

EY Ireland

Transparency Report 2023

Volume 2 of 2



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About Us

About Us



Legal structure, ownership and governance

In the Republic of Ireland, there are seven partnerships; Ernst & Young Chartered Accountants, Ernst & Young Business Advisors, Ernst & Young Business Advisory Services, Ernst & Young Business Consultants, Ernst & Young Consultants, Ernst & Young Consulting Services and Ernst & Young Business Consulting Services all of which are regulated by Chartered Accountants Ireland. All are member firms of Ernst & Young Global Limited, a UK company limited by guarantee (EYG). In this report, we refer to ourselves as "EY Ireland," "we," "us" or "our." EY refers collectively to the global organisation of the member firms of EYG. References to Ireland throughout this document (volume 2) are to the **Republic of Ireland only**.

During 2022, a law firm was established by EY Ireland, EY Law Ireland (EY Law). EY Law is also a member firm of Ernst & Young Global Limited. EY Law is regulated by the Law Society of Ireland.

At 30 June 2023, EY Ireland and EY Law together had 115 equity partners and operate from offices in Dublin, Cork, Galway, Waterford and Limerick.

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

EY Ireland is part of the EMEIA Area, which comprises EYG member firms in 92 countries. Within the EMEIA Area, there are eight Regions. EY Ireland is part of the UK and Ireland Region (UK&I). Its financial services activities are part of the EMEIA FSO Region.

Ernst & Young (EMEIA) Limited (EMEIA Limited), an English company limited by guarantee, is the principal coordinating entity for the EYG member firms in the EMEIA Area. EMEIA Limited facilitates the coordination of these firms and cooperation between them, but it

does not control them. EMEIA Limited is a member firm of EYG, has no financial operations and does not provide any professional services.

Each Region elects a Regional Partner Forum (RPF), whose representatives advise and act as a sounding board to Regional leadership. The partner elected as Presiding Partner of the RPF also serves as the Region's representative on the Global Governance Council (see page 8).

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

To the extent permitted by local legal and regulatory requirements, EY Europe has acquired or will acquire voting control of the EYG member firms operating in Europe. EY Europe is a member firm of EYG. EY Europe acquired voting control of EYOC Limited (EYOC) as of 30 June 2012. Further details on EYOC are provided in a separate section (see over).

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



EY Ireland Leadership Team

The EY Ireland Leadership Team is appointed by the EY Ireland Managing Partner (subject to the approval of the Regional Managing Partner and the agreement of the Specific Regional Service Line Leader) and has authority to deal with general and operational management of EY Ireland, together with accountability for strategic execution.

Members of the Leadership Team serve for such term as is appropriate having regard to their experience and their other roles and responsibilities.

The Leadership Team is responsible for determining the firm's strategies and corporate and business objectives and for the general and operational management of EY Ireland as a whole. The Leadership Team is chaired by the EY Ireland Managing Partner.

In executing its role, the Leadership Team has approved the delegation of certain duties to Leadership Team members and other nominees. Meetings of Leadership Team members and their nominees are held on a monthly basis with additional meetings held as needed.

The Leadership Team has delegated authority for the management and operation of its separate business units. Authority for EY Ireland's non-Financial Services (UK&I) business unit is delegated to the EY Ireland Board (EYIB) and authority for EY Ireland's Financial Services Organisation (FSO) is delegated to the FS Ireland Board (FSIB). See "Organisational and governance structure - Financial Services" section below, for further details.

EYOC Limited

Certain decisions of EY Ireland must be approved by EY Ireland's oversight company, EYOC Limited. The board of the oversight company comprises Frank O'Keeffe and Mike McKerr for EY Ireland, Colin Ryan for EY Ireland FSO, Eoin MacManus for the EMEIA FSO region and Lynn Rattigan (until 1 July 2023) for the UK&I Region. The board meets quarterly in January, April, July and October of each year. Directors may either be appointed by (i) the existing directors acting as a board subject to EY Europe's approval, or (ii) by EY Europe itself, as the sole voting shareholder in EYOC Limited, in general meeting.

Biographies of the members of the Leadership Team and the EYOC Board follow.



EY Ireland Leadership Team and Board Members of EYOC

The EY Ireland Managing Partner is responsible for the strategic direction of EY Ireland and promoting the interests of EY Ireland, in accordance with the provisions contained in the Partnership Agreements. In addition to acting as chair of the Leadership Team, and sitting on the board of EYOC Limited, the duties of the Managing Partner also include representing EY Ireland at EMEIA Area level and at EYG, and maintaining liaison with EYG and its member firms. The Managing Partner is appointed by the Regional Managing Partner following partner consultation.



Frank O'Keeffe was appointed EY Ireland Managing Partner from 1 July 2018 and became Managing Director of EYOC Limited on the same date. Prior to his current role, Frank was Head of Assurance and a member of the Irish Leadership

Team between 2014 and 2018. He is also a member of the UK&I Regional Leadership Team & EMEIA Disability Partner Sponsor. Frank joined EY in 1997 and served as an audit partner for over 13 years. He has over 25 years' experience serving a range of large national and multinational clients. He was Partner in Charge of the EY Entrepreneur of The Year™ programme between 2009 and 2014 and has also previously served as the Diversity & Inclusion Sponsor Partner for EY Ireland. Frank is a Fellow of the Chartered Association of Certified Accountants.



Mike McKerr is Chairperson of EY Ireland and a board member of EYOC Limited. He has been a Strategy and Transactions (SaT) partner for 26 years and is the former Managing Partner of EY Ireland. He was appointed Global Leader – Market Solutions from 1 July 2018 with responsibility for Alternative Business Models until February 2021 when he was appointed Global Leader – Smart Delivery. Mike joined EY in 1986, was appointed Irish Head of Markets in 2008 and was appointed Managing Partner in 2009. His term as Managing Partner ended in 2018. Mike is a Fellow of the Institute of Chartered Accountants in Ireland.



Colin Ryan is a member of the EY Ireland Leadership Team and a board member of EYOC Limited. He is the Country Lead for the Financial Services practice in Ireland and sits on the EMEA Financial Services Leadership Board. Colin was previously head of the Financial Services Consulting business in Ireland and has over 25 years consulting experience having spent time in Europe and the US. He advises clients on large scale transformation and complex change initiatives.



Luke Charleton was appointed to the EY Leadership Team in June 2016. He leads EY Ireland's SaT service line and is on the UK&I SaT Leadership Team. He has been with EY for 29 years during which he spent 15 years with EY in the UK. Luke is a Chartered Accountant (Institute of Chartered Accountants of Scotland) and a licensed Insolvency Practitioner (Chartered Accountants Ireland). As part of the EY-Parthenon Turnaround & Restructuring Strategy team, Luke advises companies, financial institutions and private equity in respect of insolvency, restructuring and turnaround situations across a variety of sectors.



Breffni Maguire led EY Ireland's Assurance practice until 1 July 2023 and has been a member of the EY Ireland Leadership Team since July 2018. Breffni has been an audit partner for almost 20 years and has over 30 years' experience serving predominantly listed clients. Breffni previously held various leadership roles in EY Ireland from 2006 to 2014 and is a Fellow of the Institute of Chartered Accountants in Ireland. Breffni was appointed Deputy Managing Partner effective 1 July 2023.



Barry McCarthy leads EY Ireland's Consultancy practice and is a member of the EY Ireland Leadership Team since January 2020. Barry joined EY in 2015 and has over 20 years' experience with a wide range of Irish and international companies as a consultant supporting clients in leading major technology, change and transformation initiatives.



Kevin McLoughlin is a member of the EY Ireland Leadership Team and leads EY Ireland's Tax practice. He joined EY Ireland in 1987 and became a partner in 2005. He has over 30 years' experience with a wide range of Irish and international companies. Kevin was the Partner in Charge of the EY Entrepreneur of The Year™ Programme between 2015 and 2019. Kevin is a law graduate, Fellow of the Institute of Chartered Accountants in Ireland and an Associate of the Irish Taxation Institute.



Eoin MacManus is a board member of EYOC Limited. Eoin spends the majority of his time leading various projects for our Global firm, EY Global Services. As of 1 July 2023, Eoin was appointed Managing Partner of Global Supply Chain Services. Eoin is an Irish audit partner and provides audit services to a wide range of financial services companies. Eoin is a Fellow of the Institute of Chartered Accountants in Ireland.



Lynn Rattigan is a board member of EYOC Limited. Lynn has spent her entire career in professional services. She has been a partner in the UK firm for over 20 years and has held a number of leadership, management and client facing roles during this time. Lynn has been the Chief Operating Officer ("COO") for the UK firm for over eight years, a role that has seen her sit on both the UK Firm's executive management team and also the UK LLP Board. Lynn is standing down from this role on 30 November 2023, allowing her to return to working with EY clients on a full time basis. From a client perspective, Lynn has had an extensive and diverse range of client experiences throughout her career, having worked with a number of FTSE 100 companies, private equity houses and privately owned companies. Lynn is proud to be Partner Sponsor for EY's iconic Entrepreneur of The Year™ programme in the UK. Lynn ceased to be a board member of EYOC Limited effective 1 July 2023.



Organisational and governance structure – Financial Services

This report sets out details of the legal structure of the firm and several general partnerships, the EY Ireland Leadership Team and our oversight company (EYOC Limited), along with their governance bodies.

In line with our commitment to comply with the disclosure requirements of EU Audit Regulation and Irish company law we also include this description of the legal and structural arrangements of our Financial Services Organisation.

As with other member firms, EY Ireland consists of two industry business units, our Financial Services Organisation (FSO) and non-Financial Services (UK&I). One business unit focuses activity on the financial services industry, the other encompasses all other sectors.

This relationship reflects the way our clients do business and engage with our services, and therefore how we serve them. The operating models of these business units are specifically designed to accommodate the service delivery and operational support functions that enable us to provide the highest levels of service to clients.

The globally-integrated nature of EY and the requirement to serve cross-border engagements requires the FSO and UK&I business units to routinely coordinate their efforts. This necessitates regular collaboration and the use of mutual global processes and systems to operate consistently within EY Ireland and across our network firms.

While there is a division of certain operating functions, for the reasons described, the FSO and UK&I business units do not displace the legal and organisational structure or the overall governance structure set out in this Transparency Report.

