



Our vision, values and impact

UN Global Compact 2013



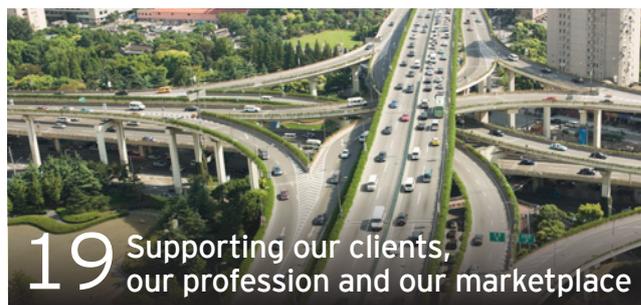
EY

Building a better
working world

Table of contents



- 07 High-performing teams
- 08 Diversity and inclusiveness
- 10 Learning and development
- 12 Empowering leaders
- 15 Our workplace
- 16 Listening and communicating
- 17 Awards
- 18 Policies and frameworks that set a strong foundation



- 20 Exceptional client service
- 22 Supporting entrepreneurs
- 27 Increasing opportunities for women in business
- 32 Strengthening our profession
- 33 Internal rigor and anti-corruption policies



- 37 Supporting clients
- 38 Carbon footprint
- 39 Changing behavior



- 41 Human rights
- 41 Labor
- 42 Environment
- 42 Anti-corruption
- 43 UN Women's Empowerment Principles



About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

Our combined global revenues for the financial year ending 30 June 2013 were US\$25.8 billion. With a total headcount of 175,000 people (as at 30 June 2013), EY operates in more than 150 countries around the world. Read our [Global Review 2013](http://www.ey.com/globalreview), which can be found at www.ey.com/globalreview, to learn more about our financial performance and for further information about EY.

UN Global Compact

The Communication on Progress 2013 provides brief highlights of actions that EY is taking on a global basis to address United Nations Global Compact (UNGC) principles on human rights, labor, the environment and anti-corruption. The 10 principles are listed below, and throughout the report you will see how EY upholds them. Read pages 40-43 for an overview of each UN principle and the correlating EY activity.

Human rights

- ▶ Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights
- ▶ Principle 2: Make sure that they are not complicit in human rights abuses

Labor

- ▶ Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- ▶ Principle 4: The elimination of all forms of forced and compulsory labor
- ▶ Principle 5: The effective abolition of child labor
- ▶ Principle 6: The elimination of discrimination in respect of employment and occupation

Environment

- ▶ Principle 7: Businesses should support a precautionary approach to environmental challenges
- ▶ Principle 8: Undertake initiatives to promote greater environmental responsibility
- ▶ Principle 9: Encourage the development and diffusion of environmentally friendly technologies

Anti-corruption

- ▶ Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery



Introduction

In 2013, we launched Vision 2020, which sets out EY's purpose, ambition and strategy. In creating Vision 2020, we spent time looking at the world around us, speaking with people inside and outside of EY: leading thinkers, clients and our people. In the process, we realized that our purpose is clear - building a better working world. We believe that everything we do - every audit, every tax return, every advisory opportunity, every interaction with a client or colleague - should build trust and confidence and make the working world better than it was before.

We know that building a better working world is an ambitious objective, and we know that we can't do it on our own. We also understand our obligation to look beyond our self-interest and engage with our stakeholders - investors, clients, regulators and other governmental bodies, and not-for-profit organizations - to collaborate to create positive change.

As part of this commitment, we are proud to be members of the United Nations Global Compact (UNGC). The 10 principles outlined by the UNGC align closely with our own purpose and values, and we share a desire to build a sustainable and inclusive global economy that delivers lasting benefits to people, communities and markets.

In this report, you can read about how EY is building a better working world and upholding the UNGC principles in the areas of human rights, labor, anti-corruption and environment. Additional information about EY can be found in our [Global Review 2013](http://www.ey.com/globalreview) (www.ey.com/globalreview), [Global Transparency Report 2013](http://www.ey.com/transparencyreport) (www.ey.com/transparencyreport) and [EY Global Code of Conduct](http://www.ey.com/codeconduct) (www.ey.com/codeconduct).



Mark A. Weinberger
Global Chairman and CEO



Supporting our people

As a professional services organization, our success is dependent on the quality and commitment of our people and how they team together. That is why creating the highest-performing teams - attracting, developing and inspiring the best people and promoting a culture that supports them in working together - is central to EY's strategy.

We know that bright, talented people are keen to develop personally and professionally. We are passionate about helping our people reach their goals and ensuring that their time at EY is valuable in terms of what they learn, the experiences they get and in building their own personal brand.

Reflecting this, we have developed a unique proposition for our people. We promise that whenever they join EY, however long they stay, the exceptional EY experience lasts a lifetime. Supporting this promise, we are committed to:

- ▶ Creating a valuable recruiting experience through initiatives such as global internship programs
- ▶ Providing the best learning and development through training, mentoring and on-the-job experience
- ▶ Promoting an inclusive culture that celebrates diversity in the workplace
- ▶ Giving our people flexibility and choice in their work arrangements
- ▶ Ensuring the safety, health and well-being of our people around the world

In this section, you can read about our award-winning culture, our commitment to developing our people and how we are evolving to meet the changing needs of our workforce.

“Building a high-performing team depends on a work culture that encourages collaboration and respects difference. Our clients come to us with complex challenges that no single person can fix. The best answers come about through combining the right people, who can look at those challenges from different angles. We work hard to create an inclusive culture that really helps our diverse mix of people bring out the best in each other.”

- Mike Cullen, Global Managing Partner, Talent, EY

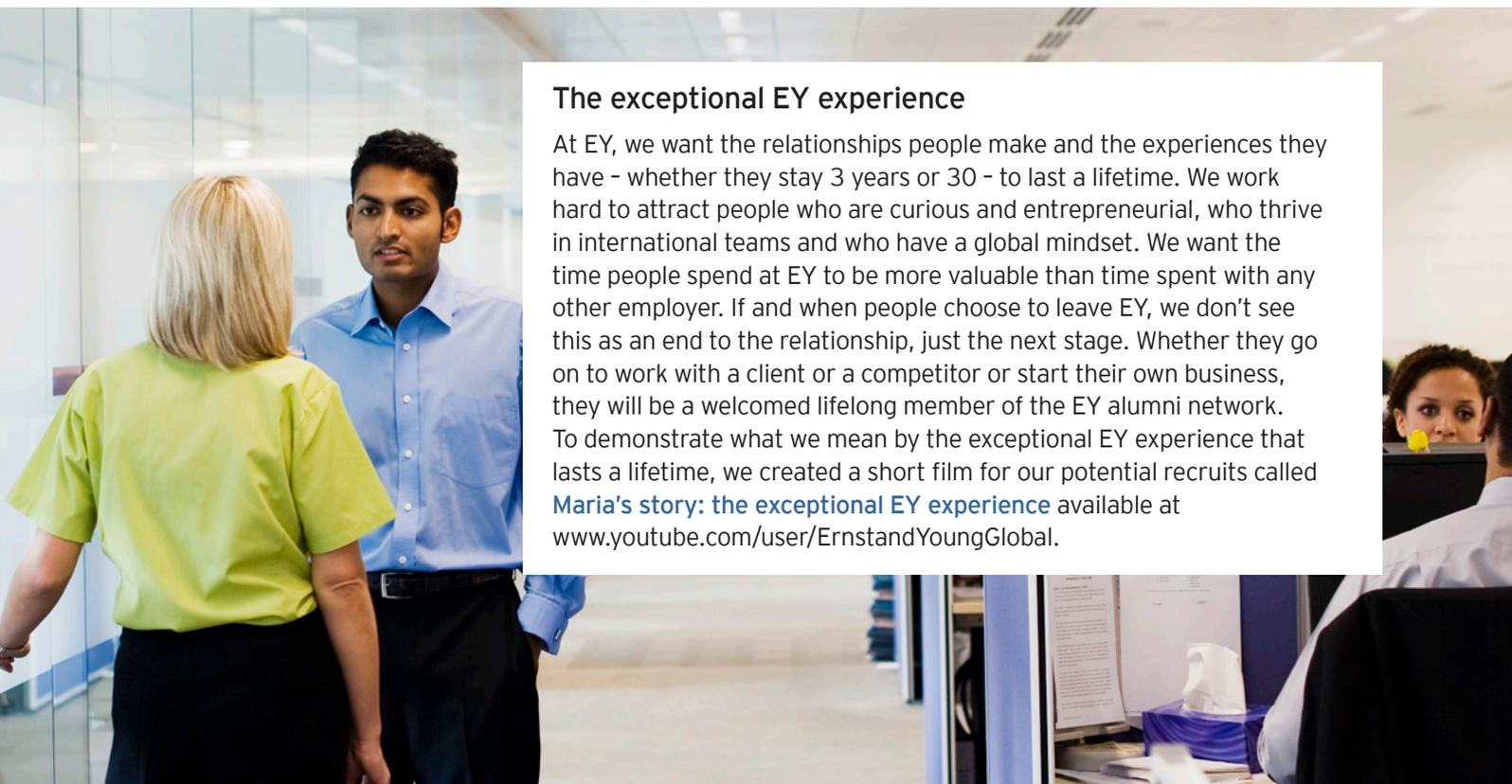
Creating high-performing teams

As the most globally integrated organization in our profession, we are proud of our culture of teaming. Whether our teams are local or cross-border, our people are committed to achieving goals and delivering great results for our clients.

