage clients and suppliers, data, and reporting to increase transparency and enable action. We recognize that this change won't have the required impact if we work alone, so we actively **engage with our suppliers across our value chain** and **team with our clients on their sustainability journeys**.



Engaging our people to create a more sustainable workplace

Recognizing that our environmental footprint comprises much more than just our carbon emissions, we continue to look for ways to engage our people in finding solutions to drive more sustainable operations across our offices.

Our Eco-Innovators employee network is a community of professionals across the US who take time out of their busy schedules to share the latest thinking and new technologies that can help address environmental challenges, launch new initiatives locally that can provide models for change and inform our forward-looking sustainability strategy. Since the launch of the group's US network in FY22, the group has grown to almost 1,000 members and hosted more than 16 events across the country.

Across our US offices, Eco-Innovators members have also hosted a number of events targeting waste reduction and improved recycling, including the following:

- ▶ **Educational session** on proper recycling practices in Chicago
- ▶ **Workshop** with county officials and building management to explore restarting a local recycling program in Cleveland
- ▶ **Composting program** for an annual food and culture event in Washington, DC
- ▶ **Ideathon** in New York City to identify better individual sustainability practices in the office

356

tons of paper recycled across our offices from January through December 2022, down from 490 tons in 2021.





Eco-innovators from 12 US offices are currently in the process of completing sustainability assessments to better understand and reimagine our office sustainability footprint. One focus area amid these efforts has been reducing paper waste as we transition to electronic records and document storage. As a professional services firm, we have historically used a significant amount of paper in our day-to-day business, but we have taken significant steps to continue to reduce usage. For example, our new One Manhattan West office used 87% less paper in FY22 compared to the average annual usage at the Times Square office. Where we cannot reduce, we securely shred and recycle – securely recycling 356 tons of paper across our offices from January through December 2022, a reduction from 490 tons in 2021. The environmental benefits realized through these efforts are equivalent to nearly 3,000 trash bags of solid waste diverted from landfills and the carbon emissions of nearly 400 gas-powered cars avoided.

We know that tapping into the innovative ideas of our people is key to driving larger-scale behavioral changes. As we look ahead, we are excited to build on the work of our Eco-Innovators to create more sustainable offices, events and communities.

Supporting beehives and urban biodiversity

Rooftop beehives have been installed by landlords at six EY US offices to help support declining bee populations and promote biodiversity. We continue to work with our existing and new landlords to install additional beehives at and around EY offices.



Advancing human rights

As a participant in the United Nations Global Compact (UNGC), the global EY organization is committed to advancing the UN's Sustainable Development Goals (SDGs) and to aligning our strategy and operations with the UNGC Ten Principles. Following this guidance, our commitment to upholding human rights is described in detail in the **EY Global Human Rights Statement**. This statement builds on our Global Code of Conduct to reflect our beliefs around the fundamental rights of all people and our commitment to promoting respect for those rights. We've identified the following human rights as the most salient to our work environment:

- ▶ **Health and safety:** the right of all people to enjoy a physically and psychologically safe work environment
- ▶ **Labor rights:** the right of all people to just and favorable terms of employment
- ▶ **Diversity, equity and inclusiveness:** the right of all people to be respected and valued for their differences, with equitable opportunities and outcomes, in an inclusive environment where all can thrive

Our human rights commitments extend to our client engagements, where we strive to understand how EY services, and the clients receiving them, align with our goals around supporting human rights and the public interest at an individual and systemic level. We stand against the use of child, forced or exploited labor or forced or exploitative working environments or conditions. To that end, we decline client engagements where such practices may be involved.

Similarly, we expect our suppliers to uphold human rights across all our supply chains. In accordance with the **EY Global Supplier Code of Conduct**, this includes taking steps to understand the risks of human rights violations in our supply chains, validating our assessment through supplier engagement, and supporting suppliers to reduce risk and remediate adverse human rights impacts.





Engaging our suppliers

Our efforts to build a better working world extend into our supply chain, where our Supply Chain and Procurement teams drive responsible, inclusive and sustainable procurement, helping connect the global EY organization to leading services and suppliers with a focus on ethical and diverse sourcing and minimizing environmental impacts throughout our supply chain.

The **EY Global Supplier Code of Conduct**, which aligns closely with our Global Code of Conduct and **EY Global Human Rights Statement**, outlines the expectations for suppliers on topics such as ethics and integrity, environmental sustainability, human rights, diversity, and anti-discrimination. All suppliers are asked to verify their adherence to the standards at the Request for Information (RFI) or Request for Proposal (RFP) stage and again at the time of contract execution. Responses to environmental and social sustainability questions at the RFI or RFP stage are scored and weighted to influence supplier selection. To bolster our understanding of supplier management of ESG topics and help our suppliers on their own ESG journey, we have multiple efforts underway, including an ESG supplier assessment and annual supplier training.

In FY22, we conducted a pilot ESG assessment with 100 of our top-spend and high-risk suppliers across 29 countries, covering five areas: human rights risk training, supplier due diligence, DEI supplier procurement program, total spend with diverse suppliers and water management policy. Among the suppliers we assessed, 74% have met all requirements, 22% are low-risk, and 4% are under a corrective action

plan. The assessment has since been implemented as part of our supplier due diligence onboarding process so that all our suppliers are fully vetted.

We also deliver annual training to our suppliers and supply chain services teams on environmental and social sustainability and supplier diversity. These trainings cover key ESG topics such as modern slavery, emerging trends, the role of due diligence and leading-practice examples. All supply chain services professionals have received sustainable procurement training, and this training is now embedded as part of our standard onboarding process for new professionals.

Reducing emissions with our suppliers

Because our suppliers are critical stakeholders in our net-zero ambition, we actively work with them on decreasing their own carbon emissions. We have set a global goal of requiring 75% of our suppliers by spend to set a science-based target (SBT) no later than 2025. To date, 54% of suppliers in the US, by spend, have committed to SBTs. We have targeted an additional 25% of our top-spend suppliers to engage in discussions about sustainable initiatives and plans for an SBT. We have also uploaded training on science-based targets to our public **Environmental Social Governance Services (ESGS)** site for all suppliers to access at their convenience.

Through our supplier diversity program, we seek suppliers that are 51% or more owned, operated and controlled by women, racially and ethnically diverse people, veterans, people with disabilities and/or LGBT+ individuals. We invest in developing suppliers through mentoring, education, networking and scholarship programs to accelerate their growth and knowledge. In FY22, 35% of our addressable spend in the US was with diverse-owned and small businesses (24% with diverse-owned businesses and 11% with small businesses). This figure represents a 54% increase over FY21. To enable diverse representation among suppliers, we have implemented several policy and program changes. For instance, our global supply chain service policy states that at a certain dollar threshold, the ESGS team must provide approval to move forward with an RFP if no diverse suppliers are involved.

Going forward, we aim to expand our support of suppliers and provide more opportunities to help advance our collective sustainability efforts. Read more about our supply chain approach on our [Environmental Social Governance Services](#) webpage.