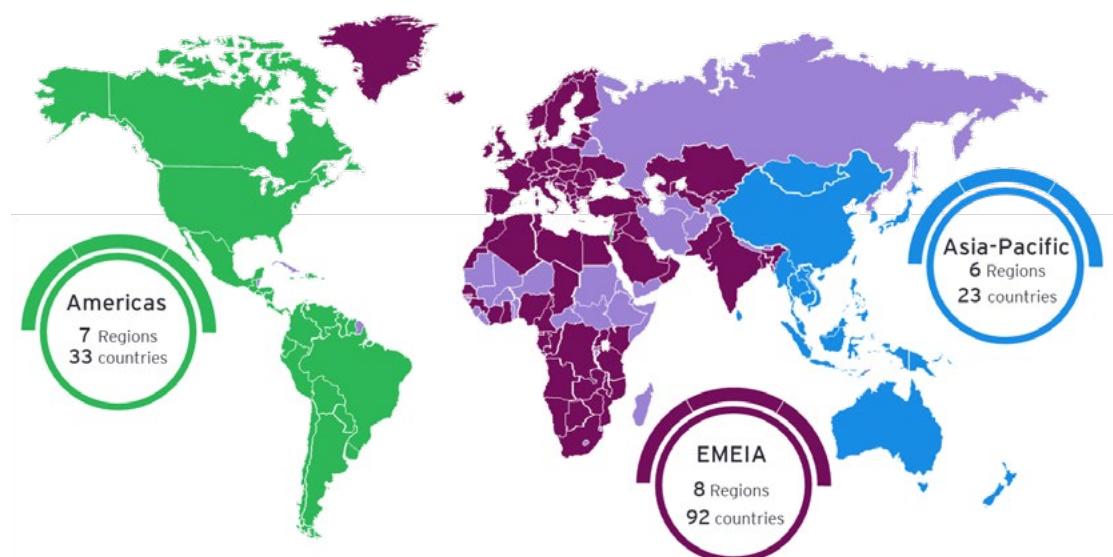
Partnership matters

The partners discuss matters relating to the seven partnerships as required. Certain matters are reserved to the partners and these are set out in the relevant Partnership Agreements.

Partnership forum

The Regional Partner Forum (RPF) has partner representation from EY Ireland. It meets regularly to discuss matters of relevance to the respective partnerships in the UK&I Region including people matters, strategy and business updates. John Higgins and Aidan Tiernan, partners in EY Ireland, are members of the RPF.

EY Areas, Regions and countries*



*Figures are as of 1 July 2023



Network arrangements

EY is a global leader in assurance, tax, strategy and transactions, and consulting services. Worldwide, more than 390,000 people in member firms in 148 countries share a commitment to Building a Better Working World, united by shared values and an unwavering commitment to quality, integrity and professional scepticism. In today's global market, the integrated EY approach is particularly important in the delivery of high-quality multinational audits.

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

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

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

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



Global Governance Council

The Global Governance Council (GGC) is a key governance body of EYG. It comprises one or more representatives from each Region, other at-large representatives from any member firm and Independent Non-Executives (INEs). The Regional representatives, who otherwise do not hold senior management roles, are elected by their RPFs for a three-year term, with the ability to be reappointed for

one additional three-year term. The GGC advises EYG on policies, strategies, and the public interest aspects of its decision-making. The GGC approves, in some instances upon the recommendation of the Global Executive (GE), certain matters that could affect EY.



Independent Non-Executives

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

Appointment

The INEs are nominated by the INE Nominating Committee comprising the Chairman/CEO of EYG, the Presiding Partner of the GGC, and other persons as the Chairman/CEO and the Presiding Partner in their discretion deem appropriate. The nominations require approval by the Global Executive and ratification by the GGC.

Support

INEs are entitled to receive information about global affairs. To facilitate their effectiveness, they receive administrative support and any independent professional advice that may be required.

Term

The term of an INE is three years with provision for one re-appointment at the request of the INE Nominating Committee and the GE.

Disagreements

Any disagreement between an INE and others on the GGC would be resolved by mediation by the Chairman/CEO of EYG through a defined process of notification and consultation.

Independence

EYG has considered the auditor independence standards as they apply to INEs in their role as members of the GGC, and EYG is satisfied these standards have been met.

EY's INEs

Sir CK Chow (Hong Kong) is the Chairman of the Urban Renewal Authority in Hong Kong and the former Chairman of the Hong Kong Exchanges and Clearing Ltd. He is an Independent Non-executive Director of the AIA Group. Previously he was the Chief Executive of MTR Corporation (HK), Brambles Industries Ltd (Australia and UK) and GKN PLC (UK). In public service, he is Chairman of the Advisory Committee on Admission of Quality Migrants and Professionals, and a member of the Financial Leaders Forum and Human Resources Planning Commission. He is a chartered engineer.

Tonia Lovell was appointed as an INE effective 1 January 2023. Tonia practised law for nearly 30 years, both in private practice (at Linklaters) and in-house (at Unilever), latterly as Unilever's Chief Legal Officer and Group Company Secretary. She is a former member of the UK's GC100 Executive Committee. She has been a member of the External Advisory Committee to Royal London Asset Management's sustainability funds since 2015, an executive coach to in-house lawyers since leaving Unilever in 2018, an INE of EY UK since 2019 and Chair of EY UK's Public Interest Board since July 2021.



Global Executive (GE)

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

The GE also includes the Global Vice Chair of Markets, the Global Vice Chair of Transformation, the Chief Client Technology Officer, the Chair of the Global Accounts Committee, the Chair of the Emerging Markets Committee, as well as a representative from the Emerging Markets practices.

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

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

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

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

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



GE committees

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



Global Practice Group

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



EYG member firms

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

Above all, EYG member firms commit to conducting their professional practices in accordance with applicable professional and ethical standards, and all applicable requirements of law. This commitment to integrity and doing the right thing is underpinned by the EY Global Code of Conduct and EY values (see page 20).

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

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

Member firms unable to meet quality commitments and other EYG membership requirements may be subject to termination from the EY organisation.



The Irish Audit Firm Governance Code

The Irish Audit Firm Governance Code (the Code) was published by the Chartered Accountants Regulatory Board, now the Professional Standards Department of Chartered Accountants Ireland, in June 2012 and is applicable to firms who chose to apply it for years commencing on or after 1 January 2013.

Whilst the Code is not a regulatory requirement and many of its provisions were already in place at EY Ireland, we have embraced the Code as providing a benchmark of good governance practices for firms who chose to comply with its provisions. One of the principles of the Code is that audit firms appoint INEs within their governance structures either locally or through a wider international network. The objective is that, through their involvement, they collectively enhance confidence in decision making, channel stakeholder dialogue and act as a safeguard of reputational risks.

EY is a global organisation with a high level of integration which includes its governance arrangements. Through the process of global integration, member firms are subject to oversight from higher levels of Area leadership. All member firms are subject to regular review of their actions and performance across all areas of business activity and benchmarked relative to comparable firms elsewhere in the world.

As a global organisation, EY took the decision to appoint its INEs at a global level, rather than to focus their activities solely on EY Ireland and to reflect the more integrated operating model and broader governance structure. EY Ireland believes this INE model is effective at meeting the objectives of the Code.



EY Ireland's internal control system

Effectiveness of EY Ireland's system of internal control

In addition to the requirement of the firm to implement International Standard on Quality Management (Ireland) 1 (ISQM (Ireland) 1) as described in more detail under

System of Quality Management, the Code requires the firm to conduct, at least annually, a review of the effectiveness of its system of internal controls.

In maintaining a sound system of internal control and risk management and reviewing its effectiveness, EY Ireland maintains a key Risk Register reflecting the firm's most significant risks, the controls and procedures implemented to mitigate these risks as well as the mechanisms for monitoring the key controls. The development and maintenance of the EY Ireland Risk Register is facilitated through an annual review with the EY Ireland Leadership Team and in addition to regular discussions with Service Line Leaders across the firm.

The internal control system is designed to manage and mitigate the key risks for EY Ireland providing reasonable assurance against material misstatement or loss.

Statement on the effectiveness of EY Ireland's system of internal control

As part of its annual review procedures and in compliance with the Code, EY Ireland confirms that it has performed a review of the effectiveness of the system of internal control, including considering the following:

- ▶ At least annually, the EY Ireland Risk Register is reviewed, assessed and updated. A series of Key Risk Categories are in place with Specific Risks defined within each Risk Category.
- ▶ Controls and mitigants are regularly reassessed throughout the year for the key mitigating actions. Where controls are identified as ineffective, or are required in response to issues and events, appropriate actions are taken.
- ▶ Reports and findings from regulatory reviews and the firm's audit quality reviews are considered and where deemed appropriate, these are reflected in the Risk Register with associated Action Plans.

No significant weaknesses have been identified during the course of the above outlined reviews. On this basis the Firm is satisfied that its system of internal controls is embedded and operating effectively and as designed.

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Risk Management is integral to everything we do at EY Ireland. We have a robust Risk Management Framework for assessing and managing our most significant risks, with controls and procedures implemented to mitigate these risks as well as mechanisms for monitoring the key controls. At EY, we take a proactive approach to risk management that is focused on creating a culture of risk awareness, such that our people understand what is expected of them, and they can also openly discuss and share how we can continue to balance risk with innovation.



Carol Murphy
Chief Risk Officer





Creating long-term value for society

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

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

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

Among other things, this commitment is reflected in:



Corporate responsibility governance structures

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



The EY social impact ambition

The global corporate responsibility programme, EY Ripples, brings together the global EY network with a goal of positively impacting one billion lives by 2030. In the financial year (FY) to 30 June 2023, EY people have positively impacted 46 million lives through the EY Ripples programme. To date, EY Ripples global

initiatives have positively impacted the lives of more than 127 million people, aided by:

- ▶ A rigorous focus on three areas (supporting the next generation workforce, working with impact entrepreneurs and accelerating environmental sustainability) where the distinctive skills, knowledge and experience of EY people can make the biggest difference.
- ▶ A collaboration with other like-minded organisations to build ecosystems that are capable of creating change at scale. For example, the TRANSFORM initiative with Unilever and the UK Foreign, Commonwealth & Development Office, which aims to change the lives of 150 million people across sub-Saharan Africa and South Asia by 2030 by tackling inequality.
- ▶ Further collaboration to create lasting positive social impact through activities such as the creation of a text-based learning programme for underserved students. EY recently received the 2022 SAP Pinnacle Award for Social Impact, for this work.