We know from experience and research that our best-performing teams are made up of highly engaged individuals from a diverse range of backgrounds. These teams excel by being adaptable and flexible without

losing focus and by welcoming diverse views. They consistently use best-in-class approaches, tools and methodologies; undertake learning, experience and coaching; and are always focused on delivering the best results, rather than on where, when or how the work gets done.

To support these teams, we are committed to providing our people with training that develops their skills, challenging client opportunities, a diverse workplace, flexibility and choice, and a framework to guide their career development.



The exceptional EY experience

At EY, we want the relationships people make and the experiences they have - whether they stay 3 years or 30 - to last a lifetime. We work hard to attract people who are curious and entrepreneurial, who thrive in international teams and who have a global mindset. We want the time people spend at EY to be more valuable than time spent with any other employer. If and when people choose to leave EY, we don't see this as an end to the relationship, just the next stage. Whether they go on to work with a client or a competitor or start their own business, they will be a welcomed lifelong member of the EY alumni network. To demonstrate what we mean by the exceptional EY experience that lasts a lifetime, we created a short film for our potential recruits called [Maria's story: the exceptional EY experience](https://www.youtube.com/user/ErnstandYoungGlobal) available at www.youtube.com/user/ErnstandYoungGlobal.



“Inclusive leaders try to understand what the world looks like to someone else, and they integrate that diverse perspective into their decision-making.”

- Beth Brooke, Global Vice Chair, Public Policy, EY

Celebrating and supporting our diverse talent

We have worked hard over the years to build a culture that celebrates and encourages diversity and inclusiveness (D&I), and our senior leaders set a positive tone from the top.

Defining D&I

Diversity at EY means the mix of people within our workforce, including differences in gender, ethnicity, national cultures, subcultures within countries, sexual orientation, disability and generation, among others - and this mix varies from one EY location to another.

Inclusiveness means the way we make that mix work. Put simply, it is about creating an environment where each person feels valued, is part of the community and is able to perform at their best.

Inclusive leadership

Our leaders take overall responsibility for D&I within EY. They are accountable for driving this through the business - through hiring, succession planning and promotion - and in leading by example. We have produced a toolkit to help our leaders communicate the importance of leading inclusively to our people, which shows how to turn the diversity of our global organization into competitive advantage and how working inclusively will help them build vital leadership skills.

In addition, our Leadership Matters Program develops the inclusive leadership capabilities of our most senior executives. The program explores the impact of unconscious bias, develops inclusive behaviors, and inspires our current and future leaders to practice inclusive leadership.

The workforce has never been more diverse and, as a global organization, we are undertaking:

► Training

- We have Enhanced Cultural Intelligence Training for teams in EY that work across cultural borders on a day-to-day basis. This training explains the importance, and advantages, of greater D&I.
- We all bring social stereotypes and cultural experiences into how we make decisions, but it is possible to improve decision making by recognizing the possible unconscious biases that might be at play. To help our people do this, we have developed an unconscious-bias toolkit and related training, which more than 11,400 employees have completed to date.

► Diversity recruitment

EY was the first of the Big Four to assign full-time, partner-level leadership to diversity recruiting. We are committed to embedding D&I into our recruiting practices. For example:

- In the US, we are focused on attracting women and ethnically diverse students and professional hires and on outreach to lesbian, gay, bisexual and transgender (LGBT) people, veterans and people with disabilities.
- Many of our regional offices, like Belgium and the Netherlands, run workshops to focus on gender-neutral recruitment and removing bias, aimed at continuing to increase the representation of female talent at all levels of the organization. These workshops include members of the campus and experienced hire recruitment teams.

- ▶ **Active support of internal and external networks**
EY has networks that help encourage and support different groups of employees. These include women's networks, LGBT networks, black networks, EY parents' networks, disability working groups, faith networks, Far East networks, South Asian networks, Latino networks and Pan-Asian networks, as well as networks that support people affected by cancer, caregivers and members of military families.

- ▶ **Sponsorships and collaboration**

- ▶ We were proud to sponsor the first LGBT global summit held by Out & Equal organization. This event brings together delegates from the world's largest businesses to discuss making workplaces safe and equitable for LGBT people and to share ideas for the future.
- ▶ We co-sponsored the European Diversity, Business and Inclusion Congress - an international gathering of senior corporate managers, human resources and corporate responsibility managers, D&I experts and practitioners, government and non-government organizations (NGOs) officials, and academics.

- ▶ We have sponsored the annual Precious Awards for six years. These UK awards recognize and celebrate talented women of color in business, who have demonstrated exceptional determination, innovation and entrepreneurial skills.

- ▶ In the UK, we are supporting the local representative for UN Women in their mission for gender equality and the empowerment of women through education and awareness, along with lobbying governments and raising funds and support for worldwide UN Women projects.

- ▶ **Providing tools**

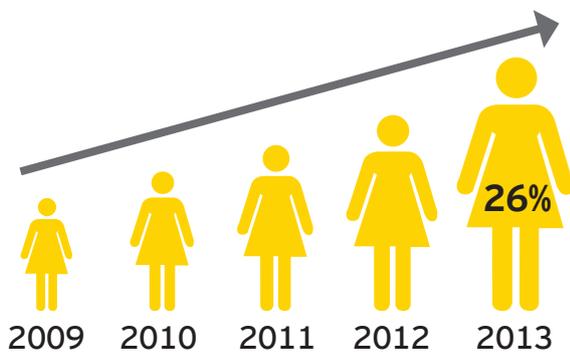
We provide tools that support D&I at work. These include GlobeSmart®, which provides business-related cultural information on more than 65 countries, helping our people in their day-to-day interactions with colleagues, clients and others from other countries.

- ▶ **Enabling mobility and cross-border opportunities**

Many of our people undertake international assignments or transfers in order to fill a business need and to develop their careers.

We are also committed to building diverse leadership teams by increasing the number of senior women leaders. While there is more work to be done, we continue to make progress in terms of representation:

- ▶ In 2013, 26% of our 520 new partners were women. This is our highest percentage intake yet and represents a steady increase from 19% in 2008.



- ▶ Our Global Advisory Council (GAC) is made up of partners from all of our geographic Areas. Of its 40 members, 11 are women, of which 2 are non-executive directors.
- ▶ Our Senior Leadership team includes seven women.

In addition, we have developed programs and networks to help our high-performing women achieve their goals. For example:

▶ **Career Watch program**

Senior leaders act as advocates for high-potential women and minorities of either gender. They ensure participants receive mentoring and are given challenging client assignments and opportunities to network with other senior leaders. Career Watch operates in Austria, Belgium, the Commonwealth of Independent States (CIS), Germany, India, the Mediterranean area, the Netherlands, the Nordics, Switzerland, the UK and the US.

▶ **Navigator program**

Despite the strong representation of women joining EY at graduate entry level, our profession still struggles to retain women at manager level and above. To address this we developed the Navigator program, which creates opportunities for female managers to develop their networks and to debate the issues they face in advancing their career.