110

events and 37 advocacy organizations supported

35k+

training hours provided for approximately 6k diverse businesses

2k+

internal training hours logged



Supported UN Sustainable Development Goals (SDGs) 5 and 10 around gender equality and reduced inequalities, respectively

2018-2022

Women's Business Enterprise National Council's **Top Corporation Hall of Fame**

2020-2022

National Business Inclusion Consortium **Top 50 Best-of-the-Best Corporations for Inclusion**



Informing public discourse

We are committed to driving lasting, positive change by informing and contributing to emerging legislation and standards, participating in industry and sector collaboration, and developing thought leadership to inform public debate. We understand the importance of engaging in the policy process as part of our efforts to promote transparency, serve the public interest, foster trust in markets and help build a better working world. Led by our Public Policy team with insights from subject-matter resources across the organization, we engage with policymakers and other stakeholders on issues that matter to them, also contributing to and supporting constructive policy debates across the US. Below are a few examples of the work we've done in this space in FY22:

- ▶ Highlighted the **history and role of the Sarbanes-Oxley Act** as an effective framework for increasing the reliability of financial reporting, deterring corporate fraud and promoting audit quality
- ▶ Provided **strategic perspectives and insights on emerging risks and business issues** for finance and executives and board directors to respond to the rapidly evolving business and regulatory landscape
- ▶ Outlined **the implications of the proposed Securities and Exchange Commission climate disclosure rule** for companies that seek to go public
- ▶ Explored **the relationship between the metaverse and sustainability** to begin the conversation on how to shape the development of the next frontier of human experience
- ▶ Presented an overview of corporate disclosures on climate risk to help board and management teams reflect on approaches to climate disclosures and take actions that support the decarbonization of the global economy through the **EY Global Climate Risk Barometer**





Driving acceleration of Sustainable Development Goals

The Climate Change and Sustainability Services (CCaSS) and EY-Parthenon teams collaborated to support Sustain SC, a nonprofit organization, driving the acceleration of the UN Sustainable Development Goals (SDGs) in South Carolina. The team, in partnership with Sustain SC, developed the organization's strategy for the SDGs including selecting SDGs to focus efforts and defining and implementing operating models and a roadmap. The work enabled Sustain SC to move from a sustainability framework to driving collective action across the state.

Creating a positive impact in our communities

EY people value the importance of doing the right thing – it drives everything we do. This is why, as a leading professional services organization on corporate responsibility, we believe that we have an obligation to use our vast knowledge, experience, tools and resources to help solve the world's toughest problems.

EY Ripples, our global corporate responsibility program, enables EY people and networks to accelerate progress in delivering against the United Nations Sustainable Development Goals with the global ambition of positively impacting 1 billion lives by 2030. As part of that ambition, our Corporate Responsibility team is harnessing the talent of over 90,000 professionals alongside clients and other like-minded organizations to build a world that is socially just, inclusive and sustainable.

Our approach to achieving this goal prioritizes three areas: supporting the next generation, working with impact entrepreneurs and accelerating environmental sustainability. These focus areas represent the intersection between our organizational competencies, our business strategy and societal need. In FY22, approximately 20,000 EY US participants volunteered in EY Ripples initiatives. Our professionals also invested a total of approximately 267,000¹ volunteer hours advancing worthy causes.

Our people's strong desire to drive lasting, positive change for our communities, planet and society continually pushes us further along in our endeavors. The **EY Americas Corporate Responsibility Social Impact Report** explores the progress we've made, details the many initiatives we've led and supported, and includes stories about the impact of our efforts in the last year.

¹ The hours reported include time contributions for EY Ripples as well as other skilled and traditional volunteering activities, other pro bono activities and Corporate Responsibility functional staff time.



Supporting the next generation

Helping young people and members of underserved communities develop the mindsets and transferrable skills they need to find and sustain meaningful work.

Spotlight:

- ▶ The EY College Mentoring for Access and Persistence (MAP) program matches employee volunteer mentors with groups of 11th and 12th graders in underserved high schools throughout the US.
- ▶ Mentors help students gain access to college, succeed in a higher education setting and pursue rewarding careers.
- ▶ Almost all (99%) of scholars participating in College MAP graduate high school and are accepted into a two- or four-year college program.
- ▶ Since the program's launch in 2009, 862 employees have mentored 3,615 students, with 1,310 students participating in FY22 alone.



Working with impact entrepreneurs

Assisting in scaling small and growing businesses that are driving progress toward UN Sustainable Development Goals to tackle inequality and empower people to change their lives.

Spotlight:

- ▶ Launched in the US in FY22, Impact Hives are short, targeted and highly effective innovation events where impact entrepreneurs are joined by senior EY professionals to brainstorm ways to overcome their key challenges.
- ▶ In FY22, 195 EY professionals participated in Impact Hives to help entrepreneurs make meaningful progress toward tackling their biggest challenges.



Accelerating environmental sustainability

Driving the adoption of behaviors, technologies and business models that protect and regenerate the environment, including building capabilities around serving our clients with a strong sustainability go-to-market strategy.

Spotlight:

- ▶ Earthwatch Institute sends high-performing, early-career EY professionals on weeklong expeditions researching climate change topics.
- ▶ Participants conduct environmental field research with scientists and provide skills-based volunteer services to help local entrepreneurs or nonprofits with their business objectives.
- ▶ More than 60 participants attended four different programs in FY22, dedicating over 4,200 volunteer hours.

EY US is committed to building trust and transparency in business and the capital markets, and helping to create, optimize and protect value.

CLIENTS

We believe a better working world is one where economic growth is sustainable and inclusive. Our four integrated service lines – Assurance, Consulting, Strategy and Transactions and Tax – and deep sector insights, help clients create and protect value and drive sustainable growth.

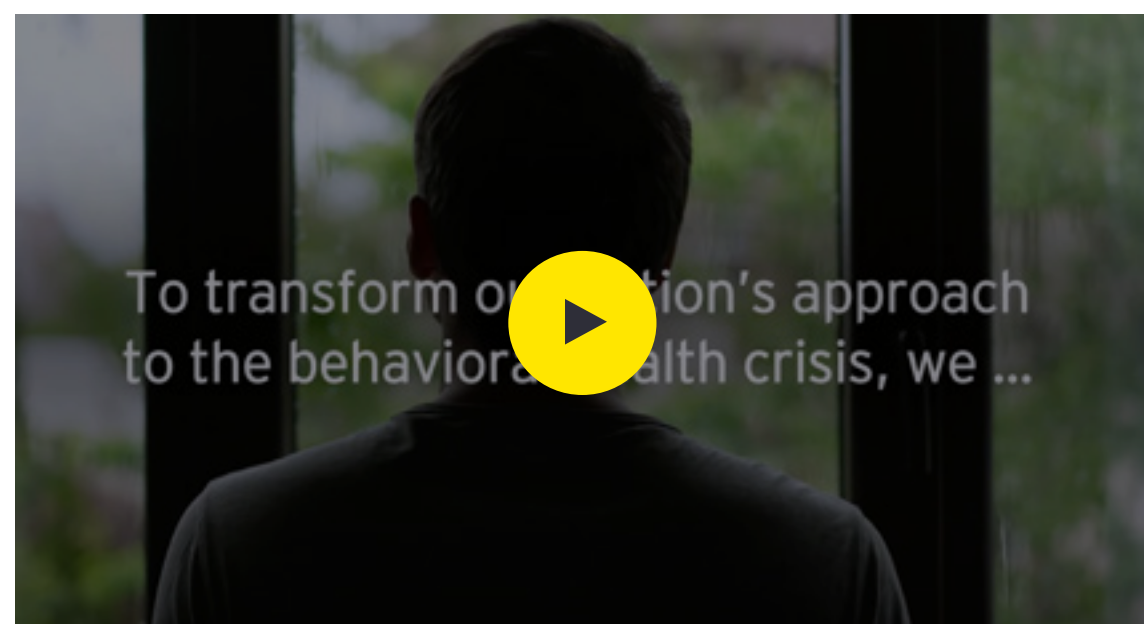
- ▶ In **Assurance** we build trust and confidence in business and the capital markets.
- ▶ In **Consulting** we drive business transformation through the power of people, technology and innovation.
- ▶ In **Strategy and Transactions (SaT)** we help clients reimagine their ecosystems, reshape their portfolios and reinvent themselves for a better future.
- ▶ In **Tax** we enable business decisions through insights on tax, government policy and regulatory obligations.