EY Ripples programmes impacting Ireland during the year included:

- ▶ **Junior Achievement:** 75 EY Ireland colleagues facilitated Junior Achievement workshops, working with 17 schools and 867 young people to help equip them with the life and career skills they need to set them up for success. Topics covered included environmental sustainability, interview skills, careers, the power of design and our city.
- ▶ **Valid Nutrition:** Led by an EY Ireland partner, this year EY Ireland supported Valid Nutrition, a social impact enterprise intent on reforming the market for products to treat starvation. EY Ireland worked with them to help them find a partner to manufacture and distribute their ready-to-use therapeutic food in Africa.
- ▶ **Zooniverse:** Colleagues from EY Ireland joined a global EY team of over 7,500 to support research into how climate change is affecting polar bears, classifying almost nearly 135,000 images from trail cameras set up in the Wapusk National Park, Canada. Our collective efforts have resulted in 765 hours of work for the research team at the University of Saskatchewan, providing them with a totally unique dataset. This will enable them to help protect the habitats of these mammals and reduce their interactions with humans.



Commitment to human rights

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



The EY carbon ambition

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

- ▶ Reducing business travel emissions, with a target to achieve a 35% reduction by FY25 against the FY19 baseline.
- ▶ Reducing overall office electricity usage, and procuring 100% renewable energy for remaining needs, earning RE100 membership by FY25.
- ▶ Structuring electricity Power Purchase Agreements (PPAs) to introduce more renewable electricity than EY consumes into national grids.
- ▶ Using nature-based solutions and carbon-reduction technologies to remove from the atmosphere or offset more carbon than emitted, every year.
- ▶ Providing EY teams with tools to calculate, then work to reduce the amount of carbon emitted in carrying out client work.
- ▶ Requiring 75% of EY suppliers, by spend, to set science-based targets by no later than FY25.
- ▶ Investing in EY services and solutions that help clients create value from decarbonising their businesses, and provide solutions to other sustainability challenges and opportunities.

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We are really proud to be one of the largest employers in Ireland. Building on our already brilliant inclusive employment initiatives for people with disability and our refugee access programmes, we are broadening our societal impact with an EY 4 All Employment Initiative. Our EY 4 All Employment Initiative will offer a range of support, training and apprenticeships to more diverse individuals and communities who may otherwise be challenged in entering or re-entering employment.



Sarah Connellan
Chief Operating Officer



A photograph of a coastal scene at sunset. In the foreground, dark, jagged rocks are partially submerged in the water, with low-hanging mist or fog swirling around them. In the middle ground, a concrete pier extends into the water, ending in a small, two-story lighthouse or observation tower. The sky is a gradient of warm orange and yellow near the horizon, transitioning to a cooler blue and purple at the top. The water is calm, reflecting the colors of the sky.

System of Quality Management

System of Quality Management



From Internal Quality Control System to System of Quality Management

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

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

In the context of ISQM 1 and the annual evaluation of our System of Quality Management, EY Ireland refers to the following EYG member firms performing audits or reviews of financial statements, or other assurance or related services engagements:

- ▶ Ernst & Young Chartered Accountants.
- ▶ Ernst & Young Business Advisors.
- ▶ Ernst & Young Business Advisory Services.
- ▶ Ernst & Young Business Consultants.
- ▶ Ernst & Young Consultants.
- ▶ Ernst & Young Business Consulting Services.
- ▶ Ernst & Young Consulting Services.



Structure

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

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

In today's environment, characterised by continuing globalisation, rapid movement of capital and the impact of technological changes, the quality of our audit services has never been more important. As part of NextWave, there is a continued and strong investment in the development and maintenance of the EY audit methodology, tools and other resources needed to support high-quality audits.

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

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



Designing, implementing and operating a System of Quality Management

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

In Ireland, the Irish Auditing and Accounting Supervisory Authority (IAASA) adopted ISQM 1 and issued International Standard of Quality Management (Ireland) 1 (ISQM (Ireland) 1) on 21 December 2021 with an effective date of 15 December 2022.

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

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

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

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

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

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

- Evaluate policies, technologies, strategies, programmes and provided baselines, and
- Determine if any of these items are required to be supplemented by the member firm to enhance effectiveness (e.g., if a policy requires amendment to comply with local laws and regulations, or if the content within the technology needs to be translated into local language).



System of Quality Management roles

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

Key roles within the System of Quality Management include:

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

Operational responsibility for the System of Quality Management: The Country Assurance Managing Partner is the individual assigned operational responsibility for the System of Quality Management. This includes recommending the System of Quality Management annual evaluation conclusion to the Country Managing Partner. An SQM Operational Committee has been formed, chaired by the Country Assurance Managing Partner. The purpose of the SQM Operational Committee is to oversee the operational responsibility of the System of Quality Management. The SQM Operational Committee includes the Country Assurance Managing Partner, other service line leaders (Tax, Consulting and Strategy and Transactions), functions leaders (Independence, Risk Management, Talent, Technology, Professional Practice, Assurance Quality Enablement and Quality Service Lines) and leaders from FSO (FSO Assurance Service Line Leader, FSO Professional Practice Director and FSO Quality Enablement Leader).

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

Operational responsibility for monitoring the System of Quality Management: The Country Professional Practice Director is the individual assigned operational responsibility for monitoring the SQM. This

includes concurring with or proposing changes to the recommended System of Quality Management annual evaluation conclusion. An SQM Oversight Committee has been formed, chaired by the Country Professional Practice Director. The purpose of the SQM Oversight Committee is to oversee the monitoring processes and activities of the System of Quality Management. The SQM Oversight Committee includes the Country SQM Monitoring Leader, Service Line Quality Leaders (Tax, Consulting and Strategy and Transactions), Assurance Quality Enablement Leader, Country Independence Leader, Risk Management Leader, FSO Professional Practice Director and FSO Quality Enablement Leader.



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

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

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

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

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

- ▶ Tests of System of Quality Management key controls.
- ▶ Internal and external engagement inspections.

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

Professional judgment is used in evaluating the results of monitoring activities, including in determining whether findings, individually or in combination with other findings, rise to the level of a deficiency. Any deficiencies identified require a root cause analysis to be performed, a quality improvement plan to be developed and are evaluated to determine the severity and pervasiveness of the deficiency. When determining the System of Quality Management annual evaluation conclusion, if a severe deficiency was identified, a member firm would need to assess whether the effect of the deficiency was corrected, and the actions taken by 30 June were effective.

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

The annual evaluation conclusion for EY Ireland as of 30 June 2023 is that the System of Quality Management provides reasonable assurance that the objectives of the system of quality management are being achieved.

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At EY we have consistently invested in all areas related to quality – people, systems and processes. Further investment was made to ensure compliance with ISQM 1 and we are proud to have completed our first period of ISQM 1 compliance.



Breffni Maguire
Assurance Lead



Components of our System of Quality Management

Components of our System of Quality Management

In the following sections, we describe the principal components of the System of Quality Management, which EY Ireland follows:

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



System of Quality Management risk assessment process

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

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

- ▶ System of Quality Management baseline Quality Objectives.
- ▶ System of Quality Management baseline Quality Risks.
- ▶ System of Quality Management baseline Responses.

- ▶ System of Quality Management baseline Resources (e.g., Global policies or technologies that mitigate an EY SQM baseline Quality Risk).
- ▶ System of Quality Management baseline key controls to be designed and implemented to mitigate an EY System of Quality Management baseline Quality Risk.

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

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

- ▶ Accepted or rejected Global baseline Quality Risks, Resources and Responses after appropriate analysis of our facts and circumstances. In the case of rejection of Global baseline Quality Risks, Resources and Responses, this is preliminarily discussed with the Area.
- ▶ Accepted or rejected the Global baseline Resources and key controls after appropriate analysis of our facts and circumstances. In the case of rejection of Global baseline Resources and key controls, this is preliminarily discussed with the Area.
- ▶ Together with the Area, identified the level of execution of Global baseline key controls.
- ▶ Customised accepted Global, Area and Region baseline key controls.

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

In addition to reviewing the Global System of Quality Management baselines, EY Ireland determined if additional quality objectives, quality risks or responses were necessary.



Governance and leadership



Tone at the top

EY Ireland's leadership is responsible for setting the right tone at the top and demonstrating the EY commitment to Building a Better Working World through behaviour and actions. While the tone at the top is vital, EY people also understand that quality and professional responsibility start with them and that within their teams and communities, they are leaders too. EY shared values, which inspire EY people and guide them to do the right thing, and the EY commitment to quality are embedded in who we are and in everything we do.

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

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

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

In order to measure the quality culture across EY member firms and provide EY Ireland with valuable insights into the perceptions of the culture of quality, including tone at the top, collaboration, workload management and ethical behaviour, a Global Quality Survey was launched in April 2023. The results of the

Global Quality Survey were used to identify areas where EY Ireland was doing well and where more actions may be required. The Global Quality Survey results indicate that our people recognise that the tone at the top set by leadership demonstrates commitment to quality and that EY recognises and values contributions to quality. The recognition of our strong culture of consultation, coaching and continuous quality improvement is also reflected in the results of the Global Quality Survey. Yet, the results also indicate that more still needs to be done to continually improve our procedures around resourcing.



Global Code of Conduct

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

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

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





Relevant ethical and legal requirements



Compliance with the Global Code of Conduct

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



Independence

Compliance with relevant ethical requirements, including independence, is a key element of the System of Quality Management. It involves determining that we are independent in fact, as well as in appearance. The ethical requirements relevant to our audits and professional services are included in the International Ethics Standards Board for Accountants' International Code for Professional Accountants (including International Independence Standards) (the IESBA Code). We also comply with local ethical requirements or codes in the jurisdiction of our audits and professional services. Refer to the Independence Practices section for information on policies, tools and process relating to maintaining independence.



Rotation and long association

EY Ireland complies with the audit partner rotation requirements of the IESBA Code, Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014 (EU 537/2014), and the Ethical Standard for Auditors (Ireland) issued by IAASA as well as the U.S. Securities and Exchange Commission (SEC), where required. EY Ireland supports audit partner rotation because it provides a fresh perspective and promotes independence from company management, while retaining experience and knowledge of the business. Audit partner rotation, combined with independence requirements, enhanced

systems of internal quality controls and independent audit oversight, helps strengthen independence and objectivity, and is an important safeguard of audit quality.