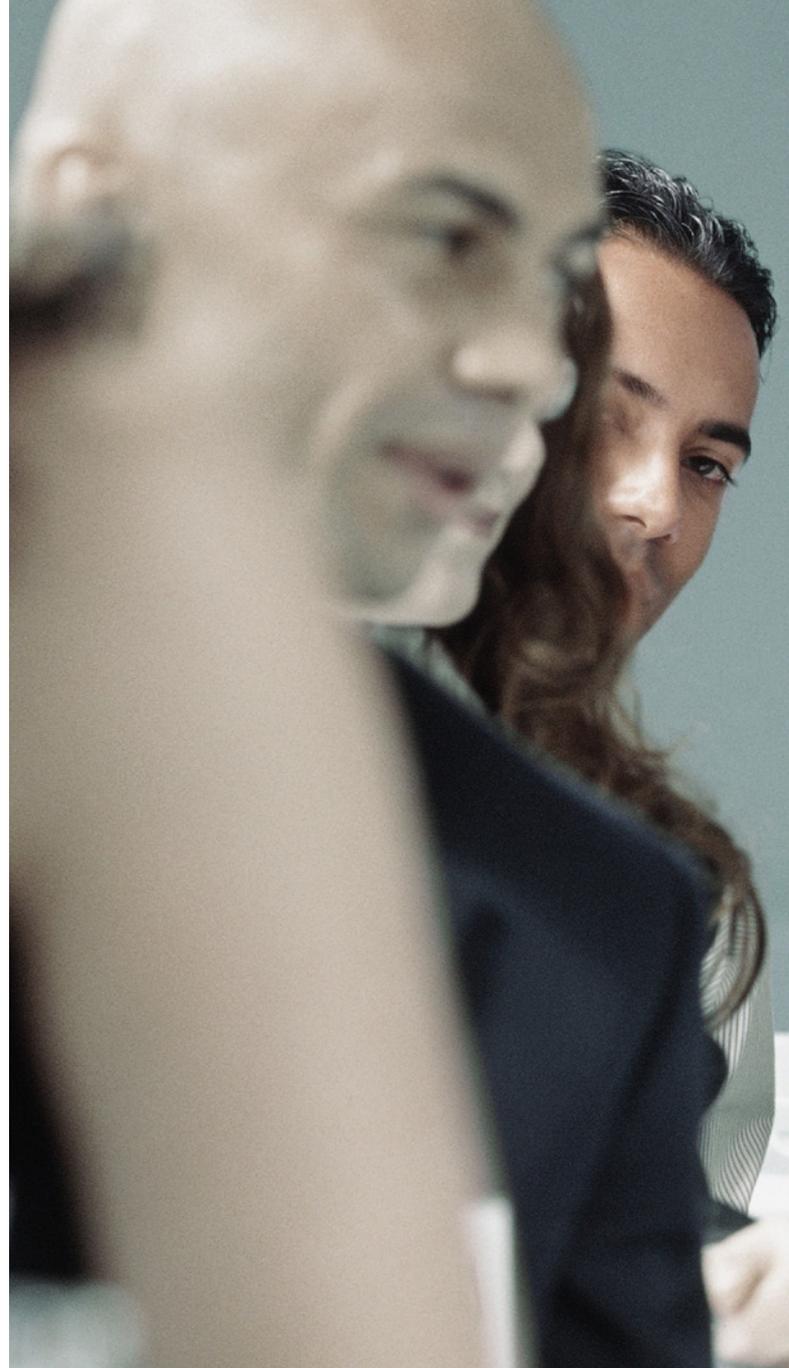
▶ **Creating internal networks**

Networking is one of the best ways women can overcome barriers to success. Our EY women's networks exist to share best practices, successes and ideas; create opportunities to connect with sponsors and role models; and bring a sense of community. We run these networks around the world – for example, in Australia, Africa, Belgium, Canada, China, India, Italy, Ireland, the Nordics, the Netherlands, Poland, the UK and the US – and we continue to expand.

Tracking progress

Setting targets and tracking our progress helps keep our focus on increasing D&I. Reflecting this, each of our geographical areas is looking at its D&I metrics and actively looking at leadership and partner pipelines and promotion processes around the world.

More broadly, we measure how people feel about our work culture through our biennial Global People Survey. In 2013, 78% of respondents in our Global People Survey felt that EY created an inclusive environment where people with diverse backgrounds and experiences can succeed.



Developing and supporting our people through world-class learning

Helping our people to learn, develop and lead is fundamental to creating value for our people and our clients. We have a unique global career development framework called EYU, which stands for “EY and You” and focuses on learning, experiences and coaching.

Monitoring and strengthening performance

EYU links to our global Performance Management and Development Process (PMDP). PMDP helps our people monitor and direct their performance and align their efforts to our strategic priorities. The most important element of PMDP is the conversations our people have with their counselors as they build their careers at EY.



**Our people took part
in over 8.5 million
hours of learning.**

(Fiscal year 2013)

Tailored training

We provide our people with access to high-quality formal learning through a structured organization-wide curriculum that contains technical content. It is accessible in a variety of formats, including:

- ▶ **Face-to-face:** through case studies, lectures and simulations
- ▶ **On-the-job training**
- ▶ **Virtual:** through web-based, videos, webcasts

Our web-based global learning management system enables people to flexibly organize their learning. They can use it to search for content, to identify where gaps in their learning might exist, and to develop a “learning map” to meet future needs.

This year, we launched our World-Class Learning Program so that our people receive the same baseline level of high-quality learning across the globe. One global team is now responsible for developing a learning curriculum that is relevant across our entire organization, as well as specific programs for each of our service lines. The program blends classroom, mobile, electronic and social learning.

Coaching

In addition to technical content, our people develop through coaching. We encourage as many coaching conversations as possible throughout the year, and our global coaching curriculum enables people to develop their coaching skills as they progress within EY.

Identifying and supporting future leaders

As part of our commitment to building a better working world, we also engage, develop and learn from young people who we believe will become future leaders - within or outside of EY. For us, this is not only about helping those who will join EY, it is about reaching as broad a group of high-school and university students as possible.

Through a variety of opportunities, we are helping the future workforce and future leaders develop the skills and characteristics required to enable businesses and societies to thrive. For example, around the world we run skills workshops or leadership development training at schools and universities. At the same time, we are also mentoring young people who may be at risk of dropping out of education to better understand their opportunities and to see their future in a different way.

Examples of our programs for young people include:

- ▶ **Campus activities** - we have developed a global toolkit to help those involved in recruiting on-campus explain to students EY's values and the opportunities and lifelong experiences available at EY. And, with around 24,000 graduates hired in FY13, we know how important it is that these future leaders understand and share our EY values.

- ▶ **Internship Program** - around the world in 2013, our 12,500 EY interns gained practical experience of working in business - helping them build their credentials and networks. The culmination of our internship program is EY's International Intern Leadership Conference (IILC) - a four-day annual event open to EY interns from around the world, where they have the chance to network and hear presentations from senior EY leaders, including the Global Chairman and CEO.
- ▶ **EY scholarships for university students** - we are helping young students through a variety of bursaries, scholarships and, in some countries, paid work experience alongside financial support. These scholarships are run locally in China, India, New Zealand, Russia, Singapore, Taiwan, the UK, Ukraine and the US for talented and ambitious students.
- ▶ **EY Degree** - is run in collaboration with a UK university and provides accountancy students with a bursary, paid work-experience, and the chance to complete some of their chartered accountancy examinations - helping them make a head start in their career.
- ▶ **Discover EY** - is an innovative two-day program run specifically for university students. It provides an insight into what a career in audit or tax has to offer through interactive workshops, case studies and one-to-one networking opportunities with EY people.
- ▶ **EY Young Tax Professional of the Year Program** - is aimed at finding the tax leaders of tomorrow. The worldwide competition gives participants the chance to make connections with tax and business leaders, to understand the key trends and challenges for the profession, and to share experiences with people from a range of backgrounds.
- ▶ **Programs or scholarships for those joining EY from high school**
 - ▶ In Mexico, our assurance practice offers scholarships to high-potential students to support their education during the last year of their high-school education as they train for full-time positions at EY.
 - ▶ In the UK, our School Leaver Program provides the chance for young people to join the workplace after high school, where they can develop valuable technical skills and gain a professional qualification over a five-year training program.



“We know that it is only by creating flexibility and choice that our people can work in a way that is right for them and for EY, while also delivering exception client service.”

- Justine Campbell, Global Talent Team Leader, EY



A dynamic and flexible work environment

High-performance teaming relies on creating the right environment for our people - one that encourages collaboration and is flexible enough to meet the demands of the modern workforce, allowing people to work seamlessly across borders and manage their time effectively.

In response, we are developing a trust-based, work-anywhere environment: introducing new IT and communications technologies, redesigning and repurposing our offices, and supporting the health and well-being of our people. These activities fall under our Workplace of the Future (WOTF) initiative and help us improve the way we team, connect and perform across teams and borders.

Ultimately, these changes will help us to continue to deliver the quality service that our clients expect and support a culture of flexibility and empowerment that helps to attract and retain great people.

Flexibility and choice

Flexibility is an increasingly important issue for our people and potential recruits - specifically the ability to combine a career with other aspects of their lives such as family commitments, volunteering in the community or sports, for example.

Seamlessly connecting our people

Providing our people with flexible work practices requires us to support them with the right technology - and our Messaging and Collaboration Program is doing just that. By accessing new and exciting technological capabilities, our people can connect with

each other more easily than ever before. For example, videoconferencing will be possible from individuals' laptops or mobile devices with just a few clicks of a button, and cloud technology will support enhanced and instant access to global information, networks and knowledge. This means our people will have increasing flexibility around where and how they work and a greater ability to adapt their working patterns to meet their client and personal commitments.

Supporting health and well-being

At EY, our health and well-being programs around the world are not just about keeping fit - they cover broader issues relating to work-life balance. In 33 countries we run assistance programs tailored for the local market, over half of which provide counseling and lifestyle support. In the US, for instance, we have a program called EY Assist, which covers fitness and wellness, academic coaching, convenience services, legal support, and clinical assessment and referral.