And across our service lines, we partner with clients on their journeys to shift toward a value-led approach to sustainability.

Our highly skilled, multidisciplinary teams work closely with our clients to navigate complex market

conditions, improve performance, build capabilities and deliver value across stakeholders. Increasingly, we see that our clients are looking to take a broader view of the impact they can deliver for their customers, workforce, suppliers, shareholders and communities. We believe that businesses have an important role to play in driving positive outcomes for society, and we are teaming with our clients to help them embed this concept in their strategy, operations, performance improvements and reporting to drive growth that benefits society.

In FY22, we proudly served more than 20,000 clients and delivered over 350,000 engagements. We continue to bring together multidisciplinary teams across our service lines, sectors and the EY Partner ecosystem to meet our clients' needs and help them adapt to a rapidly changing market landscape. We recognize that supporting broad-based change requires deep experience and innovation; through our sector-focused approach, we have built innovative solutions across 24 sectors to address some of the most pressing issues within our clients' industries and across their value chains.



To transform our nation's approach to the behavioral health crisis, we ...

Driving change in the public sector - Our Government & Public Sector team recently collaborated with state behavioral health authorities to roll out 988, the new nationwide suicide and crisis lifeline, transforming our nation's approach to the behavioral health crisis and making mental health care more accessible.



Supporting rising entrepreneurs

From early stage through rapid growth

Our engagement with high-growth entrepreneurs, going back to 1986 with the creation of Entrepreneur Of The Year®, is rooted in both their outsized contributions to our economy and the philosophy that opportunity available to any entrepreneur should be available to every entrepreneur. That viewpoint gave rise to the EY Entrepreneurial Winning Women™ program in 2008 and the Entrepreneurs Access Network in 2021.

These business pioneers consistently outperform as engines of economic growth while they redefine how we live, work and play. As Advisors to the ambitious™, we support their needs from early stage through rapid growth to mature enterprise and honor their outsized accomplishments and contributions to their communities and the economy at large.



62 of the 2022 NASDAQ 100 are Entrepreneur Of The Year winning companies.

Entrepreneur Of The Year 2022

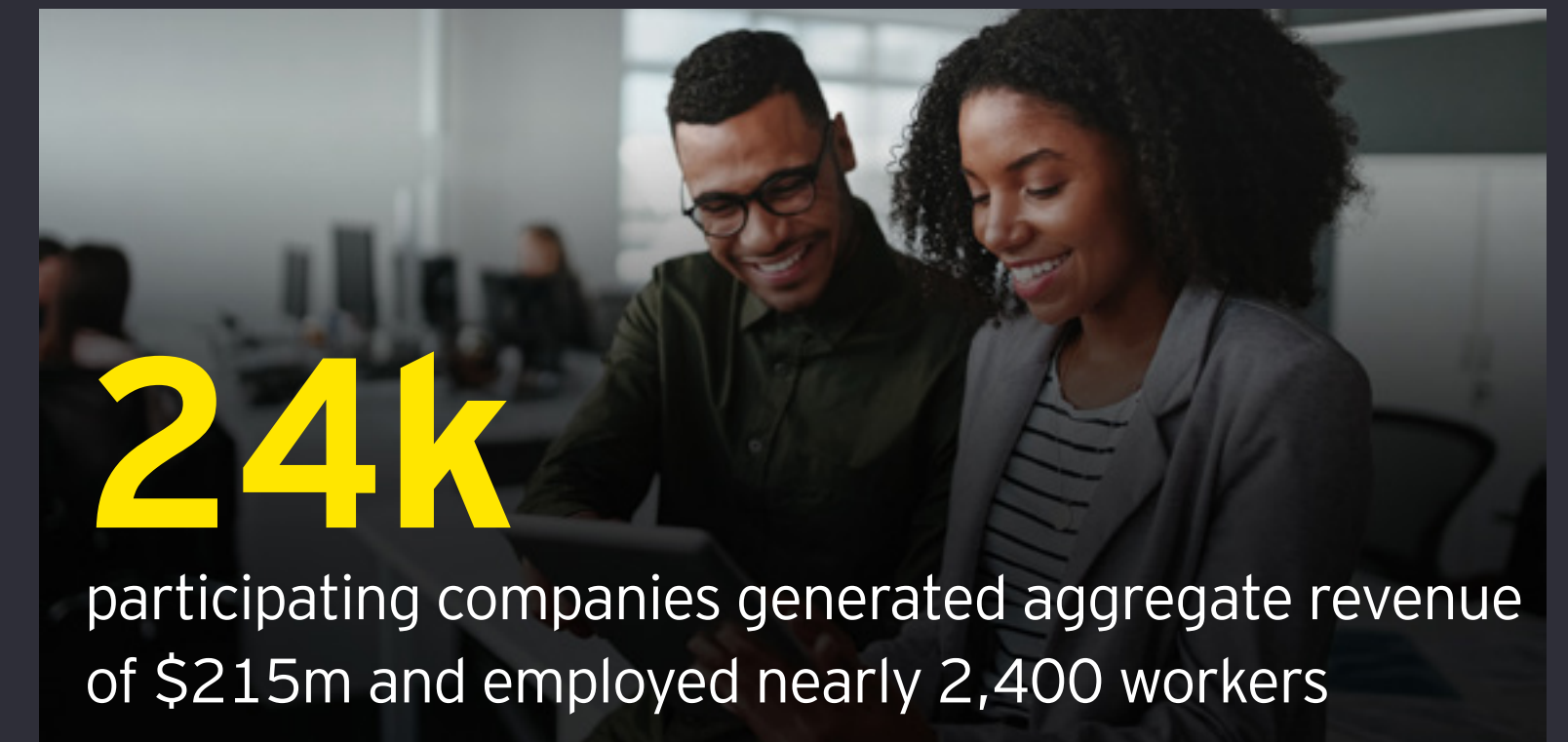
Through Entrepreneur Of The Year, we have honored more than 10,000 unstoppable US business leaders who are the heart of the innovation economy. As a group, the 190 US regional Entrepreneur Of The Year companies generated aggregate revenue of \$46b in 2021 at a growth rate of 68%. Together they employ more than 135,000 workers with a 61% annual job growth rate. Sixty-two of the 2022 NASDAQ 100 are Entrepreneur Of The Year winning companies.