The Ethical Standard for Auditors (Ireland) issued by IAASA requires the lead audit engagement partner and other partners who make key decisions or judgements on matters significant to the audit (together, the 'key audit partners') of public interest entities (PIEs) to be rotated after five years. Upon completing the maximum service period for rotation, a key audit partner may not be involved in services to the PIE audit client until after completing a cooling-off period. The revised Ethical Standard, which took effect on 15 July 2021, reduced this period from five to three years.

Similarly, the engagement quality reviewer must be rotated after seven years and may not be involved in services to the PIE audit client until at least five years have elapsed.

For PIEs, the EY Global Independence Policy requires the lead audit engagement partner, the engagement quality reviewer and other audit partners who make key decisions or judgements on matters significant to the audit (together, the key audit partners) to be rotated after seven years. For a new PIE (including a newly listed company), key audit partners may remain in place for an additional two years before rotating off the team if they have served the company for six or more years prior to the listing. Where IAASA requirements apply and their rules differ from the EY Global Independence Policy, EY Ireland applies the stricter set of rules.

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

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

In addition to the key audit partner rotation requirements applicable to PIE companies we audit,

EY has established a long association safeguards framework. This is consistent with the requirements of the IESBA Code and Article 17 of Regulation (EU) 537/2014, and includes consideration of the threats to independence created by the involvement of professionals over a long period of time and a safeguards framework to address such threats.

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

External rotation

For public interest entities, we comply with the external audit firm rotation requirements of Article 17 (1) of Regulation (EU) 537/2014.

Whistleblowing

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

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



Non-compliance with laws and regulations

In accordance with the IESBA Code of Ethics, EY has adopted a policy designed to meet its obligations to report non-compliance with laws and regulations – NOCLAR. The policy covers reporting obligations with respect to non-compliant activity by clients or EY personnel, as relevant to their respective business activities.

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



Anti-bribery

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



Insider trading

Securities trading is governed by many laws and regulations, and EY personnel are obliged to comply with applicable laws and regulations regarding insider trading. This means EY personnel are prohibited from trading in securities while in possession of material non-public information.

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



Economic and trade sanctions

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



Anti-money laundering

EY Ireland is classified as a Designated Person under applicable Anti-Money Laundering (AML) regulations. Consistent with the EY Global guidance on AML, and in line with local regulatory requirements, EY Ireland has implemented policies and procedures designed to meet these obligations, including Know Your Client (KYC) procedures, risk assessments and suspicious activity reporting. EY people are trained on their responsibilities under the regulations and provided with guidance on who to consult when they have questions.



Data protection and confidentiality

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



Client and engagement acceptance and continuance



Global policy on client and engagement acceptance and continuance

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

The objectives of the policy are to:

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

In addition, the EY Global Policy on conflicts of interest defines global standards for addressing categories of potential conflicts of interest and a process for identifying them. It also includes provisions aimed at mitigating potential conflicts of interest as quickly and efficiently as possible, using appropriate safeguards. Such safeguards may include obtaining client consent

to act for another party where a conflict of interest may exist, establishing separate engagement teams to act for two or more parties, implementing appropriate separations between engagement teams or declining an engagement to avoid an identified conflict.

The EY Global Policy on Conflicts of Interest and associated guidance considers the increasing complexity of engagements and client relationships, and the need for speed and accuracy in responding to clients. They also align with the latest IESBA Code and the Ethical Standard for Auditors (Ireland) issued by IAASA.



Putting policy into practice

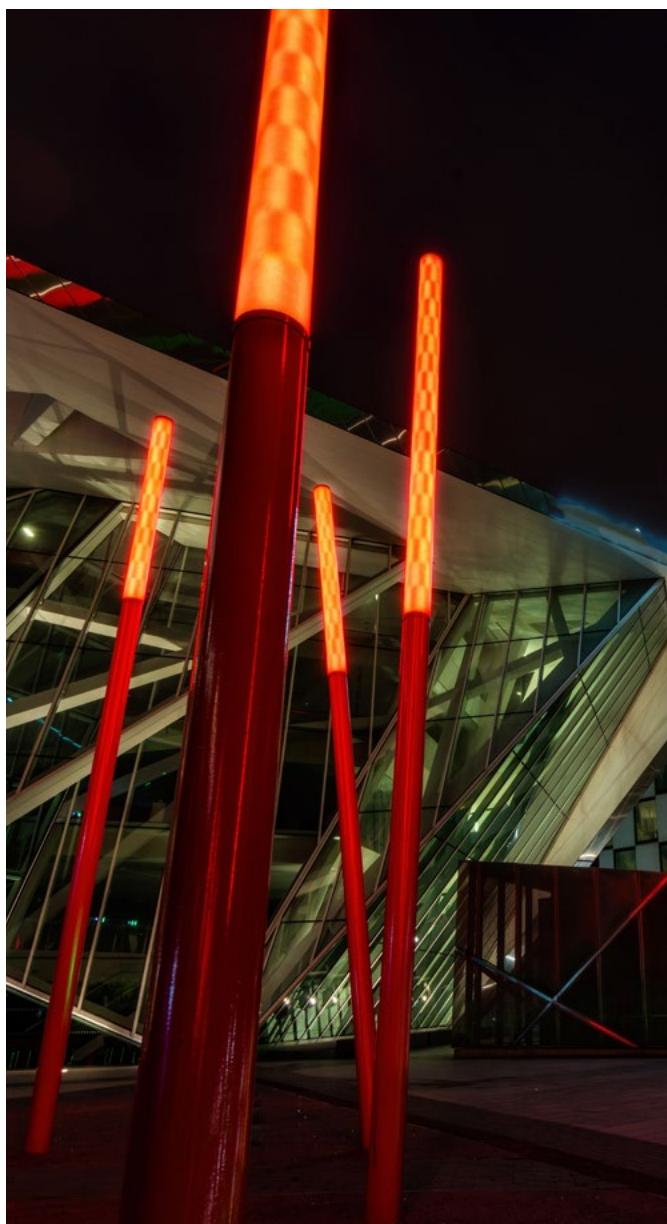
We use the EY Process for Acceptance of Clients and Engagements (PACE), an intranet-based system, for efficiently coordinating client and engagement acceptance and continuance activities in line with global, service line and member firm policies. PACE takes users through the acceptance and continuance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

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

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

In the EY annual client and engagement continuance process, we review our service and ability to continue providing a quality service and confirm that clients share EY Ireland's commitment to quality and transparency in financial reporting. The lead audit engagement partner of each audit, together with our Ireland PPD and Ireland AMP, and also Regional and Area leadership as required, annually reviews our relationship with the entities we audit to determine whether continuance is appropriate.

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





Engagement performance

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



The EY Digital Audit

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

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

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

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

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

Connecting

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

Deployed globally, EY Canvas serves as the single workflow, communication and documentation hub for EY audit engagements worldwide. Hosted safely in the cloud, it leverages industry-leading technology for web applications. This allows the provision of data security and the ability to evolve the software to respond to changes in the accounting profession and regulatory environment.

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

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

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

Automating

Smart technologies help to enable greater levels of automation, centralisation and standardisation throughout the audit.

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

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

Analysing

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

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

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

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

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

Investment in next generation Assurance technology

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

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

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

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

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

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



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Technology has and will continue to transform how our teams deliver high-quality audits and indeed how our clients experience the audit process and outputs. The seamless connection of EY teams across the world, use of data to understand clients' businesses, systems, processes and areas of audit risk, contribute both to audit quality and efficiency. Automation of routine audit areas enables our people to devote a greater proportion of their time to analysis, judgements and estimates, making a real difference to their interactions with our clients and personal professional development.



Roger Wallace

Assurance Partner and
Partner in Charge of the
Entrepreneur Of The Year™
programme

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

- ▶ The use of data analytics to enhance fraud detection capabilities and further develop professional scepticism in audits.
- ▶ Using additional internal and external data and information to enable more nimble responses to external risk indicators, such as short selling and whistleblowers.
- ▶ Utilising electronic confirmations for audit evidence wherever possible.
- ▶ Developing a proprietary fraud risk assessment framework for use with audit committees and those charged with governance.
- ▶ Mandating annual fraud training for all audit professionals that incorporates the experience of EY forensics professionals.
- ▶ Requiring the use of forensic professionals in the audit on a targeted risk-basis to assess potential risks of fraud.



Reviews of audit work

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

Fraud

Ongoing improvement efforts from standard-setters and regulators, recognise the need to evolve how audits are performed to better address fraud detection. At a global level, EY is committed to addressing stakeholders' questions about the auditor's role in this area.

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

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

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

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



Consultation requirements

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

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

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

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



Engagement quality reviews

EY engagement quality review policies address the audits that are subject to engagement quality reviews and the qualifications of engagement quality reviewers. Engagement quality reviewers are experienced professionals with significant subject-matter knowledge. They are independent of the audit engagement team and provide an objective evaluation of the significant judgements the audit engagement team made, and the conclusions reached thereon. The performance of an engagement quality review, however, does not reduce the responsibilities of the PIC for the engagement and its performance. In no circumstances may the responsibility of the engagement quality reviewer be delegated to another individual.

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

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

For audits, engagement quality reviews are performed by audit partners in compliance with professional standards for audits of all listed companies, all public interest entities and those considered to need close monitoring. Our Ireland PPD and Ireland AMP approve the assignment of the engagement quality reviewer to each applicable engagement.



Audit engagement team resolution process for differences of professional opinion

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

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

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

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

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

Documentation retention

The Records and Information Retention and Disposition Global Policy supports and builds upon provisions within the EY Global Code of Conduct regarding acting with professional integrity in terms of documenting work and respecting intellectual capital. This policy and the Global Retention Schedule (GRS) establish records and information management (RIM) requirements for the management of records and information and documents ("records and information") throughout their life cycle including the requirement to securely discard or delete records for which the retention period has expired, unless special and acceptable circumstances apply. This policy, the GRS and RIM requirements are in accordance with applicable

professional standards and are based on regulatory, legal, and business requirements and obligations, and they apply to all engagements and personnel, and they address Ireland's legal requirements, applicable to the creation and maintenance of working papers, relevant to the work performed.



Resources

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



Formation of audit engagement teams

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

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

EY Ireland's policies require the approval of the assignment of individuals to specific audit roles by our Ireland Assurance leadership and the EY Ireland PPD. This is carried out, among other things, to make sure that the professionals leading audits possess the appropriate competencies (e.g., the knowledge, skills and abilities) to fulfil their engagement responsibilities, and, when applicable, are in compliance with auditor rotation regulations.