Safety

Wherever our people are located - at our EY offices or at a client site - their safety is our priority. Our dedicated team oversees EY's rigorous and clear policies, which have been developed to protect our people and assets against reasonably foreseeable threats that might result in injury, loss, damage or impairment.

Listening, sharing, recognizing and rewarding

Engaging with employees means listening, sharing, recognizing and rewarding them for their energy and commitment. We do this in a variety of ways - locally and globally.

Valuing and rewarding our people

EY operates in more than 150 countries worldwide, and we believe in providing our people with highly competitive compensation in keeping with local needs, the prevailing employment market circumstances and relevant business conditions.

Although compensation is a local matter, we have deployed a global compensation administration tool to 80 countries to enable a more accurate comparison of pay data. This is a significant step forward in how we maintain a fair and efficient reward process for our people. By housing all our employee reward data in one place, the tool allows our reward professionals and managers to determine and apply salary increases and bonus payments more efficiently than in the past.

Recognizing achievements

Through our Chairman's Values Award (CVA), we celebrate those who live our values in their day-to-day lives. Through a nomination process, our people have the chance to acknowledge their inspiring colleagues around them who have gone the extra mile for their clients, their colleagues and their communities.



Since 2006, more than **17,000** nominations have been submitted and **444** extraordinary people from across our global organization have been recognized as champions for their achievements.

Sharing, listening and responding

We are committed to engaging our people, understanding their views, asking for feedback and acting on it.

Listening tools

Our biennial Global People Survey (GPS) is one way we listen to our people. As part of the survey, we ask all our people how they think EY is doing. Questions cover our strategy and leadership, quality, recognition and rewards, inclusiveness, development and corporate responsibility. The survey has been in place for 10 years and provides our leadership with valuable feedback on what is working and what we can improve on.

In addition to the GPS, we keep the lines of communication open by asking for feedback through face-to-face meetings, spot surveys, polls and focus groups.

Transparent communications

No organization can engage its people without communicating with them clearly and regularly. At EY, sharing information through various communications channels is important because we believe in being transparent with our people. And in turn, we expect our people to demonstrate this culture of transparency with their stakeholders. Some of the ways we connect with our people around the world include:

- ▶ Your EY Daily News: our daily internal email newfeed
- ▶ Magazines published by our service lines
- ▶ Internal newsletters targeted at specific global groups
- ▶ Frequent opportunities to engage with our colleagues and leaders



81% of respondents to our Global People Survey feel proud to work for EY

Almost 94,000 business students from the world's top academic institutions recognized us as the world's most attractive professional service employer.

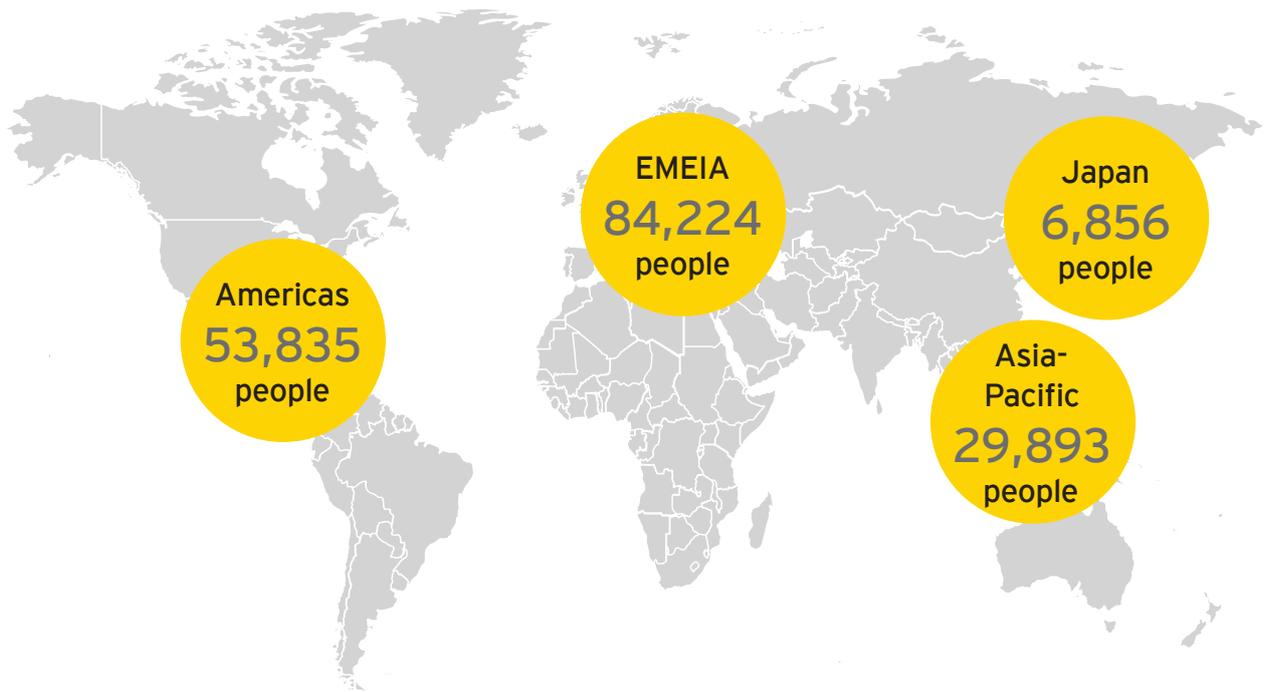
Our commitment to our people and our workplace has been recognized through various awards. In 2013, Universum named EY as the world's most attractive professional services employer - and second most attractive employer overall, as chosen by almost 94,000 business students from the world's top academic institutions in the largest 12 economies by GDP.

We were also ranked as the leading professional services organization in 6 out of 12 markets and were featured as one of the top 15 employers overall in Australia, Canada, France, Germany, India, Italy, Russia, the UK and the US.

Around the world, we have been recognized by:

- ▶ *Australian Human Resources Institute's* Diversity Award
- ▶ *Business Disability Forum's* Best Talent Award (EY UK and Ireland)
- ▶ *Catalyst Award*, for EY's dedication to the recruitment, development and advancement of women
- ▶ *Corporate Research Foundation Institute's* Best Employers (EY South Africa)
- ▶ *DiversityInc's* Top 10 Companies for Diversity for seven consecutive years
- ▶ *DiversityInc's* Top 10 Companies for Executive Women
- ▶ *ET Now's* Diversity Impact Award and Talent Leadership Award (EY India)
- ▶ *FORTUNE's* 100 Best Companies to Work For list® for 15th year
- ▶ *InBusiness* Best Workplace in Cyprus
- ▶ *Great Place to Work Institute's* Top 25 World's Best Multinational Workplaces
- ▶ *Great Place to Work Institute's* Best Companies to Work (EY Mexico and EY UK)
- ▶ *MediaCorp's* Best Diversity Employers for five consecutive years for EY Canada
- ▶ *Opportunity Now and Race for Opportunity* Top 10 private sector organizations for both gender and Black and Minority Ethnic (BME) diversity and inclusion
- ▶ *Stonewall's* European Diversity Award
- ▶ *Stonewall's* Top 100 public and private sector employers for gay, lesbian and bisexual employees (EY UK and Ireland)
- ▶ *The National Association for Female Executives* Top 10 Companies for 2014
- ▶ *The Times* Top 50 Employers for Women for EY UK and Ireland
- ▶ *The Equal Opportunity for Women in the Workplace Agency's* Employer of Choice for Women for 11 consecutive years (EY Australia)
- ▶ *Universum's* Europe Top 50: Europe's Most Attractive Employers
- ▶ *Working Mother's* Best Companies for Multicultural Women
- ▶ *Working Mother's* Top 10 Companies for Working Mothers; 100 Best Companies for Working Mothers for 15 consecutive years

Awards



A strong foundation

Like any responsible and sustainable business, we are built on the strong foundation of our values. Our senior leaders set the tone from the top, and our values are shared by our people. Our Code of Conduct and policies provide guidance on how we should behave and what we should expect from others.

Shared values

Our shared values inspire our people and guide them to do the right thing, and our commitment to quality is embedded in who we are and in everything we do. We are:

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

Code of Conduct

Our Global Code of Conduct provides a clear set of the standards that guide our actions and our business conduct. Organized into five categories, the Code contains principles that are to be followed by everyone within EY:

- ▶ Working with one another
- ▶ Working with clients and others
- ▶ Acting with professional integrity
- ▶ Maintaining our objectivity and independence
- ▶ Respecting intellectual capital

EY/Ethics hotline

We have a hotline operated by an external organization that provides confidential and anonymous reporting services. This enables our people, clients and others to report activities that may be unethical, improper or in violation of professional standards or do not meet the standard set out in EY's Global Code of Conduct. When a report comes into the EY/Ethics hotline, it receives immediate attention. Depending on the type of issue, people from Risk Management, Human Resources, Legal or other functions are involved to address it.

www.eyethics.com

For more information, read page 10, [EY Global Transparency Report 2013](#), www.ey.com/transparencyreport.