17 have become Entrepreneurs Of The Year in the US.

Entrepreneurial Winning Women

Celebrating its 15th anniversary in 2022, the Entrepreneurial Winning Women program annually identifies ambitious women entrepreneurs and provides them with the advice, resources and access they need to scale their companies to full potential. Eighteen US and Canadian companies, generating \$145m in aggregate revenue and employing nearly 1,200, joined this evergreen global community of women founders in 2022. To date, three US Winning Women have reached unicorn status and 17 have become Entrepreneurs Of The Year in the US. More than 30 have exited.



24k participating companies generated aggregate revenue of \$215m and employed nearly 2,400 workers

Entrepreneurs Access Network

Many Black and Latino businesses do not reach their full potential due to coaching, connections, curriculum and capital barriers. Launched in 2021, the EY Entrepreneurs Access Network (EAN) helps Black- and Latino-owned companies address the disparity gap for greater growth. The 2022 EAN cohort included 88 US-based founders representing 85 companies, with 68 Black founders and 20 Latino/Hispanic founders whose companies generated aggregate revenue of \$215m and employed nearly 2,400 workers. In April, EAN launched in Canada. Numerous EAN founders have received external funding and contracts resulting from their program participation and the associated visibility.

Building trust and confidence in the capital markets

As the business world and regulatory environment evolve, there is a growing need for deep subject-matter insights to equip leaders and boards to make better decisions. EY Audit teams execute independent quality audits that promote investor confidence and trust in the capital markets. In addition, our Climate Change and Sustainability professionals work with leading global sustainability organizations and standard setters to meet their most pressing sustainability challenges. Financial Accounting Advisory teams provide CFOs, controllers, treasurers and senior finance leaders with the insights needed to support compliance with evolving financial reporting requirements in this age of disruption and our Forensic & Integrity Services professionals help organizations protect and restore enterprise and financial reputation.

An unwavering commitment to audit quality

We continue to focus on the cornerstones of our audit culture: being independent and objective, acting with integrity, exercising professional skepticism, and being accountable for the quality of our work. For the past decade, EY US has had the leading audit market share across the Fortune 1000 and Russell 3000 index. Today, EY US audits companies that collectively represent more than \$17 trillion in market capitalization.

Our auditors lead with a data-first mindset, which empowers them to think critically at every step of the audit, ask better questions and be responsive to changing business dynamics at the companies we audit. Our audit teams are multidisciplinary, including EY professionals focusing on tax, IT and valuation matters and, in certain audits, forensic accounting. In fiscal 2022, EY US specialists accounted for 17.8% of our US public company audit hours. We also continue to invest in technology and training for our professionals and build a pipeline of future auditors who value the importance of integrity and high-quality work.

Continuous improvement in audit quality drives innovation and investment across the practice. To this end, we are taking action to drive greater consistency in our audit execution while continuing to implement our long-term transformation strategy, which includes simplifying and standardizing our audit approach, building centralized teams and embedding a continuous improvement mindset in our culture. We look for ways to continuously improve the value of the services we deliver.

The **EY US 2022 audit quality report** details the EY global \$1 billion investment in next-generation audit technology, innovations in training and development, and the adoption of Lean Six Sigma principles to our audit processes.

Supporting clients on their sustainability journeys for over two decades

For more than two decades, our Climate Change and Sustainability Services (CCaSS), the nucleus of our ESG and sustainability services has helped companies embed sustainability into their organizations. We guide companies on all stages of their sustainability journeys, from designing sustainability strategies, implementing sustainability programs and managing the risk and opportunities arising from sustainability issues, to improving performance and disclosing progress to stakeholders. Our team helps clients navigate the spectrum of sustainability challenges, whether by transforming business processes, changing purchasing patterns, recognizing incentives for greater responsibility or responding to policy risk.

In FY22, EY CCaSS teams in the US alone delivered approximately 600 client engagements, spanning across 400 clients. Our global network of sustainability professionals team together to bring a multidisciplinary, business-based perspective to the challenges our clients face. For example, this past year we continued our work as a strategic ESG advisor for a US multinational managed health care and insurance company. We assisted in the company's decarbonization efforts through a myriad of activities including the development of an operational net-zero glidepath model, the procurement of renewable energy and engagement with suppliers on sustainability topics.

Continuous stakeholder engagement to meet the moment

We prioritize stakeholder engagement and actively engage with regulators, standard setters, audit committees, investors and others to address dynamic risks and other developments in the financial reporting ecosystem. For example, we seek to provide perspectives on key topics such as the implications of the economy on financial reporting as well as ESG, cybersecurity and other technology-related matters.

EY teams also provide insight and services to finance leaders to help them prepare for the future and comply with evolving financial requirements, and provide trusted reporting that supports better decision-making. Our EY professionals have over 25 years of experience working on sustainability matters to help large, global companies across sectors. Our professionals lead research on the emerging trends in finance and reporting, including the DNA of the CFO, the **Global Corporate Reporting and Institutional Investor survey** and the **Better Finance podcast**.

In FY22, the number of companies to which EY provided independent ESG attestation services increased by 40% and is projected to increase by 33% in FY23. These increases reflect the evolving information needs of investors and others in the financial reporting ecosystem. ESG attestation services include reporting on specific topics such as green bonds, GHG emissions, safety and water usage. For example, due to increasing regulatory focus and investor interest, this past year our CCaSS team helped a leading international mining company develop more robust ESG attestation reporting to address multiple standards and criteria for their global operations.

Preventing fraud, mitigating risk and promoting compliance and integrity

In the current risk landscape, organizations should be laser-focused on building resiliency and keeping integrity, ethics and compliance at the center of everything they do. The EY Forensic & Integrity Services team helps companies and their legal counsel protect and restore enterprise and financial reputation and integrity, by assisting companies investigate facts, resolve disputes and manage regulatory challenges. We provide services that bring value to both audit and non-audit clients by performing fraud risk and integrity framework assessments, fraud risk response, shadow investigations and insurance claims. In certain instances, these same professionals provide critical support to our audit engagements.

Through our **EY Crisis Management & Incident Response**, we team across the organization to help non-audit clients prepare for, respond to and remediate events throughout the lifecycle of a crisis, such as sensitive regulatory investigations and accessing grants and federal funds around major events or data issues.





Driving business transformation through the power of people, technology and innovation

In an environment of ongoing change, organizations need to be ready to adapt. EY Business Consulting include leading-class services across Business Transformation, Finance, Supply Chain and Risk critical to our clients' transformation journeys. Our Technology Consulting teams apply the power of technology, data and ecosystems to unlock human potential and transform businesses.

Business transformation continues to be important to our clients, with 85% of senior leaders surveyed having been involved in at least two **major transformations** in the past five years. Leveraging our **Transformation Realized™** approach, we create sustainable value for our clients, supporting transformations that deliver technology@speed, innovation@scale and keep humans@center. We are the transformation team of choice, supporting 68 companies on the Fortune 100 list with their enterprise digital business transformations in FY22. At the EY organization, the typical transformation outcome is estimated to be a **\$200m annual bottom-line earnings increase**.