Service delivery centres

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

The EY Global Reporting Centre of Excellence (COE) is a global specialised team based out of Ireland that delivers innovative solutions to multinational EY primary teams and clients in statutory audit and reporting, bringing innovation, knowledge, insights, and transformation to EY's complex global client engagements. The COE help transform and innovate the EY global audit process by designing a global audit strategy that aligns to their clients' statutory audit and reporting structure while increasing connectedness, delivering enhanced accountability and audit service quality to their engagements. This global team also deliver findings and recommendations about their client's statutory reporting and audit process enabled through statutory audit key performance indicators as well as knowledge and benchmarks from their extensive client base, and they work directly with non-audit clients supporting their statutory reporting transformation.

The EY Ireland Data Intelligence Delivery Centre of Excellence (DID) is a global specialised team based out of Ireland that leads, develops, and delivers high-quality data strategies to the audit teams to assist them in the execution of global EY audit engagements. The DID enables execution of the EY Digital Audit focusing on connecting, automating, analysing, and delivering value to EY's complex global client engagements. They develop global centralised client data capture processes and transform client captured data in a standardised and consistent manner that results in building high-quality and standardised audit evidence to support conclusions. The DID also harness the power of data to provide new perspectives and better manage audit risk to the EY audit teams and clients.



Diversity, equity and inclusiveness

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

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

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

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

In Ireland 42% of new EY Ireland partners, promoted on 1 July 2023 were women, and a strong pipeline of female leadership has been built with 48% of all audit hires in 2022 being female.

Inclusive organisations maximise the power of all differences. Employees need to feel they are working for an organisation that not only values them as individuals, but also sees differences as strengths and values their contributions. Fostering this sense

of belonging is critical to helping the EY organisation attract the most talented individuals and helping EY professionals stay motivated and engaged.

In the March 2023 employee People Pulse survey, 82% of EY auditors globally said the EY organisation provides a work environment where they feel free to be themselves, an increase of 3% when compared with the March 2022 survey. The March 2023 employee People Pulse survey for EY Ireland showed that 84% of EY auditors said the EY organisation provides a work environment where they feel free to be themselves (up 2% from 2022).

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

Our values: who 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



Audit methodology

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

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

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

auditing standards and EY policies. Examples in EY GAM supplement the requirements and guidance with leading practice illustrations.

EY GAM contains a number of audit approaches which are “profiled” within EY Atlas to present the relevant requirements and guidance, depending on the nature of the entity being audited – e.g., there are profiles for Digital GAM or Core GAM and further profiles to address listed entities (Regulation (EU) 537/2014: public interest entities) and for those considered non-complex entities.

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

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

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

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

We have issued accounting and auditing considerations when auditing entities that are exposed to risk due to the recent failures and near-failures in the banking sector, as well as to respond to evolving economic conditions, including increases in inflation and interest rates.



Certification of technology

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

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



Information and communication

The information and communication component is a new component in ISQM 1 for obtaining, generating or using information and communicating information, to enable the design, implementation and operation of the System of Quality Management. The quality objectives within the component address the effective two-way communication between:

- ▶ Personnel.
- ▶ Member firms within the EY network.
- ▶ External parties.
- ▶ Service providers.

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





System of Quality Management monitoring and remediation

The System of Quality Management monitoring and remediation process is the cornerstone of the EY process to monitor the System of Quality Management, including audit quality. EY Ireland has established an SQM monitoring and remediation process to:

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

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

System of Quality Management monitoring activities include:

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

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



Tests of System of Quality Management key controls

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

- ▶ Were designed, implemented and operated in accordance with Control Owner's understanding and documentation thereof.
- ▶ Were operated on a timely basis by the Control Owner/Control Operator specified in the design of the System of Quality Management key control.
- ▶ Resulted in the timely resolution of any matters (information accumulated) identified.
- ▶ Were based on reliable information (i.e., information used in the performance of the System of Quality Management key control is complete and accurate, if applicable).

Individuals testing SQM key controls are competent, objective and independent of the Control Owners and Control Operators. They are selected for their skills and professional competence in controls testing.



Audit quality reviews

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

Audit quality reviews include the inspection of at least one completed engagement for each PIC on a cyclical basis. The engagements reviewed each year are selected on a risk-based approach, emphasising audit engagements that are large, complex or of significant public interest, including elements of unpredictability. The Global AQR programme includes detailed risk-focused file reviews covering a large sample of listed

and non-listed audit engagements, and public interest entities and non-public interest entities, to measure compliance with internal policies and procedures; EY GAM requirements; and relevant local professional standards and regulatory requirements. It also includes reviews of a sample of non-audit assurance engagements performed by audit engagement teams. These reviews measure compliance with the relevant professional standards, and internal policies and procedures that should be applied in executing non-audit assurance services.

The Global AQR programme complements external inspection activities, such as inspection programmes executed by audit regulators and external peer reviews. It also informs us of our compliance with regulatory requirements, professional standards, and policies and procedures.

In 2023, EY Ireland's AQR resulted in the inspection of fourteen audit engagements, 93% of which were rated as having no significant findings or deficiencies.

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

The Global AQR programme is supplemented by a programme that covers inspections of other assurance and related services engagements regardless of the service line performing the work. This is referred to as the Other Assurance Quality Review (OAQR) programme.

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

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At EY we take audit quality very seriously. Audit Quality is the cornerstone of our audit practice and we constantly seek to identify areas where we can improve our audit quality. We value the feedback we receive from both our internal and external inspections and evaluate and address the points raised during those reviews in order to improve audit quality.



Marie Treacy
EY Ireland Professional
Practice Director



External quality assurance reviews

IAASA Inspections

EY Ireland's Audit practice is subject to annual inspection by IAASA for Public Interest Audits. As part of its inspections, IAASA evaluates quality control systems and reviews selected engagements. IAASA is a member of IFIAR and accordingly, the inspection results are submitted for inclusion in the annual IFIAR survey.

The most recent completed quality assurance inspection by IAASA took place in 2022. The final report on the inspection was issued on 6 March 2023. The inspection included a review of a sample of statutory audits of Public Interest Entities as defined by EU Audit legislation as well as a review of four areas of the firm's quality control procedures in place under the requirements of ISQC 1. Six files were reviewed and none of the files reviewed were noted as requiring significant improvements.

As part of the firm-wide quality control review, IAASA had no material findings or recommendations.

IAASA is currently conducting their latest annual quality assurance inspection of the firm which is ongoing and is expected to conclude later in 2023.

Information on the above-mentioned regulator along with publicly available inspection reports can be found at iaasa.ie.

PSD Inspections

EY Ireland is also subject to triennial inspection by the Professional Standards Department of the Institute of Chartered Accountants Ireland (PSD) for non-Public Interest Entity audits.

PSD conducted a quality assurance inspection of the firm in 2021 which was an inspection of the statutory audits of a sample of non-EU Public Interest Entity clients. The firm was very satisfied with the conclusions of the report on the firm which stated that the quality of the files was generally good.

Information on the above-mentioned regulator can be found on its website: charteredaccountants.ie.

Inspections by overseas audit monitoring authorities

EY Ireland is also registered with the Public Company Accounting and Oversight Board (PCAOB) in the US and the Japanese Financial Services Agency. From December 2022, EY Ireland is also registered with the UK Financial Reporting Council (FRC), as we undertake statutory audit work for UK PIEs.

The firm was subject to inspection by the PCAOB in September 2019. A report on the inspection of the firm was published by the PCAOB on 11 February 2021. The PCAOB conducted their most recent inspection of the firm in March 2023 and have not yet issued their report on this inspection. As part of its inspections, the PCAOB evaluates quality control systems and reviews selected engagements.

Information about the PCAOB, along with publicly available inspection reports can be found on its website: pcaobus.org.

We respect and benefit from the external inspection processes. We thoroughly evaluate the points raised during the inspections to identify areas where we can improve audit quality and the relevance to the SQM. Where applicable, engagements with significant findings and certain other engagements are subject to root cause analysis (see next section).

Together with the AQR process, external inspections provide valuable insights into the quality of EY audits. These insights help us to effectively execute high-quality audits.



Engagement-level root cause analysis and action plans

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

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



Audit quality indicators

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

Enabled by the EY organisation's strong global integration of tools, practices and policies, country specific data is accumulated monthly on a variety of topics. The AQIs include both leading and lagging quality-related indicators and span across themes related to execution, talent, remediation and enablement. Each AQI is measured against established geographically specific and global targets, with outliers requiring an evaluation and remediation plan. The AQIs are also aligned to the EY accountability framework to reinforce priorities for the country leadership network and are subject to an annual review to help ensure they remain relevant and responsive to quality initiatives.

Examples of EY AQIs include:

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

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

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

In Ireland, AQIs from the following areas: resourcing, engagement performance, compliance and inspection findings are monitored regularly and are presented to the EY Ireland Audit Quality Board (AQB) on a quarterly basis as part of our effective oversight of the audit practice's ability to deliver high-quality audits.



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

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

If any deficiencies are identified, a root cause analysis process is executed to determine the root cause, to assess the severity and pervasiveness of the deficiency, and to develop responsive actions.