Supporting our clients, our profession and our marketplace

We are committed to delivering exceptional service to our clients and to meeting the needs of both our clients and the public interest with transparency and professionalism. Our commitment to building a better working world reflects our view that the services we deliver help build trust and confidence in the capital markets, which ultimately leads to more sustainable economic growth.

Underlying our efforts to support our clients, our profession and our marketplace is collaboration. By working together with stakeholders - governments, policymakers, nonprofits or regulators - we can create positive change.

We also believe that we can help support economic growth and job creation that is driven by entrepreneurs and the increased participation of women in business.



Building a better working world through our services

Our people, through every audit, every tax return, every advisory opportunity, every interaction with a client or colleague is making the working world a better place than it was before. And our services are helping to build trust and confidence - directly and indirectly. For example:

- ▶ Through our Assurance service line we help build confidence to stakeholders. Auditors play a vital role in the efficient functioning of our capital markets by promoting transparency and supporting investor confidence.
- ▶ Our Transaction Advisory Services help our clients raise, preserve, invest and optimize capital - and to work more efficiently and effectively.
- ▶ Our Tax service line is dedicated to helping clients meet their complex tax obligations around the globe and to understand risks associated with their tax decisions.
- ▶ Our Advisory service line focuses on improving clients' performance by helping them to translate their strategy into reality through better risk management, improved finance functions, and better supply chain and customer management.

Our standing in the market has been recognized by external organizations, with EY named:

- ▶ European Tax Compliance and Reporting Firm of the Year and European Tax Policy Firm of the Year - *International Tax Review*
- ▶ Leading global brand for sustainability services - Verdantix
- ▶ Number one in the mergermarket league tables - mergermarket
- ▶ Winner of Most Admired Knowledge Enterprise Award for 14th year by Global Most Admired Knowledge Enterprise (MAKE) - Most Admired Knowledge Enterprise



Tackling fraud and managing risk

Every day, our more than 2,000 fraud investigation and dispute professionals around the world are helping clients deal with complex issues of fraud, regulatory compliance and business disputes. We do this by assembling the right teams who bring their broad sector experience, their deep subject-matter knowledge and the latest insights from our work worldwide. By helping our clients manage their fraud risk and compliance exposure better, we are helping to build trust in the marketplace.

Helping clients report transparently

Around the world, we are helping clients with sustainability reporting. This often requires companies to measure processes and impacts not done before. In addition to creating greater transparency, this can also help in efforts to reduce the use of natural resources, increase efficiency and improve operational performance. Transparent reporting can also help companies to strengthen their reputation, increase access to capital, and meet the expectations and increase the trust of their stakeholders. At EY, we recently introduced a global sustainability report template, promoting greater transparency and consistency in our own reporting.

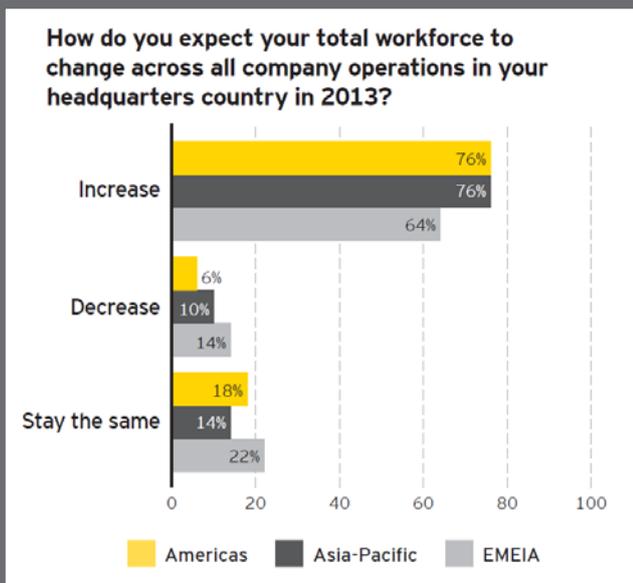
Supporting entrepreneurs

EY has supported entrepreneurs for decades and we are proud of our role in helping them succeed and grow sustainably. Entrepreneurs drive innovation and create jobs and wealth for their community, which results in broader economic growth and other social benefits in the marketplace. It is for this reason we are helping entrepreneurs - big or small - achieve their potential.

Entrepreneur Of The Year™

As the first and only truly global award of its kind, our program celebrates those who are building and leading successful, growing and dynamic businesses, recognizing them through regional and national awards programs in over 145 cities in more than 60 countries. Each nation's winner then competes for the title of World Entrepreneur Of The Year.

The program's continued expansion to new cities and countries demonstrates the importance of entrepreneurship around the world. Our Global Center for Entrepreneurship and Innovation's annual survey for 2013 highlights the impact of the winners on local and global economies. Two hundred winners from 35 countries shared their plans for job creation - with 70% of respondents planning to hire in their domestic market and 47% intending to hire abroad.



Our awards program is in over 145 cities in more than 60 countries.

In 27 years, it has recognized and celebrated the achievements of tens of thousands of entrepreneurs around the world.

An inspiring business that reinvests in the community

Hamdi Ulukaya, the Founder, President and CEO of Chobani, was named World Entrepreneur Of The Year, 2013. Chobani - a US company with 3,000 employees - is the country's best-selling yogurt brand. It also sells its products in Australia and the UK, with annual sales approaching US\$1b.

Chobani's impressive growth in only six years is testament to the entrepreneurial spirit of Ulukaya. And Chobani's commitment to reinvest in the community is clear - the company donates of 10% of its profits to its charitable body, the Shepherd's Gift Foundation.

.....

In addition to creating employment and opportunity, many EOY entrepreneurs are creating goods and services that directly improve the lives of their customers and local communities.

Making a social impact in the Philippines

Jim Ayala's commitment to raising the standard of living through technology in his native Philippines won him the EY Entrepreneur Of The Year Philippines Award. Ayala, who heads up Hybrid Social Solutions, supplies solar-powered and other technologies to remote communities in the Philippines.

The company is introducing solar-powered village access centers that provide communities outside the energy grid with safe water, phone charging, lights and power tools, internet access, life-saving medical devices and banking services. These centers are making a difference to more than 25 million people who still live without electricity, water and health care and are a great example of the positive effect social enterprises have in some of the poorest communities. Additionally, in the aftermath of Typhoon Haiyan, HSS deployed over 1,200 solar lights to disaster areas, helping search and rescue teams, hospitals, evacuation centers and disaster management sites.

EY centers and academies

EY has created centers and academies that draw on our 30-plus years of experience of working with the world's most dynamic and ambitious companies - from start-ups and emerging enterprises to rapid-growth companies and market leaders. The centers serve both established entrepreneurs and those just starting out and include our:

- ▶ **Global Center for Entrepreneurship and Innovation** - an online platform that provides guidance to entrepreneurs and innovators on planning for the future and growth and how best to access funding. The platform includes details of entrepreneurial programs, conferences and forums, and it provides access to an extensive global network. Fast-growing companies can also use the platform to connect and share perspectives and experiences.
- ▶ **Global Family Business Center of Excellence** - designed to support family businesses, their owners and their managers. It brings together advisors from around EY to share knowledge and insights for family-owned companies, wherever they operate in the world.
- ▶ **EY Junior Academy Program** - a unique one-week training event designed for young successors in family businesses held around the world. We know that to succeed for generations, family businesses must ensure that the pioneering values shared by those who established the business continue to flourish down the generations. Now in its sixth year, with more than 250 alumni, the Junior Academy helps young people from family businesses accelerate their potential and develop as visionary leaders.

Read more from our [Global Center for Entrepreneurship and Innovation](http://www.ey.com/thecenter), www.ey.com/thecenter.



Enterprise Growth Services (EGS)

Helping entrepreneurs increase efficiencies

EGS is a program that helps medium- and small-scale entrepreneurs in emerging markets sustainably improve their productivity, profitability and growth potential - and in some cases, their social impact.

EY is working with a public-private consortium that tackles sleeping sickness, a disease that has a devastating impact across sub-Saharan Africa. Affecting between 300,000 and 500,000 people, it causes the loss of 1.5 million "disease-adjusted life years" every year (years of potential life lost due to premature death, plus years of productive life lost due to disability). EY is helping the consortium develop additional revenue-generating products and services; to define a five-year business plan; and to operate in more standardized, scalable ways.

EGS has also helped a Ghanaian mining-supplies company. Despite a healthy operating margin, the company's cashflow was severely constrained by excessive working capital. Our people identified changes to governance, processes, roles and information management that led to increased growth.