As part of a three-year, \$10 billion commitment, in FY22 we invested \$3.5 billion in capability improvements to help our clients scale innovation, embed technology across their organization and business ecosystems, and upskill and care for

people. We help our clients stay ahead of disruption, evolving their business to meet their customers, suppliers, employees and other stakeholders where they are. For example, one of such investment is our launch of the **EY-Nottingham Spirk Innovation Hub**, an immersive experience. This innovation hub is located in a dedicated space in Cleveland that brings together people, software and hardware in a real-world production environment, enabling our clients to visualize and experience customer-centric solutions both physically and virtually. Another example is the continued investment and growth in our **EY Nexus platform**, a powerful technology enabler that has accelerated the creation of frictionless, digital customer experiences for over 70 of our banking, insurance and wealth management clients.

We are investing millions in people, training, alliances and technology to equip our teams to help clients pragmatically address global sustainability goals such as energy transition, greenhouse gas emissions reduction and other environmental issues, as well as helping them to create trust, transparency and confidence that they are setting and progressing toward increasingly ambitious ESG improvement agendas.

How can technology enhance 400 million customer interactions and the employee experience of over 40,000 associates without sacrificing personal connections?

EY teams are helping Wawa undergo a multiyear transformation to digitally integrate all parts of the customer ecosystem. By employing targeted technologies to enable a true omnichannel experience, each entity of the value chain is focused on its specific role in serving the customer. This has unlocked customers' ability to interact with Wawa in highly personalized and flexible ways, enabled employees to live the culture of customer service Wawa is known for, and unlocked a powerful innovation storefront for the rapid ideation and scaling of new business ideas and revenue streams.

Read more here:

Wawa caters to retail customers with digital offerings

Reimagining ecosystems, reshaping portfolios, reinventing business

We believe that how organizations manage their capital today will define their competitive position tomorrow. Our Strategy and Transactions (SaT) teams help clients create social and economic value by empowering them to make more informed decisions about strategically managing capital and transactions. Through our Connected Capital Solutions – five distinct service offerings around strategy, corporate finance, buy and integrate, sell and separate, and reshaping results – our SaT teams play a major role in reimagining clients’ ecosystems, helping them reshape their portfolios and reinventing themselves for a better future. In addition, our SaT sustainability and ESG services are embedded into our offerings, to help strengthen our clients’ ability to drive long-term value.

Strategy

EY-Parthenon professionals, our global strategy consulting arm, have helped our clients focus on actionable strategies at both the enterprise and business-unit level, positioning them for market success while promoting a culture of accountability and performance. In FY22, our team worked on more than 400 corporate strategy engagements across nine sectors, and we teamed with 92% of the top 24 global private equity firms (according to *Private Equity International*).²

Buy and integrate

Our mergers and acquisitions (M&A) advisory team helps enable strategic growth through better integrated and operationalized M&A, joint ventures and alliances. In FY22, as the deal market turned amid economic pressures and rising interest rates, our acquirer clients spent more time on up-front analysis to validate that deal value could be fully realized.

² EY-Parthenon analysis of the 2022 PEI 300

Our Buy and Integrate team’s analysis focuses on whole deal cost to reduce transaction surprises and help clients realize full deal value through synergies. Read about [how we helped our client Fiserv realize value](#) – using smart tech to help two merging financial services players accelerate their joint strategy.

Sell and separate

Our divestment advisory team helps clients reimagine portfolios and reshape their future through strategic sales and spins. In FY22, we advised on 86% of closed spin transactions – six out of seven – with market capitalization greater than \$1 billion.³ Navigating risk and operating at speed, our team helped create long-term value through better divestments. Read about [how we helped our client Briggs & Stratton emerge stronger after debt and pandemic challenges](#) – and why Chapter 11 didn’t mark the end of the company’s story.

Corporate finance

Our corporate finance consultants combine deep financial and capital markets experience with advanced decision support capabilities and analytics to help CFOs drive sustainable value for all stakeholders. In FY22, we developed a methodology, built around EY wavespace™ technology, to enhance the role of corporate finance in a company’s strategic decision-making. Our approach engaged CFOs in a daylong collaborative experience to address their most pressing questions, evaluate priorities and create a clear action plan.

³ EY-Parthenon analysis of Capital IQ data of closed spin transactions in the US between July 1, 2021 and June 30, 2022

Reshaping results

Our restructuring team helps organizations respond to disruptive events – from the pandemic to ESG challenges. This approach works in tandem with our Enterprise Reimagined methodology, which helps leaders strategically allocate capital to create better versions of their companies – more nimble, more competitive and more capable of delivering shareholder returns. In FY22, we helped a global manufacturer refine its product portfolio and go-to-market strategy while realigning its supply chain to better meet the needs of the business. Additionally, under the banner of Enterprise Reimagined, we advised a technology client on developing a forward-looking strategy to manage its portfolio; helped a manufacturing client develop a growth and digital strategy roadmap to transform nearly every facet of its business; and advised an energy client on a reimagination of its technology architecture to capture carbon emission data across assets and products.

ESG

Our ESG professionals help create long-term sustainability through strategy, M&A, capital allocation, due diligence and portfolio optimization. In FY22, we developed both bespoke and scalable solutions to address clients’ ESG challenges. We advised more than 20 clients on their procurement strategy and development of renewable energy assets and collaborated with more than 40 stakeholder groups – including multinational corporations, state agencies and the conservation community – to develop a strategy to boost sustainability rankings in alignment with the UN’s Sustainable Development Goals (SDGs). Our client-specific successes included building a biodegradable packaging plan for a leading consumer packaged goods company and developing a health equity strategy for one of the largest mergers among nonprofit health systems.



Enabling business decisions through insights on tax, government policy and regulatory obligations

Multinational corporations and taxpayers worldwide must comply with a range of complex regulations wherever they do business. EY tax teams across Business Tax, Global Compliance and Reporting, Indirect Tax, International Tax and Transactions and Tax Technology Transformation and People Advisory Services leverage the latest technologies and methods to help our clients comply with regulatory requirements, develop leading tax strategies, and, in turn, contribute to the economic growth and progress of the communities where they operate. We also continue to evolve our approaches to help our clients anticipate tax changes and other regulatory developments. For example, we are now advising our clients across a variety of sustainability issues, including funding the energy transition and navigating eco-friendly incentives.

Sustainability and tax reporting

Tax is an integral component of the sustainability journey. Increasingly, governments are using tax policy to drive sustainability targets and investments. Carbon taxes and behavioral taxes (e.g., plastic, meat and sugar taxes) are among the more than 4,000 green taxes enacted or proposed across the globe. Tax rebates, grants and other incentives are also tools to encourage innovation, clean energy and other sustainable investments. And beyond new taxes and incentives, stakeholders are demanding greater transparency for companies' social and governance tax responsibilities.

EY tax teams are expanding their services to help our clients meet their sustainability challenges.