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

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

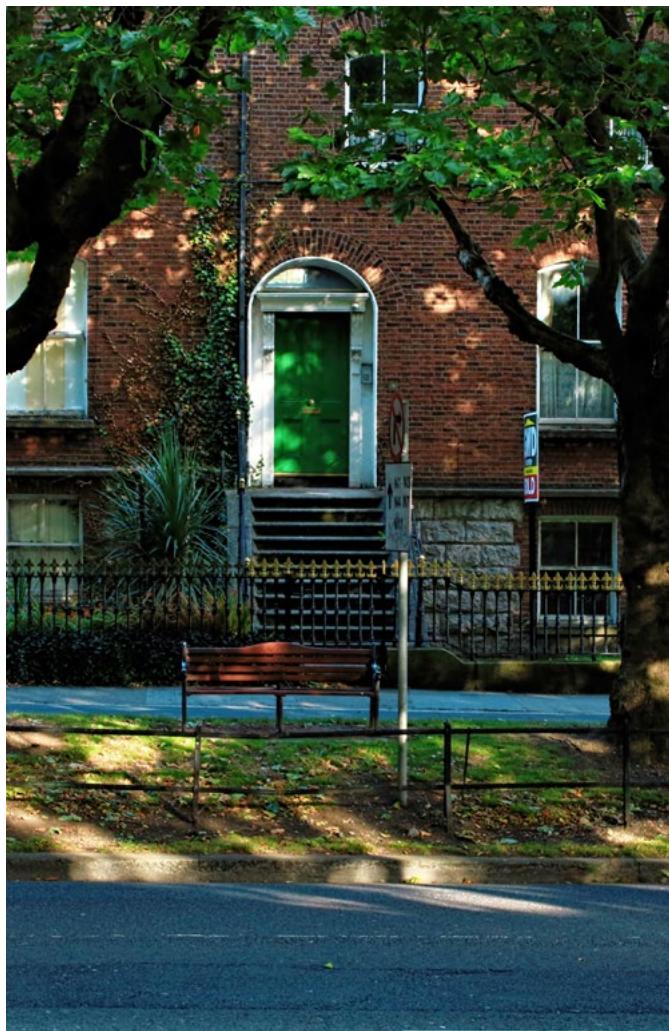


System of Quality Management Quality Improvement Plans

For any identified deficiencies, EY Ireland quality improvement plans are developed, which include:

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

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





Infrastructure
Supporting Quality

Infrastructure Supporting Quality



Strategy

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

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

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

Through a data-driven approach, enabled by the transformation and integration of our digital technology capabilities, EY teams will continue to deliver high-quality audits with independence, integrity, objectivity and professional scepticism. EY member firms provide their audit professionals with additional training and enablement to help detect fraud. The data-first approach and enhanced training elevates EY teams' experiences, so they can spend more time addressing risks and exercising professional judgment.

EY member firms remain future-focused as they transform, including ever-more sophisticated data analytics and efficiently delivering greater insight in support of the high-quality audits that are valued by the entities that EY member firms audit and the capital

markets. By applying leading-edge technologies, EY Assurance services teams contribute meaningfully to the overall EY purpose of Building a Better Working World.

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



Global Audit Quality Committee

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

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



Quality Enablement Leaders

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

Empowerment for audit teams is enabled by:

- ▶ Delivering audit engagement team coaching.
- ▶ Deploying technical enablement related to the adoption of new auditing standards.
- ▶ Driving proficiency in the use of automated tools and techniques.

Operational excellence for the Audit service is achieved through:

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

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

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Quality is key to everything we do at EY. As Ireland QEL, I am proud to be able to work with our engagement teams to deliver on this commitment to quality. Our goal is to enable stronger teams who by embracing different ways of working and thinking consistently deliver high-quality audits.



George Deegan
EY Ireland Quality Enablement
Leader

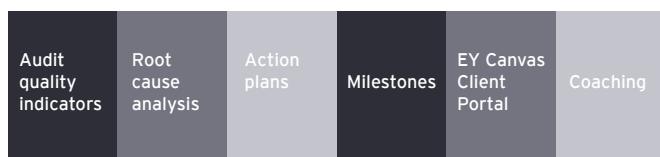


Sustainable audit quality

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

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

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



Further detail on those activities not previously discussed include:

Milestones

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

EY Canvas Client Portal

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

Coaching

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

In addition, our local Audit Quality Support Team (AQST) initiative involves a dedicated team of experienced auditors, brought together to perform real-time, in-depth, independent reviews of a sample of audits for each audit cycle.

These coaching programmes enhance the quality of both the audit under review and other audits on which team members apply the lessons learned. They offer

input to our learning and development programme for the rest of the audit division, including identifying common themes and examples of good practice.

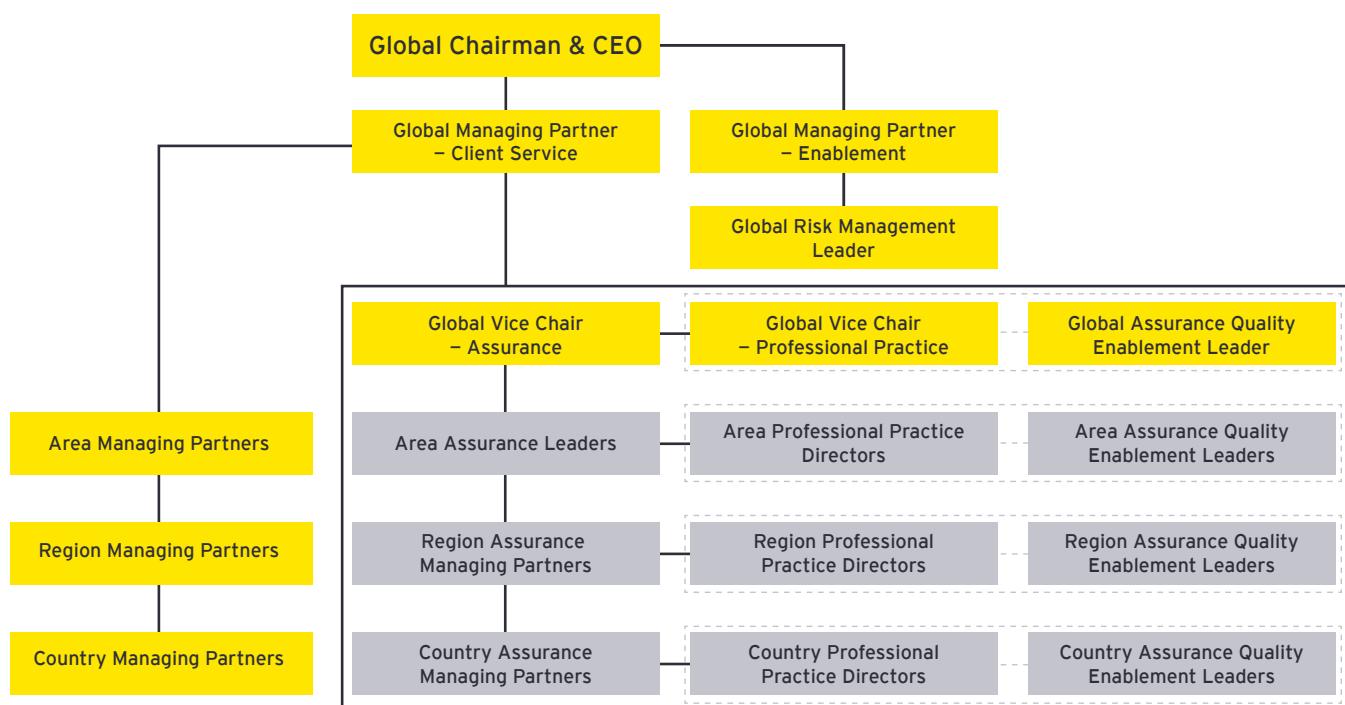


Professional Practice

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

The Global PPD also leads and oversees the Global Professional Practice group. This is a global network of technical subject-matter professionals in accounting and auditing standards who are consulted on accounting, auditing and financial reporting matters; and perform various practice monitoring and risk management activities. In addition, the Professional Practice group is expanding its capacity on non-financial reporting in anticipation of the finalisation of the inaugural standards by the International Sustainability Standards Board.

Assurance governance*



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

The EY Ireland PPD, Marie Treacy, leads the Professional Practice group in Ireland and is the Audit Compliance Principal for the Irish Firm. Marie is also the principal liaison in EY Ireland with our audit regulators.

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

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

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

Further, as noted above, the EY Ireland PPD has operational responsibility for monitoring the SQM. This includes concurring with or proposing changes to the recommended SQM annual evaluation conclusion. The SQM monitoring process is coordinated and monitored by representatives of Global PPD.



Risk Management

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

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

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

EY Ireland has appointed a Chief Risk Officer, Carol Murphy, who leads on Risk Management initiatives (supported by our Risk Management function, and other staff and professionals), including coordinating with the service lines on such matters.

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

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

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

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

The Global Data Protection and Confidentiality Policy (previously discussed) sets out requirements when handling sensitive and restricted information, including personal data. EYG member firms have a continuing responsibility to communicate local changes in law or regulation, reflecting the ever-changing landscape of restrictions on the use of data. The Global Data Protection and Confidentiality Policy was developed in accordance with applicable law, regulatory frameworks (such as the EU General Data Protection Regulation (GDPR)), and relevant professional standards. The policy provides clarity for EYG member firms and their employees and connects to related policies and guidance on information security, records retention, social media utilisation, and other data protection-related topics.



Cybersecurity

Managing the risk of major and complex cyber-attacks is a part of conducting business for all organisations. While no organisation or system is immune from the threat of cyber-attacks, EY Ireland is vigilant in the steps we take to secure and protect client data.

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

Beyond technical and process controls, all EY people are required to annually affirm in writing their understanding of the principles contained in the EY Global Code of Conduct and their commitment to abide by them. Our people are required to undertake a range

of awareness learning activities including security and data protection. Our EY policies outline the due care that must be taken with technology and data, including, but not limited to, the Global Information Security Policy, and a Global Policy on the acceptable use of technology. EY cybersecurity policies and processes recognise the importance of timely communication and reporting.

At EY, we take an action-oriented approach that is focused on creating a culture of cybersecurity awareness. EY people receive regular and periodic communications, reminding them of their responsibilities outlined in these policies and of general security awareness practice.



Non-financial reporting

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

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

As part of our and other EYG member firms' obligation for high-quality assurance services related to non-financial reporting, EY has developed guidance, training and monitoring programmes and processes used by EYG member firm professionals to execute such services consistently and effectively. This includes the EY Climate Change and Sustainability Services – a dedicated team of sustainability professionals. Guidance has also been developed for audit engagement teams to assess the impact of climate risk on financial reporting under International Financial Reporting Standards

(IFRS) or other financial reporting frameworks. The Global, Area, Regional and Country PPDs, EY quality functions and IFRS desks, together with other finance and sustainability professionals, who work with teams in each member firm, are knowledgeable about the changing regulatory non-financial reporting landscape, EY people, clients and processes. They are readily accessible to support Assurance engagement teams.

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

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

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ESG reporting is an area of increased focus for companies as they prepare to report under the Corporate Sustainability Reporting Directive. The EY Sustainability Assurance Methodology (EY SAM), provides for the delivery of high-quality assurance services through the consistent application of judgements and procedures, which are aligned with International Assurance Standards in all engagements, regardless of the level of assurance required.

Derarca Dennis
EY Ireland Climate Change & Sustainability Services Lead



Independence Practices



Independence Practices

The EY Global Independence Policy requires EY Ireland and our people to comply with the independence standards applicable to specific engagements, e.g., the IESBA Code of Ethics and the Ethical Standard for Auditors (Ireland) issued by IAASA. The EY Global Independence Policy is an example of a policy issued by EYG to enable the operation of the SQM and the performance of ISQM 1 engagements.