Accelerate

Developing the most promising social enterprises

Accelerate is a learning forum developed by our people in the UK, which provides skilled support to social and young entrepreneurs through a series of workshops and mentoring. Now in its third year, Accelerate is a successful forum for social enterprises, young people starting out in business and those facing a particular challenge in starting their business.

The course structure is tailored to reflect the participants' experience. We facilitate access to 1:1 support - including EY business advisors and co-mentoring by clients/EY Entrepreneur Of The Year™ alumni mentors - and we also run networking events and secondments.

Programs created and delivered by our people



Network for teaching entrepreneurship

Inspiring and engaging the next generation

We are proud to support the Network For Teaching Entrepreneurship (NFTE), an organization that has, over the past 25 years, provided entrepreneurship education to more than 500,000 young people worldwide at risk of dropping out of school. NFTE helps students see the relevance of their studies through a series of fun and engaging activities that teach the concepts of entrepreneurship and business. Mentored by our people, students create business plans for their ideas and take part in classroom, city-wide and national competitions.

Our people volunteer their time - whether mentoring students, supporting teachers by acting as guest speakers, judging business plan competitions or participating on the NFTE board. We have supported NFTE in Belgium, Chile, China, Colombia, Germany, India, Ireland, Israel, New Zealand, Saudi Arabia and the US. To date, EY has granted college scholarships to top NFTE US graduates, totaling nearly US\$125,000 and we have provided US\$1.2 million cumulative support since 1998.

www.nfte.com

Enactus

Using the power of entrepreneurial action to transform lives

Enactus is a global community of students, academics and business leaders that uses the power of entrepreneurship to transform lives and build a more sustainable world. Through Enactus, university students deliver community outreach projects to help people in need, while at the same time gaining leadership skills. They are guided by academic advisors and people from EY and other businesses.

EY has been a platinum sponsor for several years, playing a key part in Enactus' annual national competitions where young students showcase the life-changing projects they have completed. For example, in 2013, our people were on the judging panels for the semifinals and finals in Russia. We also sponsored and participated in Enactus' two-day national competition in the UK.

www.enactus.org

Kiva

Changing the lives of millions

We know the smallest micro-entrepreneurs are keeping themselves out of poverty, feeding their families and supporting their local communities. This is why we support Kiva, a nonprofit that connects people through lending money to alleviate poverty. As the world's first and largest person-to-person micro-lending organization, Kiva enables individuals to lend as little as US\$25 to entrepreneurs from developing and emerging economies, via their website. EY has made a commitment to provide in-kind support valued at US\$1m.

www.kiva.org

For more information on how EY people are supporting entrepreneurs, read [Empowering our people, strengthening our communities - 100 examples from around the world](#), www.ey.com/cr.



Increasing opportunities for women in business

*The total income generated by women around the world increased by nearly US\$4 trillion to US\$9.8 trillion between 2002 and 2007. By 2017, women's income will jump by almost US\$6 trillion to US\$15.6 trillion, according to our own research.**

Undoubtedly, women have the potential to play a greater role in the world's economic and social success than they currently do. Over the next decade they will have an enormous influence on business, politics and society - as producers, entrepreneurs, employees and consumers. Given that women typically invest a significantly higher percentage of their income back into their families and communities, it follows that economically empowering them will lead to long-term social and economic growth.

EY is proud to support and convene inspiring women around the world through collaboration, sponsorship and networks, covering the public and private sector. And even before women begin their career, we are helping girls access the right skills so that they can become inspiring young women and future leaders. In this section, you can read how we are helping to empower women and also upholding the UN Women's Empowerment Principles.

Public Sector Leaders Network

Women are now seen as the next big emerging market - and one that governments around the world need to account for. However, our research shows that despite women constituting a significant part of the overall public sector workforce in many countries, they are significantly underrepresented at leadership levels - with only 20% of women holding cabinet positions worldwide, according to our own research. Given public sector leaders make decisions affecting the welfare of millions of citizens, it is imperative that women public sector leaders are an integral part of this decision-

making process, and in a way that reflects the gender balance within society.

We are helping to address this gender imbalance through:

- ▶ Our Worldwide Women Public Sector Leaders Network, which gives women leaders in the public sector visibility of each other, enabling them to connect with other women in similar positions at a global level, and facilitates exchange on leading practices. We believe that by sharing best practices, these leaders can identify increased opportunities for women in the public sector.
- ▶ Our research - the Worldwide Index of Women as Public Sector Leaders has identified certain actions that, when taken together, seem to lead to greater representation of women in leadership roles.

Global Women in Business Advisory Council (GWBAC)

We have launched GWBAC, a network that helps to promote, support and better understand women in business. Women business owners and leaders are able to benefit from:

- ▶ Access to capital
- ▶ A forum to exchange ideas and experiences
- ▶ Mentoring opportunities
- ▶ One-to-one coaching
- ▶ Access to a wide network of peers and thought leadership relevant to them

*[Women make all the difference in the world](http://www.ey.com/global), www.ey.com/global



Entrepreneurial Winning Women™ Program

Created in 2008, the program identifies women entrepreneurs with established, successful businesses and clear growth goals. It then connects them to an influential network of entrepreneurs, corporate leaders, investors and advisors, as well as potential partners, strategic alliances, customers and suppliers who can help them think bigger and scale their companies.

Now rolled out in several countries, including Australia, Brazil, Canada, Indonesia and the US, the program has made a significant difference through its strategic support of women entrepreneurs. In 2012, [independent research conducted by Babson College](#) explored the impact of our program in the US over its first three years, as well as its implications for women entrepreneurs elsewhere. The findings were impressive - program participants' companies grew at almost 50% each year on average, with a corresponding average annual job growth rate of more than 25%. To read more, visit www.ey.com/us/thinkingbig.

The program will soon expand to Hungary, across our Middle East/North Africa (MENA) region practices, and in South Africa and Ukraine.

Research shows our US program participants' companies grew at almost 50% each year on average, with a corresponding average annual job growth rate of more than 25%, between 2009 and 2012.



Building infrastructure and changing economies

Finding a successful female role model in general and civil contracting is rare, but Canadian entrepreneur Kelsey Ramsden has proved it is possible. Building roads, dams, bridges, airports and buildings is a passion for Kelsey - and her company, Belvedere Place Development (BPD), has grown from strength to strength over the past nine years.

The company is now focusing on emerging markets like North Africa and the Caribbean, where infrastructure improvements are fundamental to sustained economic growth. Kelsey believes that by expanding her company, BPD can deliver key infrastructure projects and also develop local talent.

Kelsey's success in the Entrepreneurial Winning Women class of 2013 is a testament to her own philosophy of using determination, strategic vision and passion to embrace challenges and convert them into positive outcomes.

Using commercial acumen to help rural communities

Alcione de Albanesi runs one of the most successful lighting businesses in Brazil, and her work to build the first LED lamp factory in the country secured her a place in Entrepreneurial Winning Women Brazil's Class of 2013. With a strong turnover, the company has grown from strength to strength in the past 11 years.

Wanting to use her business skills to help the poorest communities in Brazil's semi-arid northeast, Alcione created a charity, Amigos do Bem. A businesswoman at heart, she is determined to help locals build a sustainable community through initiatives rather than donations - by helping local men farm cashews, for example, or by engaging local women to make and sell handicrafts, and creating schools to help educate local children. It is this long-term strategic approach that has ensured Alcione's business and Amigos do Bem are both successful - and a great example of how our program participants are making an impact in their communities.

.....
"The program has changed my business and has clearly showed me that my goals can be stretched further and more often."

- Kelsey Ramsden, Entrepreneurial Winning Women participant, Canada

“By uniting the power of government, nonprofits and corporates with high-potential women entrepreneurs, we can use the power of collaboration to create positive social change. That’s what building a better working world is all about.”

- Mark A. Weinberger, Global Chairman and CEO, EY



The Women Athletes Global Leadership Network

We believe that elite female athletes possess unique leadership traits and skills learned through sport that enable them to pivot successfully into the business world. Through our new Women Athletes Global Leadership Network, we use our experience to harness the potential of female athletes after they retire from sport, connecting them with business leaders and entrepreneurs around the world to mentor, open doors and create next-chapter opportunities.

Supporting civic and business organizations

We support a wide range of organizations and initiatives that work to improve opportunities for women around the world. For example:

At World Economic Forum, Davos, EY hosted a high-profile event celebrating women’s leadership in the world economy, attended by several of the people named on the Forbes 100 Most Powerful Women list (2012).

As members of the Clinton Global Initiative, we announced our participation in a new multi-stakeholder commitment in 2013 to support the development and advancement of women-owned businesses. The commitment supports the development of 15,000 women entrepreneurs outside the US and an increase in corporates’ supply chain spend with women-owned businesses by at least US\$1.5b annually. We will help

prepare women for entering into large corporate supply chains through initiatives such as mentoring and providing access to networks.