[Learn more.](#)



EY Skills Foundry™

As new disruptive forces continue to change the working world, our clients need to become more flexible and ready to adapt to change. To that end, our People Advisory Services professionals help clients effectively harness their people agenda as part of an integrated business strategy. One of the ways they do that is by continuously equipping their workforce with vital new skills. EY Skills Foundry™ is a workforce upskilling and reskilling platform that helps businesses adapt at pace by equipping people with the skills they need to continuously realize transformation continuously.



Furthermore, we continue to expand our alliances to better serve our clients. In the past year, we combined our deep knowledge in tax and finance with the leading-class technology capabilities of Microsoft to help our clients modernize their tax back-office operations, improve their efficiency and effectiveness, produce more informative data and insights.

Navigating beyond now and into what's next

“

Digital transformation is about much more than just technology. That's why the EY and Microsoft Alliance is so powerful in tax. We are combining the digitization scale and reach of Microsoft Cloud with the capabilities and knowledge of EY Tax and Technology.

Jacky Wright
Chief Digital Officer, Microsoft

[Learn more about this alliance.](#)



Teaming to drive value through a focus on sustainability

Sustainability is emerging as one of the defining issues of our time, and we are committed to helping our clients create value through their focus on sustainability. For more than two decades, we have provided leading sustainability services to our clients to help them reshape their businesses for the future. We are actively teaming with our largest clients to help them reframe their strategy, drive business transformation and align around sustainable outcomes in a way that drives value for all stakeholders.

We are investing heavily in growing our sustainability-related capabilities and solutions and are expanding our ecosystem of alliances to bring a holistic set of offerings to our clients.

Through our **value-led sustainability approach**, we help clients:

- ▶ **Reframe strategy:** We assist clients in creating a strategy that enables sustainability and allows them to deliver long-term value for shareholders and stakeholders.
- ▶ **Accelerate transition:** We help clients develop their sustainability strategy, ambitions and targets, shape the business case for required change initiatives, and drive successful implementation.
- ▶ **Govern and operate:** We help clients adapt their governance so that the value created by their competitive advantage sustains over the long term. EY teams also help clients operate more effectively and efficiently to meet internal and external stakeholder demands.
- ▶ **Build trust:** We provide our clients with a compelling view of their progress against goals and report on the impact of their sustainability and ESG initiatives. This approach enables our clients to build trust with key stakeholders, regulators and investors and, ultimately, meet their evolving needs.





In FY22, we worked with approximately 2,300 clients on their sustainability journey, and we have executed nearly 7,500 engagements across a variety of services including sustainability strategy, climate change and decarbonization, circularity, energy transition, environmental health and safety, governance, reporting and disclosures.

We know that when it comes to sustainability, no single organization has all the answers. Through our strategic relationships with technology and industry leaders, and a host of businesses with deep capabilities, we blend powerful technology, distinctive capabilities and industry experience to help our clients address their toughest challenges.

Our alliance with IBM includes solutions across business strategy, data management, reporting and analytics; with SAP we focus on holistic steering and report, climate action, circular economy and social responsibility. We have deepened our existing **alliance with Microsoft**, and we are now working together to address various sustainability needs, including improving carbon tracking and reporting, facilitating value chain traceability of carbon and developing enterprise carbon management solutions that support carbon capture businesses. Our alliance with Wolters Kluwer/Enablon allows us to bring the latest technology for ESG management, sustainability and performance, and health and safety.

EY Quantitative Economics & Statistics (QUEST) and CCaSS partnered to support a global media technology company meet its carbon neutral goals. Our work included identifying and evaluating potential carbon abatement projects the company could pursue. This process included the development of marginal abatement cost curves for proposed projects to model the cost, financial and carbon benefits for the client to help achieve their carbon goals.

Throughout the year, we offer our clients opportunities to participate in events, webcasts and other forums to create awareness and encourage collaboration to drive long-term change for the benefit of the planet. In FY22, we participated in over 17 key industry events. Some of the key events this year included:



COP26

Since this UN climate change conference in November 2021, we have been collaborating with clients to help translate decisions made in Glasgow into business action and impact with a particular focus on accelerating the transition to a low-carbon global economy as well as protecting and creating sustainability-driven value around the world.



GreenBiz 22

We have participated in this sustainability conference through sponsorship and by sending an EY cohort for over 10 years. This year, we led two well-attended panels: “Delivering and Measuring Social Impact in a Climate-Focused World” and “Choosing and Navigating ESG Data Systems.”



EY webcasts

We organize virtual sessions to help our clients better understand and prepare for upcoming sustainability regulations. In FY22, we hosted seven ESG-related webcasts, reaching over 25,000 attendees.



Climate Week NYC

We hosted multiple events during Climate Week, including convening chief sustainability officers and sustainability and finance professionals to share insights across Fortune 500 companies. In addition, we launched the **ESG Evolution Video series**, providing education on leading topics such as the race to net zero and the e-mobility transition.



Fortune 100 Corporate Controller/CAO Leadership Network (CCLN)

We have been the convener of the CCLN for eight years. As the finance function role in ESG continues to evolve, we’ve established the ESG Subcommittee of the CCLN, comprised of a network of ESG controllers and those in similar roles who come together to exchange points of view, experiences and practical ideas.



Helping clients address critical challenges that impact their material stakeholders and the planet is at the heart of our purpose as an organization and something EY people are passionate about. Therefore, we continue to equip our people with the skills required to support our clients to enable a sustainable future. We have expanded our sustainability learning opportunities and now offer a number of foundational sustainability courses now.

In FY22, we launched the global **EY Masters in Sustainability**, a free degree for all EY people across the globe and the first qualification of its kind, significantly expanding sustainability and climate literacy among EY people and helping them translate those skills into new and innovative sustainability services for clients around the globe. We also have EY Badges in topics such as climate change, sustainable finance and the circular economy, as well as the four-part Sustainability ESG Leadership Virtual Series.

We know that sustainability and ESG challenges are difficult to solve, having undertaken our own decarbonization journey internally. We are proud to have achieved carbon negative status in 2020, 2021 and 2022, and we are on track to reach net zero in 2025.

Learn more about our progress and efforts in the **Society** section of this report.

Velislava Ivanova, EY Americas Chief Sustainability Officer and EY Americas Climate Change and Sustainability Services Leader, was recognized in 2022 as the eighth Top Leader in Sustainability by *Sustainability Magazine* and second in the Top 25 Sustainability Consultants and Leaders by The Consulting Report. She is also recognized seventh on *Sustainability Magazine's* 2023 Top 100 Women in Sustainability.

Top analysts have recognized our leadership in sustainability and ESG:

#1

in ESG and Sustainability Services according to Verdantix Green Quadrant: ESG & Sustainability Consulting 2022

#2

in Sustainability Services according to HFS top 10: Sustainability Services 2022

#1

in Sustainability Services Overall Execution according to HFS top 10: Sustainability Services 2022

#1

in Sustainability Consultant by *Sustainability Magazine*

FACTS AND FIGURES

We define our success broadly, measuring the value we create for our stakeholders (people, society and clients) together with our financial performance.



People

We are committed to delivering on our promise to help all EY people build an exceptional EY experience. We do that by providing the support, experiences and opportunities they need to accelerate their career development both within EY US and beyond.