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

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

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



EY Global Independence Policy

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

EY Global Independence Policy is an example of an intellectual resource provided by a Global Function to drive consistency in the System of Quality Management.



Global Independence System

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

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



Global Monitoring System

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

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



Independence compliance

EY has established several processes and programmes aimed at monitoring the compliance with independence requirements of EYG member firms and their people. These include the following activities, programmes and processes.



Independence confirmation

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

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



Independence compliance reviews

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



Personal independence compliance testing

Each year, the EY Global Independence team establishes a programme for personal independence compliance testing (PICT), which is an audit of an individual's compliance with the requirement to report financial interests in GMS. As part of the PICT, the selected individuals will provide account statements and other documentation of their financial interests, which are then compared to information reported in GMS as of the relevant period being tested to determine if there are unreported interests. Any unreported interests are evaluated with consequences assigned as deemed appropriate. For the 2023 testing cycle, EY Ireland tested more than 173 partners and other personnel.



Non-audit services

EY monitors compliance with professional standards, laws and regulations governing the provision of non-audit services to audited entities through a variety of mechanisms. These include the use of tools, such as PACE (see page 24) and the Service Offering Reference Tool (SORT) (see over), and training and required procedures completed during the performance of audits and internal inspection processes. There is also a process in place for the review and approval of certain non-audit services in advance of accepting the engagement.



Global independence learning

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

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

The annual independence learning programme covers independence requirements, focusing on recent changes to policy, as well as recurring themes and topics of importance. Timely completion of annual independence learning is required and is monitored closely. EY Ireland supplements this programme with local content to cover local independence requirements under the Ethical Standard for Auditors (Ireland) issued by IAASA that differ from the EY Global Independence Policy.

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

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



Service Offering Reference Tool

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

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

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



Business Relationships Independence Data Gathering and Evaluation (BRIDGE)

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

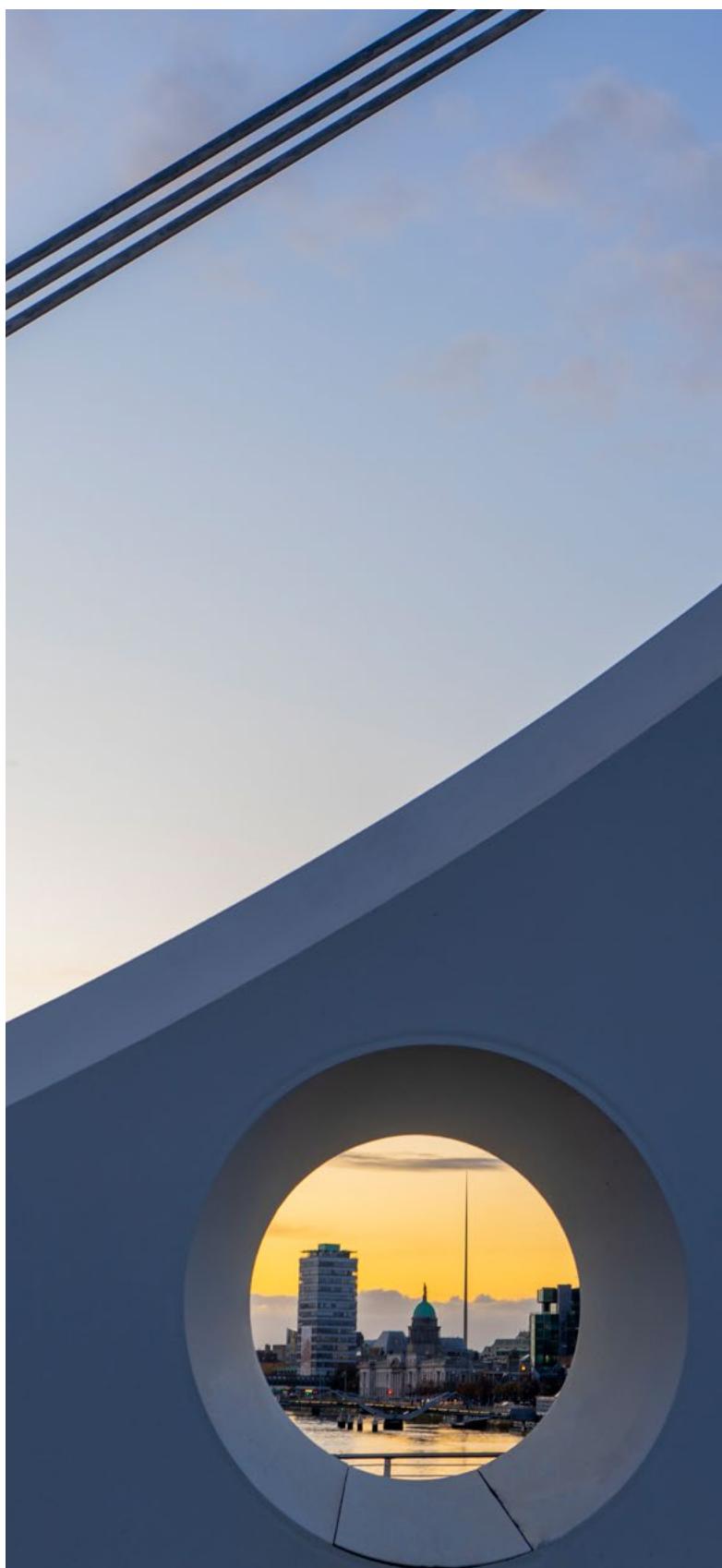
BRIDGE is an example of a technological resource made available to EYG member firms to drive consistency in the System of Quality Management.



Audit committees and oversight of independence

We recognise the important role audit committees and similar corporate governance bodies undertake in the oversight of auditor independence. Empowered and independent audit committees perform a vital role on behalf of shareholders in protecting independence and preventing conflicts of interest. We are committed to robust and regular communication with audit

committees or those charged with governance. Through the EY quality review programmes, we monitor and test compliance with EY standards for audit committee communications, as well as the pre-approval of non-audit services, where applicable.





Investing in Exceptional
Talent and Continuing
Education

Investing in Exceptional Talent and Continuing Education



Development of EY people

The EY employee value proposition (EVP) is the promise we give to our employees for working at EY Ireland. But this is not something that just happens; it is on our people to make it happen. EY Ireland provides the opportunities, the scale, the technology, the learning and the diverse and inclusive culture. It is up to our people to build their own exceptional experience from the building blocks EY Ireland offers.

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

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

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

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

Talent investment needs to focus more broadly on the development of new skillsets – enabling teams to

harness the full potential of new technology and bring a new lens to their work.

In addition, the EY organisation has taken action to address emerging risks, through both training and a focus on increasing awareness of these risks. Common themes that teams need to focus on are communicated throughout the organisation.



Attracting and recruiting talent

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

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



Retention and focus on wellbeing

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

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

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

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

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

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

Personalised careers with diverse experiences

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

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

Promotions focus on people's skills, not the number of years in a post. For example, the EY organisation

is introducing more "agile promotions," where career progression takes place when an individual is ready rather than at set times in the year.

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

The Ireland March 2023 employee People Pulse survey, noted 80% of respondents agreed that at EY Ireland, they know which skills they need to build the career they want.



Mobility

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

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

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

A mobility return on investment analysis showed that international experience increased retention (+15%) and positively impacted career opportunities. Ninety-five percent of mobility assignees reported a positive impact on career one year post-assignment, 97% of assignees said their international assignment experience was exceptional and 95% would recommend an EY mobility assignment.

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EY Ireland is committed to investing in our number one asset – our talent. Talent investment needs to focus more broadly on the development of new skillsets – enabling teams to harness the full potential of new technology and bring a new lens to their work.



Niamh O'Beirne
People Lead

Engagement

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

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

The March 2023 employee People Pulse survey for EY Ireland showed that 68% of audit professionals had a favourable attitude in terms of engagement maintaining the same level as the prior year.

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

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

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

EY Assurance runs an initiative known as “Global Voices” which unites 200 high-performing junior professionals from across the world and all sub-service lines. Its purpose is to empower and engage the EYG

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

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

The performance management framework extends to partners, principals, executive directors and directors, and applies to all EYG member firms around the world. It reinforces the global business agenda by continuing to link performance to wider goals and values. The process includes goal setting, ongoing feedback, personal development planning and an annual performance review, all tied to partners'

recognition and reward. Documenting partners' goals and performance is the cornerstone of the evaluation process. A member firm partner's goals are required to reflect various global and local priorities across six metrics, the most important one being quality.

Performance management

member firms' workforces by seeking their feedback on a wide range of topics of strategic importance, to broaden leadership perspectives. Leadership teams are increasingly engaged and motivated to understand the group's perspectives on business-critical challenges like talent retention, technology and innovation and ESG & societal impact.



The Audit Academy

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

Inspection and quality review findings are reviewed regularly to assess and address root causes, and the conclusions are then fed into the Audit Academy curriculum to enhance and strengthen continual learning.

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

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



Professional development

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

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

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

In total, during the financial year to 30 June 2023, EY audit professionals undertook 8.8m hours of learning globally (compared with 8.2m hours for the previous year), averaging 87.6 hours each.

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

In the March 2023 employee People Pulse survey, 84% of respondents said that EY Ireland provides them with learning opportunities that build the skills they need to be successful (down 2% on March 2022) and 80% said that what they are learning at EY is helping them to achieve their career aspirations (staying consistent with the 2022 result).

There are also a variety of learning programmes that have been developed specifically for member firm partners. These are available to all member firm partners worldwide and cover topics including Transformative Leadership, Disruptive Technology, and Sustainability. These are supplemented by high-touch, immersive programmes for select groups of partners on topics such as Client Leadership and Disruptive

Technology, and there are also regular learning programmes on audit-specific topics such as fraud.

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

EY Ireland requires audit professionals to obtain at least 20 hours of continuing professional education each year and at least 120 hours over a three-year period. Of these hours, 40% (eight hours each year and 48 hours over a three-year period) must cover technical subjects related to accounting and auditing.



Knowledge and internal communications

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

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



A photograph of a suspension bridge made of wood and ropes, stretching across a steep, grassy cliffside. A large, craggy rock formation is visible on the left. The ocean is in the background under a clear blue sky.