We are strengthening our ongoing relationship with the Women in Parliaments Global Forum (WIP), which aims to advance society by using the collective strength and ability of more than 9,000 female parliamentarians across the world.

As a founding member, we have supported the expansion of WE Connect International - an organization committed to helping women entrepreneurs around the world gain access to global supply chains. We are also local members in Canada, Europe and India.

We support Vital Voices, a nonprofit that works alongside government, corporate and NGO executives to train and mentor emerging women leaders from more than 144 countries in Africa, Asia, Eurasia, Latin America, the Caribbean and the Middle East.

We are a founding member of the Third Billion Campaign, a global alliance of corporations, governments, nonprofit organizations, academic institutions and individuals helping to prepare women to more fully participate in the global economy.

For more information, read pages 8-10, [Women: The next emerging market](#), www.ey.com/women.



Empowering the next generation of female leaders in Africa

Our NextGen program is designed to create a network of support for the next generation of women leaders in Africa. It provides leadership skills training, extra tutoring, mentoring and financial assistance for tertiary education. So far, 81 schoolgirls (aged between 15 and 18) have been selected based on their overall grades and leadership skills.

The curriculum prepares girls for university and beyond and includes an innovative three-part experience, which consists of “leadership camp” courses. Our people are involved at every step, and we believe the program will create a network of innovative, ethical leaders with a passion for the continent’s development.

The program currently runs in the Gauteng and KwaZulu-Natal provinces of South Africa and will be launched in Cape Town in February 2015.

Research and analysis

As part of our commitment to leading the dialogue around the advancement of women, we have been prolific publishers of research papers dealing with women’s workplace and business issues, including:

- ▶ **Women: The next emerging market**, www.ey.com/women
- ▶ **Unleashing the power of women entrepreneurs**, www.ey.com/womenentrepreneurs
- ▶ **Worldwide Index of Women as Public Sector Leaders**, www.ey.com/womenleadershipindex
- ▶ **High achievers - Recognizing the power of women to spur business and economic growth**, www.ey.com/highachievers
- ▶ **Women of Africa - a powerful untapped economic force**, www.ey.com/womenofafrica



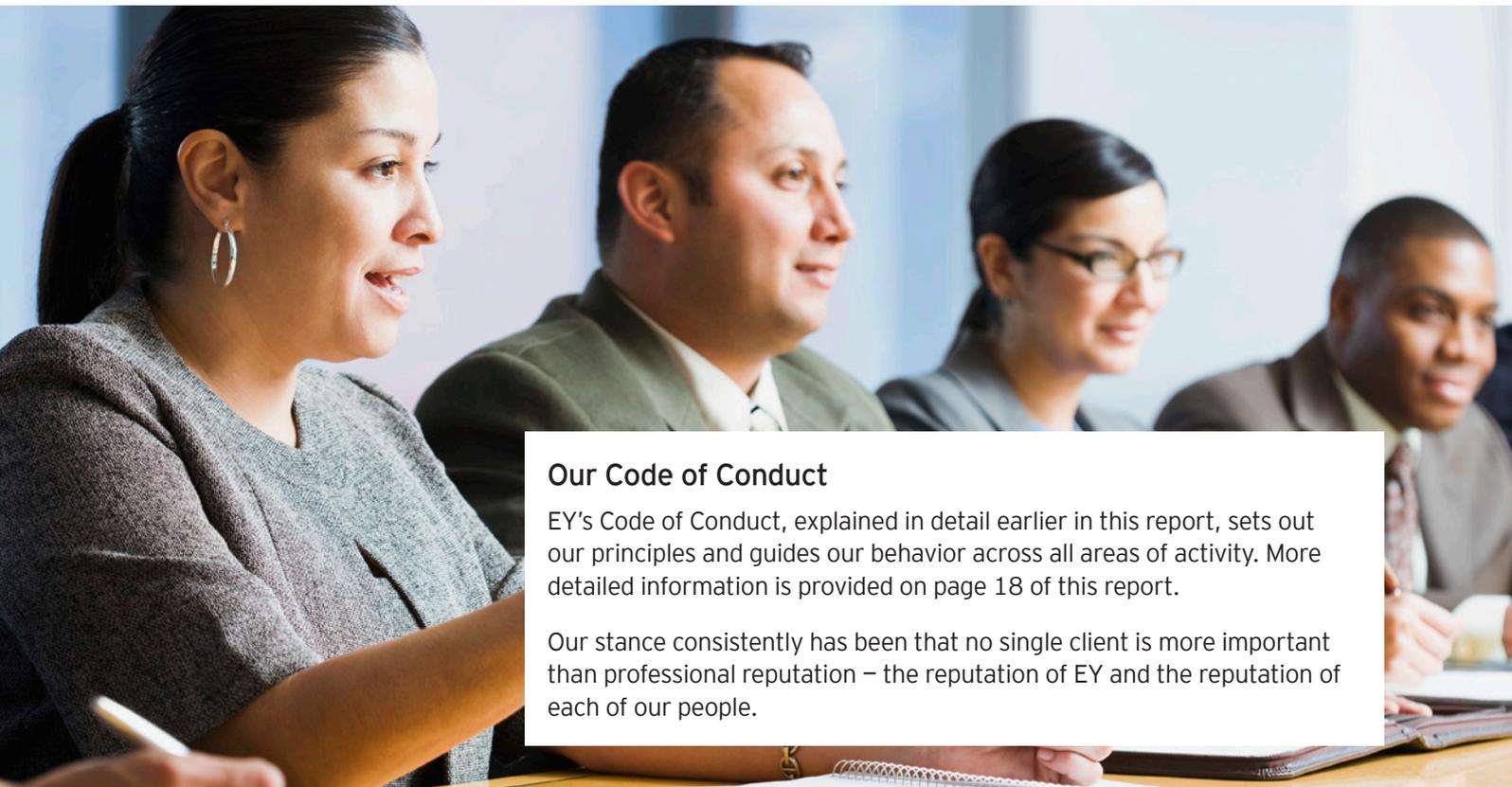
Internal rigor

At EY, our structure aims to mitigate risk and promotes a high level of global integration. Our global approach helps to strengthen the quality of our member firms' performance. It allows for more effective implementation of our global strategy and helps our member firms deliver better, more consistent quality, enhancing their ability to serve global clients. Other benefits include a greater scale of resources, greater opportunities for our people and enhanced consistency in service methodologies.

EY's global organization structure includes:

- ▶ Global Advisory Council
- ▶ Global Executive
- ▶ Global Executive Committees
- ▶ Global Practice Group
- ▶ EYG member firms

Read more about EY's global organization structure on pages 5-7, [EY Global Transparency Report 2013](#), www.ey.com/transparencyreport.



Our Code of Conduct

EY's Code of Conduct, explained in detail earlier in this report, sets out our principles and guides our behavior across all areas of activity. More detailed information is provided on page 18 of this report.

Our stance consistently has been that no single client is more important than professional reputation – the reputation of EY and the reputation of each of our people.



Our independent non-executive representatives (INEs)

EY has asked world-class leaders in related fields to serve as independent non-executive representatives (INEs) on the Global Advisory Council. They provide an independent voice to the highest levels of management, offer insight into the interests of EY's key stakeholders and offer further objectivity within its governance structures. EY follows the UK Audit Firm Governance Code model for INEs by selecting individuals who command respect and collectively enhance shareholder confidence by virtue of their independence, stature, experience and expertise to improve quality and thereby limit risk.

EY's INEs

- Shyamala Gopinath
- Sir Richard Lambert
- Lim Hwee Hua
- Klaus Mangold
- Mark Olson

For more information, read pages 2 and 8, [EY Transparency Report 2013](#), www.ey.com/transparencyreport.

Global risk management

Our global risk management team focuses on key areas such as enterprise risk, ethics, compliance, legal requirements, policy issues and independence. They oversee the tools and processes deployed to help our people meet local and global compliance responsibilities.

For more information, read page 58, [EY Global Review 2013](#), www.ey.com/globalreview.

Tackling bribery and insider trading

Anti-bribery

Our global Anti-bribery Policy provides direction around certain unethical and illegal activities. It emphasizes the obligation of our people to comply with anti-bribery laws and provides greater definition of what constitutes bribery. It also identifies reporting responsibilities when bribery is discovered.

Insider trading

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

Internal quality control systems

Providing high-quality professional audit services independently, objectively and ethically is fundamental to the member firms' success as independent auditors. We continue to invest in initiatives to promote enhanced objectivity, independence and professional skepticism. For example, we have:

- ▶ Designed a comprehensive set of global audit quality control policies and practices. These meet the requirements of the International Standards on Quality Control issued by the International Auditing and Assurance Standards Board (IAASB).
- ▶ A Client Acceptance and Continuance Policy that sets out principles to determine whether to either accept a new client or engagement or to continue an existing client or engagement. These principles are fundamental to maintaining quality, managing risk, protecting our people and meeting regulatory requirements.
- ▶ A Global Audit Methodology (EY GAM) that provides a global framework for delivering high-quality audit services through the consistent application of thought processes, judgments and procedures in all audit engagements.
- ▶ Supported audit partner rotation because it provides a fresh perspective and promotes independence from company management while retaining expertise 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; together they are important safeguards of audit quality.