Formal learning and engagement	FY21	FY22
Total learning hours delivered	3.0m	3.1m
Average learning hours per person	59	57
Total investment in learning*	\$106.7m	\$105.2m
Total expenditure per full-time employee (including travel)*	\$2.1k	\$2.1k
% of employees completing annual review process**	78%	86%

* The decrease in combined investment and expenditure is due to the shift to virtual learning and increased efficiency.
 ** This percentage includes PPMDDs and is lower than our target of 100% participation due in part to ongoing hiring, transitions, mobility and leave-of-absence plans.

Promotions	FY21	FY22
Total promotions*	9k	17k
Promotions to partner or principal	132	259
% of women among new partners and principals	40%	37%
% of R&ED individuals among new partners and principals**	34%	35%

* Excludes employees in San Juan, Puerto Rico.
 ** R&ED = racially and ethnically diverse.

US hires and turnover*	FY21	FY22
Total job applicants	197k	366k
New employee hires	9k	15k
Employee turnover rate**	18.4%	16.9%

* Excludes executives, interns and contractors.
 ** Rolling 12-month turnover calculated based on total voluntary separations over the average headcount for the 12-month period (FY21: August 2020-August 2021; FY22: August 2021-August 2022). A slight update to the FY21 numbers is reflected in this year's report as the time frame was updated.



Roles by gender and R&ED status*

	FY21				FY22			
	Women	Men	R&ED	White	Women	Men	R&ED	White
Leadership groups								
US Executive Committee	38%	63%	25%	75%	33%	67%	40%	60%
US Partner/Principal Council	46%	54%	38%	63%	42%	58%	33%	67%
US Extended Leadership team	43%	57%	22%	78%	41%	59%	35%	65%
Inclusiveness Advisory Council (IAC)	46%	54%	51%	49%	52%	48%	52%	48%
Partner, principal, managing director and director								
Partner or principal	26%	73%	18%	81%	28%	72%	20%	79%
PPMDD	30%	69%	19%	79%	31%	69%	21%	77%
Client-serving								
Partner or principal	26%	73%	18%	81%	28%	72%	20%	79%
Managing director	33%	67%	23%	76%	32%	68%	25%	73%
Senior manager	38%	62%	36%	62%	40%	60%	38%	60%
Manager	41%	58%	45%	53%	42%	58%	46%	50%
Senior	46%	53%	45%	51%	46%	53%	48%	49%
Staff or assistant	47%	52%	41%	55%	46%	53%	48%	49%
Core Business Services (CBS)								
Director	48%	52%	17%	83%	52%	48%	17%	82%
Associate director	57%	43%	23%	76%	57%	43%	25%	74%
Assistant director	61%	38%	35%	64%	63%	37%	36%	63%
Supervising associate	69%	30%	39%	60%	70%	30%	35%	63%
Senior associate	64%	35%	38%	60%	64%	36%	38%	61%
Associate	59%	41%	48%	49%	62%	38%	52%	47%
Total workforce**	47%	52%	40%	57%	47%	53%	43%	54%

* R&ED means racially and ethnically diverse. Any totals not equaling 100% can be explained by rounding, and professionals who did not disclose a gender or R&ED.

** Excludes partners/principals, interns and non-employees.

Society and planet

We aim to drive positive impact from a community, environmental and economic perspective.

GHG emissions*	FY21	FY22
Total emissions (mtCO2e)	-	177,000
Scope 1 GHG protocol (mtCO2e)	160	260
Scope 2 GHG protocol (mtCO2e)	24,000	32,000
Scope 3 GHG protocol (mtCO2e)	-	145,000
Scope 3 travel emissions (mtCO2e)	-	82,000
Scope 3 other emissions (mtCO2e)	-	62,000

* Greenhouse gas (GHG) emissions are calculated in line with the EY global carbon footprint methodology as described in the EY Global Value Realized 2022 Report. Scope 2 emissions are calculated using the location-based methodology. The Scope 3 emissions categories included in the EY US footprint are business travel, commuting, remote work, waste, and fuel- and energy-related activities.

Energy	FY22
Grid electricity consumption (kWh)	82,333,000
Heat usage from combined heat and power (kWh)	2,477,000
Chilled water usage from combined heat and power (kWh)	920,000
Diesel fuel usage (L)	1,600
Natural gas usage (m2)	127,000

Office sustainability	FY22
Number of leased offices in LEED certified buildings*	43
Number of Eco-Innovators	>900

* Three are Platinum; 27 are Gold; nine are Silver; four are Certified; and two are pending.

Lives impacted*	FY21	FY22
Total	3.7m	4.0m

Lives impacted*	FY21	FY22
By SDG		
SDG 1: No poverty	-	25k
SDG 2: Zero hunger	-	7k
SDG 3: Good health and wellbeing	1.0m	8k
SDG 4: Quality education	171k	1.8m
SDG 5: Gender equality	-	13k
SDG 6: Clean water and sanitation	44k	47k
SDG 7: Affordable and clean energy	-	-
SDG 8: Decent work and economic growth	2.1m	1.1m
SDG 9: Industry, innovation and infrastructure	-	36k
SDG 10: Reduced inequalities	-	139k
SDG 11: Sustainable cities and communities	-	218k
SDG 12: Responsible consumption and production	-	242k
SDG 13: Climate action	-	131k
SDG 14: Life below water	-	8k
SDG 15: Life of land	-	55k
SDG 16: Peace, justice and strong institutions	-	6k
SDG 17: Partnerships for the goals	93k	165k
Other**	244k	-

By EY Ripples Pillars	FY21	FY22
Supporting the Next Generation	-	2.0m
Working with Impact Entrepreneurs	-	1.6m
Accelerating Environmental Sustainability	-	400k

* "Lives impacted" figures encompass evaluation of both direct and indirect beneficiaries of EY Ripples initiatives (e.g., both the leaders of impact enterprises and the customer base they serve) and are weighted according to the depth and breadth of impact that can be attributed to EY support. The impact of each initiative is also mapped to the most relevant SDG, based on ultimate impact.

** "Other" figures represent the 12 remaining SDGs that that are not complemented with data in the FY21 column. The five SDGs containing data are where we had the most engagement for the reporting year.



Community investment	FY21	FY22
Hours invested by EY people*	122k	267k
Total participants at EY volunteering events**	-	20k
Value of time contributions	\$10.3m	\$25.3m
Cash investments	\$78.0m	\$54.4m
Total investments	\$88.3m	\$80m

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

** Total participants include number of participants for each event (i.e., some people attended multiple events so are counted multiple times in this figure).

Supplier diversity and engagement	FY22
Percentage of addressable spend with small and diverse businesses	35%
Percentage of suppliers with contracts that include clauses on environmental, labor and human rights requirements*	100%
Percentage of buyers across all locations who have received training on sustainable procurement	100%

* All supplier contracts include our EY Global Supplier Code of Conduct, which contains clauses on environmental, labor and human rights requirements.

EY US is a major employer in the United States, providing stable, high-quality jobs to more than 50,000 people across the country.

Workforce data	FY21	FY22
Total workforce	51,157	54,127
<i>By service line</i>		
Assurance	12,252	11,806
Tax	11,282	10,908
Consulting	16,099	19,388
Strategy and Transactions	3,705	4,322
Practice support/CBS	7,837	7,703
<i>By US region</i>		
East	19,821	20,367
West	14,884	16,323
Central	16,470	17,437



Clients

EY teams help clients grow, optimize and protect value.