Revenue and Remuneration

Revenue and Remuneration



Financial information

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

Revenue is presented in accordance with Regulation (EU) 537/2014 and included for revenues from:

- ▶ Statutory audit of annual and consolidated financial statements of PIEs, and entities belonging to a group of undertakings whose parent undertaking is a PIE.
- ▶ Statutory audit of annual and consolidated financial statements of other entities.
- ▶ Permitted non-audit services to entities audited by the statutory auditor or the audit firm.
- ▶ Non-audit services to other entities.

Financial information for EY Ireland and EY Law combined (Republic of Ireland) for the period ended on 30 June 2023 expressed in euro thousand:

Service	Revenue	Percent
Statutory audits and directly related services for PIEs	18,507	3%
Statutory audit of annual and consolidated financial statements of other entities	155,060	23%
Non-audit services provided to companies we audit	27,293	4%
Non-audit services provided to other entities	459,044	70%
Total revenue	659,904	100%

Total revenue includes expenses and disbursements on clients which represents certain amounts recharged by other EY member firms.

Total Island of Ireland revenue, including EY Law was €705m in FY23 compared to €536m in FY22 (year on year increase of 31%).



Partner remuneration

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

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

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

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

The EY partner compensation philosophy calls for meaningfully differentiated rewards based on a partner's level of performance, as measured within the context of the performance management framework. Partners are assessed annually on their performance

in delivering high-quality, exceptional client service and people engagement, alongside financial and market metrics.

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

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

- ▶ Experience.
- ▶ Role and responsibility.
- ▶ Long-term potential.





Appendix 1: List of PIE Audit Clients

Appendix 1: List of PIE Audit Clients



EY Ireland PIE audit clients

In the fiscal year that ended on 30 June 2023, EY Ireland performed audits of the following PIEs:

- ▶ Aetna Health Insurance Company of Europe Designated Activity Company
- ▶ ALD Re Designated Activity Company
- ▶ Alum Bay Designated Activity Company
- ▶ Amethyst Structured Finance Public Limited Company
- ▶ Arca Vita International Designated Activity Company
- ▶ Ares European CLO IX Designated Activity Company
- ▶ Aryzta Euro Finance Designated Activity Company
- ▶ Athora Ireland Public Limited Company
- ▶ Atlas Copco Finance Designated Activity Company
- ▶ Azimut Life Designated Activity Company
- ▶ Beazley Insurance Designated Activity Company
- ▶ Becare Designated Activity Company
- ▶ Beechwood Structured Finance Public Limited Company
- ▶ Benbulbin Capital Public Limited Company
- ▶ Bilbao CLO I Designated Activity Company
- ▶ Carlyle Global Market Strategies Euro CLO 2014-3 Designated Activity Company
- ▶ Carlyle Global Market Strategies Euro CLO 2015-3 Designated Activity Company
- ▶ Classic Brand (Europe) Designated Activity Company
- ▶ Clwyd Managed Futures and Hedge Fund Strategy, a sub-fund of LGPS Hedge Fund ICAV
- ▶ Coriolanus Designated Activity Company
- ▶ Cork Street CLO Designated Activity Company
- ▶ Guardaith Designated Activity Company
- ▶ daa Finance Public Limited Company
- ▶ Diversified Notes Public Limited Company
- ▶ Eirles One Designated Activity Company
- ▶ Eirles Three Designated Activity Company
- ▶ Eirles Two Designated Activity Company
- ▶ Eperon Finance Public Limited Company
- ▶ Espaccio Securities Public Limited Company
- ▶ European Residential Loan Securitisation 2019-NPL1 Designated Activity Company
- ▶ European Residential Loan Securitisation 2019-NPL2 Designated Activity Company
- ▶ European Residential Loan Securitisation 2020-NPL1 Designated Activity Company
- ▶ Fundlogic Alternatives Public Limited Company
- ▶ Golden Arches Insurance Designated Activity Company
- ▶ Greenstreet Structured Financial Products Public Limited Company
- ▶ HANetf ETC Securities Public Limited Company
- ▶ HANetf ICAV
- ▶ Harvest CLO VII Designated Activity Company
- ▶ Harvest CLO VIII Designated Activity Company
- ▶ Harvest CLO XII Designated Activity Company
- ▶ Harvest CLO XIV Designated Activity Company
- ▶ Harvest CLO XIX Designated Activity Company
- ▶ Harvest CLO XV Designated Activity Company
- ▶ Harvest CLO XVI Designated Activity Company
- ▶ Harvest CLO XVIII Designated Activity Company
- ▶ Intesa Sanpaolo Bank Ireland Public Limited Company
- ▶ Intesa Sanpaolo Life Designated Activity Company
- ▶ Ipanema Capital Public Limited Company
- ▶ iShares Physical Metals Public Limited Company
- ▶ ITX Re Designated Activity Company
- ▶ Ixion Public Limited Company
- ▶ Jubilee CLO 2014-XIV Designated Activity Company
- ▶ Jubilee CLO 2015-XV Designated Activity Company
- ▶ Jubilee CLO 2015-XVI Designated Activity Company
- ▶ Jubilee CLO 2017-XIX Designated Activity Company

- ▶ Jubilee CLO 2017-XVIII Designated Activity Company
- ▶ Jubilee CLO 2018-XX Designated Activity Company
- ▶ Kingspan Group Public Limited Company
- ▶ KPN Insurance Company Designated Activity Company
- ▶ Legal & General UCITS ETF Public Limited Company
- ▶ Lunar Funding V Public Limited Company
- ▶ MAN Funds Public Limited Company
- ▶ MBDA Insurance Designated Activity Company
- ▶ Nimrod Capital Public Limited Company
- ▶ Opal Financial Products Public Limited Company
- ▶ Ottam Mexican Capital Trust Designated Activity Company
- ▶ PAN Insurance Designated Activity Company
- ▶ Phoenix Life Assurance Europe Designated Activity Company
- ▶ Porsche International Reinsurance Designated Activity Company
- ▶ Probus Insurance Company Europe Designated Activity Company
- ▶ Profile Finance Public Limited Company
- ▶ Prysmian Re Company Designated Activity Company
- ▶ Recolte Securities Public Limited Company
- ▶ SEB Life International Assurance Company Designated Activity Company
- ▶ Securitas Group Reinsurance Designated Activity Company
- ▶ SG RiskPartners Designated Activity Company
- ▶ Silverstate Financial Investments Public Limited Company
- ▶ SSGA SPDR ETFs Europe I Public Limited Company
- ▶ SSGA SPDR ETFs Europe II Public Limited Company
- ▶ Standard Life International Designated Activity Company
- ▶ UBS (Irl) ETF Public Limited Company
- ▶ UBS (Irl) Fund Solutions Public Limited Company
- ▶ Ulster Bank Ireland Designated Activity Company
- ▶ UnipolRe Designated Activity Company
- ▶ UTI Goldfinch Funds Public Limited Company
- ▶ Vermillion Protective Bond Portfolio Public Limited Company
- ▶ Vespucci Structured Financial Products Public Limited Company
- ▶ Vigado Capital Public Limited Company
- ▶ Volkswagen Insurance Company Designated Activity Company
- ▶ Volkswagen Reinsurance Company Designated Activity Company
- ▶ Voya Euro CLO I Designated Activity Company
- ▶ Voyce Investments Public Limited Company
- ▶ Waterford Capital Investments Public Limited Company
- ▶ Waves Financial Investments Public Limited Company
- ▶ Wisdomtree Issuer ICAV
- ▶ WisdomTree Multi Asset Issuer Public Limited Company
- ▶ XL Insurance Company SE
- ▶ XL Re Europe SE
- ▶ Zurich Insurance Public Limited Company
- ▶ Zurich Life Assurance Public Limited Company





Appendix 2: Approved EYG Member Firms

Appendix 2: Approved EYG Member Firms



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

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

Member state	Statutory auditor or audit firm
Austria	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Belgium	EY Assurance Services SRL
	EY Bedrijfsrevisoren SRL
	EY Europe SRL
Bulgaria	Ernst & Young Audit OOD
Croatia	Ernst & Young d.o.o.
Cyprus	Ernst & Young Cyprus Limited
	Ernst & Young
	EY & Young CEA (South) Services Ltd
	EY & Young CEA (South) Holdings Plc
Czech Republic	Ernst & Young Audit, s.r.o.
Denmark	EY Godkendt Revisionspartnerselskab
	EY Partnership P/S
	Komplementarselskabet af 1. januar 2008 A/S
	EY Grønland Godkendt Revisionsanpartsselskab
Estonia	Ernst & Young Baltic AS
	Baltic Network OU
Finland	Ernst & Young Oy
France	Auditex
	Ernst & Young Audit
	Ernst & Young et Autres
	EY & Associés
	Picarle et Associes

Member state	Statutory auditor or audit firm
Germany	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
	Ernst & Young Heilbronner Treuhand-GmbH Wirtschaftsprüfungsgesellschaft
	EY Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
	Treuhand-Süd GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft
	TS GmbH Wirtschaftsprüfungsgesellschaft
	TS Treuhand GmbH Wirtschaftsprüfungsgesellschaft
	Schitag Schwäbische Treuhand GmbH Wirtschaftsprüfungsgesellschaft
Greece	Ernst & Young (Hellas) Certified Auditors Accountants S.A.
Hungary	Ernst & Young Könyvvizsgáló Korlátolt Felelősségi Társaság
Iceland	Ernst & Young ehf
Ireland	Ernst & Young Chartered Accountants
Italy	EY S.p.A.
Latvia	Ernst & Young Baltic SIA
Liechtenstein	Ernst & Young AG, Basel
	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany
	Ernst & Young AG, Vaduz
Lithuania	Ernst & Young Baltic UAB
Luxembourg	Ernst & Young Luxembourg S.A.
	EYL Luxembourg Ernst & Young S.A.
Malta	Ernst & Young Malta Limited
Netherlands	Ernst & Young Accountants LLP
Norway	Ernst & Young AS
Poland	Ernst & Young Audyt Polska sp. z o.o.
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Finance sp. k
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Doradztwo Podatkowe sp. k.
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.
	Ernst & Young Usługi Finansowe Audyt sp. z o.o.
Portugal	Ernst & Young Audit & Associados—SROC, S.A.
Romania	Ernst & Young Assurance Services SRL
	Ernst & Young Support Services SRL
Slovakia	Ernst & Young Slovakia, spol. s r.o.
Slovenia	Ernst & Young d.o.o.
Spain	ATD Auditores Sector Público, S.L.U
	Ernst & Young S.L.
Sweden	Ernst & Young AB

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

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