To measure how EY teams are delivering an exceptional experience to clients, we use the Global Brand Survey. It tracks our ambition to be the top brand among professional services organizations as measured by favorability across clients and non-clients. For the latest survey, more than 4,400 EY clients and prospects were interviewed.

Brand favorability (global)	2019	2021
EY ranking	Tied 1	1

Client engagements	FY22
Number of clients served	20,000
Number of engagements delivered	350,000
Number of clients served on sustainability engagements	~2,390
Number of sustainability engagements delivered	~7,500

Finance

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

Revenue by service line	FY21		FY22	
	\$b	%	\$b	%
Assurance	\$4.4	27%	\$4.9	25%
Tax	\$4.7	29%	\$5.1	27%
Consulting	\$5.3	33%	\$6.6	35%
Strategy and Transactions	\$1.8	11%	\$2.5	13%
Total revenue	\$16.2		\$19.2	

WEF-IBC Summary tables

Principles of governance		
Theme	Metric	EY US disclosure
Governing purpose	1. Setting purpose	Our purpose is Building a better working world. For more information on how our purpose guides our US strategy, see the Our purpose, values and commitment to creating long-term value section .
Quality of governing body	2. Governance body composition	See EY US Transparency Report 2022 . Refer to the Structuring our governance to enable success section for more information on our governance and Building a diverse, equitable and inclusive culture for diversity figures.
Stakeholder engagement	3. Material issues impacting stakeholders	Our global approach to material issues can be found in the Understanding what matters most to our stakeholders section and in our EY Global Value Realized 2022 Report. This report demonstrates how we engage with stakeholders on material issues at a US level.
Risk and opportunity oversight	4. Integrating risk and opportunity	To understand the most critical interests of EY stakeholders, a comprehensive reassessment of the material environmental, social and economic risks, and opportunities relevant to the EY global organization was conducted in FY22. The results of this assessment are a key reference that will influence the EY US business strategy, goal setting, resource allocation, external disclosures, and identification and management of risks.
Ethical behavior	5. Anti-corruption	All EY people are required to complete anti-bribery and corruption training during their careers. Additional information about anti-corruption policies and procedures in place is included in the EY US Transparency Report 2022 .
	6. Protected ethics advice and reporting mechanisms	We have a dedicated ethics hotline for our people, our clients and others to confidentially seek advice or report any activity or concern that may involve unethical or illegal behavior that is inconsistent with the EY Global Code of Conduct.

*Expanded WEF-IBC metric



Planet		
Theme	Metric	EY US disclosure
Climate change	7. GHG emissions	EY US Scope 1, 2 and 3 combined emissions increased by 19% in FY22 compared to FY21. Details on the EY carbon ambition and emission disclosures can be found in Reducing our carbon footprint .
	8. TCFD-aligned reporting	TCFD assessment results are integrated into EY US Risk Management procedures and the EY Global CDP response. We just updated our global TCFD assessment to better understand the quantitative impact of climate-related risks and opportunities. This deeper, quantitative assessment builds on the TCFD assessment conducted in FY21. This assessment includes representatives from EY US Real Estate, Travel, Procurement, Risk Management, Sustainability, Corporate Responsibility, Strategy and Sector teams. The FY22 report included a scenario analysis and impact with a sector lens applied.
Nature loss	9. Land use and ecological sensitivity	Recent mapping analysis for the US confirmed that none of our EY US offices are located in, or adjacent to, key biodiversity areas (KBAs).
Fresh water availability	10. Water consumption	<p>In FY21, we completed a World Resources Institute Aqueduct water risk assessment across 32 countries, including the US. A total of 13 US offices were deemed to be in high or extremely high baseline water stress areas. The most prevalent US risks identified were baseline water stress, interannual variability and coastal eutrophication potential.</p> <p>A global data management system is in the process of being implemented to track and report mega liters of water withdrawn, mega liters of water consumed, and the percentage of each in regions with high or extremely high baseline water stress. Over time, water management action plans will be developed to reduce our own consumption, further reduce water-related risks and support the local communities in which we operate.</p>
Solid waste*	11. Impact of solid waste disposal	We aim to minimize waste generated from our offices and recycle where possible. For example, we have implemented paperless technology solutions to reduce paper waste across our value chain. A global data management system is in the process of being implemented to track waste disposal.



People		
Theme	Metric	EY disclosure
Dignity and equality	12. Pay equality	EY US is committed to pay equity for our partners and people. We have developed processes and policies that promote and enable pay equity. We also employ consultants to conduct annual pay gap analysis across our US employee population that informs internal market adjustments. Our salary increases for all employees are modeled with a consistent approach across all genders, races and ethnicities.
	13. Wage level	An entry-level wage assessment was performed and confirmed that 100% of EY employees are paid above the applicable jurisdiction's minimum wage.
	14. Diversity, equity and inclusion	Refer to Building a diverse, equitable and inclusive culture for our DEI commitments and data on workforce diversity. For more detail on our commitments and progress to date see the EY US Diversity, Equity and Inclusion report .
	15. Risks for incidents of child, forced or compulsory labor	We manage this metric through our EY Global Human Rights Statement , Global Code of Conduct and EY Global Supplier Code of Conduct . For more details, refer to the Global EY Value Realized Report WEF-IBC index.
Health and wellbeing	16. Health and safety	<p>The health and safety of EY people is paramount, and, globally, there are policies and procedures in place to provide workplace safety. EY US is in compliance with all US Occupational Safety and Health Administration reporting requirements as a low-hazard industry.</p> <p>We offer a suite of benefits to support the physical, emotional, financial and social wellness of our people. See Supporting health and wellbeing for more detail.</p>
Skills for the future	17. Training provided	Information on our commitment to training and development is provided in Providing learning and development opportunities .



Prosperity		
Theme	Metric	EY disclosure
Employment and wealth generation	18. Absolute number and rate of employment	The absolute number and rate of employment data are available in <u>Attracting and engaging talent.</u>
	19. Economic contribution	In FY22, EY US revenues were \$19.2b, and total community investment was over \$79m. Refer to <u>Finance</u> data and <u>Creating a positive impact in our communities</u> for more information on financial performance and community investments. We do not currently report payments to providers of capital, and governments and financial assistance received from the government since it does not significantly demonstrate our economic contributions.
	20. Financial investment contribution	Capital expenditures for EY US in FY22 amounted to \$216m, which includes property additions and cash paid for acquisitions. Share buybacks and dividend payments are not recorded at EY US, given that the organization is a private partnership.
Innovation of better products and services	21. Total R&D expenses	EY Innovation and EY wavespace™ teams drive our research and innovation impacts. In FY22, we invested \$3.2b as part of a three-year, \$10b commitment to audit quality, innovation, technology and people. Refer to the <u>EY Global Value Realized 2022 Report</u> for more information on our innovation focus and efforts.
Community and social vitality	22. Total tax paid	Due to our ownership structure, a significant component of the taxes related to revenue is paid by the individual owners of the business and not directly by the US member firm. We do not have access to the information regarding the income taxes paid by owners of the business.

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