Independence practices

Auditor independence is fundamental to the quality of audits and investor confidence in financial reporting and more broadly in the capital markets. We invest heavily in practices to make sure we are independent. Examples include:

- ▶ Our EYG Independence Policy - this sets out the independence requirements for member firms, professionals and other employees.
- ▶ Global Independence System (GIS) - an intranet-based tool that helps determine the listed entities from which independence is required and the independence restrictions that apply to each.
- ▶ Global Monitoring System (GMS) - an important global tool that helps identify proscribed securities and other impermissible financial interests.
- ▶ Service Offering Reference Tool (SORT) - this includes guidance around which services can be delivered to audit and non-audit clients, as well as independence and other risk management issues.

For more information, read pages 20-21, [EY Global Transparency Report 2013](#), www.ey.com/transparencyreport.

Supply chain rigor

We also look at our supplier relationships both to make our supplier base more diverse and to raise supply chain standards. Our Global Procurement Policy includes a Supplier Code of Conduct to ensure that those organizations that supply us with products or services operate to the high standards that we expect of ourselves.



Increasing the sustainability of our planet

We believe the biggest contribution we can make to minimizing the negative effects of climate change is to support our clients and the market in moving toward a low-carbon economy. Through our Cleantech and Climate Change and Sustainability Services practice (CCaSS) we are helping our clients around the world operate more sustainably. At the same time, we are measuring and managing our own carbon footprint.



Supporting our clients on their lower-carbon journey

Our Cleantech and CCaSS professionals help governments and organizations around the world address the environmental, social and economic impacts of climate change. They help clients reach their sustainability goals and transition to a lower-carbon economy by providing a range of skills and services. For example:

- ▶ Our global CCaSS practice helps organizations to understand the components of a sustainability strategy and improve their performance in this regard. We have developed best practices to help clients address the most important sustainability factors, including managing risk in a resource-constrained economy.
- ▶ We help clients identify their entire carbon footprint and help them prepare for, and respond to, risks around prolonged drought, sea-level changes and adverse weather patterns.
- ▶ Our Global Cleantech Center comprises professionals, drawn from across the world, in assurance, tax, transaction and advisory services who understand the business dynamics of cleantech and help clients innovate in technology, business models, financing mechanisms, cross-sector partnerships and corporate adoption.
- ▶ We also advise clients on meeting energy-use targets, helping to them to reduce carbon emissions and enhance their corporate reputation.

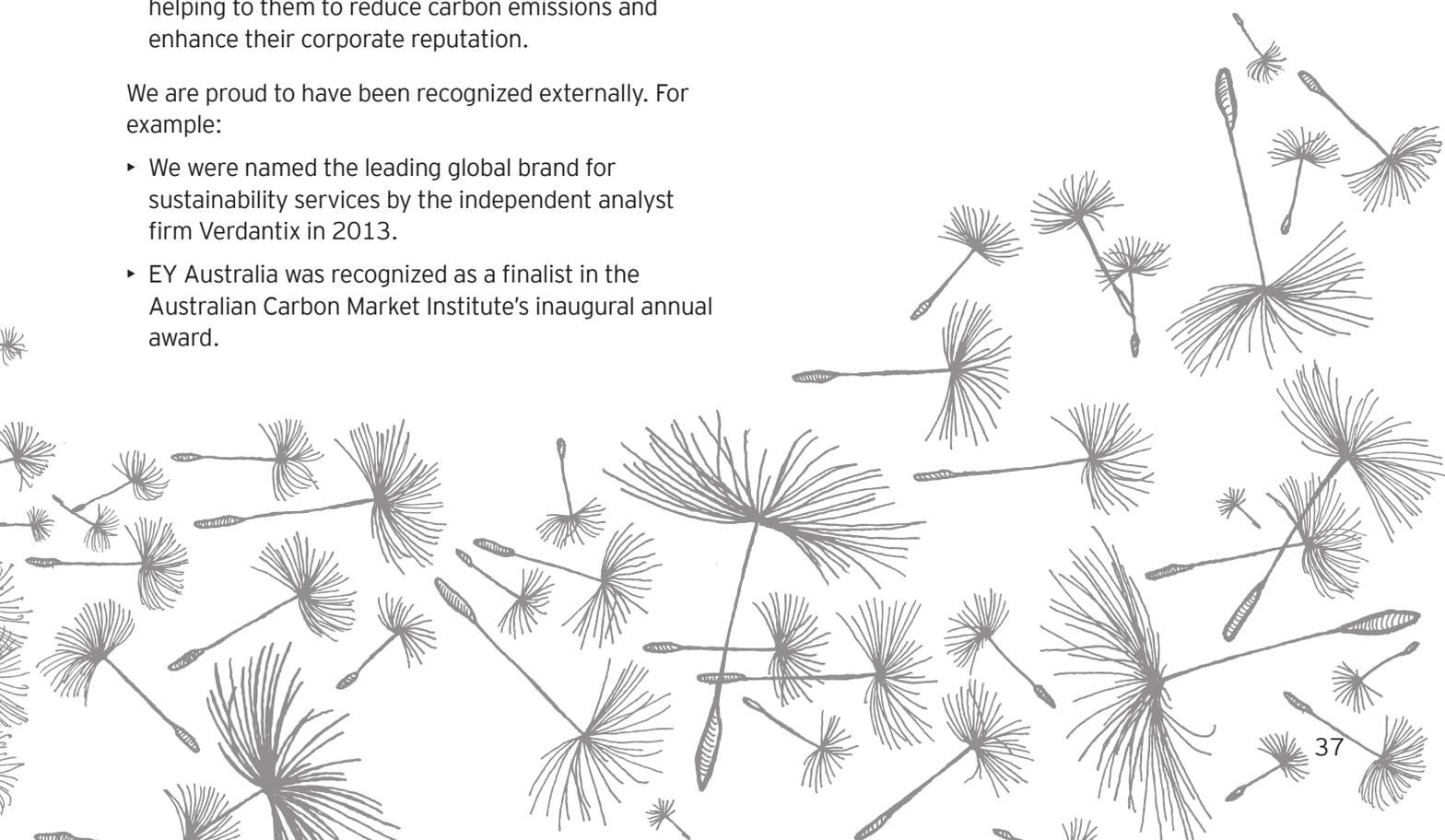
We are proud to have been recognized externally. For example:

- ▶ We were named the leading global brand for sustainability services by the independent analyst firm Verdantix in 2013.
- ▶ EY Australia was recognized as a finalist in the Australian Carbon Market Institute's inaugural annual award.

Engaging in the sustainability debate

As a leading provider of sustainability services, we continue to contribute to the sustainability debate and share knowledge with our clients and the broader business community. It is through these debates that we can positively influence change, working closely with key regulatory bodies and industry standard setters. For example:

- ▶ EY is among a select group of organizations supporting the International Integrated Reporting Council (IIRC) through our participation on the Board, the Council, working groups and secondments (with an EY person serving as Deputy to the CEO).
- ▶ We led the development of the "Value Creation - Background Paper for the IIRC" and have built on this relationship by holding joint EY/IIRC roundtables in France and Brazil.
- ▶ EY contributes to technical sustainability working groups aimed at standardizing definitions and approaches, such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB) and the American Institute of Certified Public Accountants (AICPA).
- ▶ We were a major sponsor of the Global Reporting Initiative Global Conference.





EY's carbon footprint is **800,000 tCO₂-e** or **4.87 tCO₂-e/FTE**.



EY's emissions from office energy consumption are **195,000 tCO₂-e**.



EY's total travel emissions are **605,000 tCO₂-e**, of which **83%** comes from air travel.

Further information in the explanatory notes below

Measuring our carbon footprint

As an organization, we challenge ourselves to work in an environmentally responsible manner and to find new ways to reduce our carbon footprint.

We have completed our first global carbon footprint, allowing us to set meaningful goals and reduction targets in the future. We know that nearly all our carbon output comes from two sources: office energy consumption and business travel, particularly air travel. We now have a baseline against which we can compare our performance year-on-year.

We continue to increase the energy efficiency of our offices, and although travel is critical to our business, we are investing in travel alternatives, like Telepresence videoconferencing and enhanced desktop and mobile options.

Increasing efficiencies by globalizing functions

By globalizing many of our core business functions, such as IT, real estate, procurement and travel, we are increasingly able to share insights and progress around the world. This allows us to improve the environmental sustainability of our operations by sharing best practices to set global environmental goals and to measure progress through our newly created environmental scorecard for global functions.

Explanatory notes

1. Our carbon footprint is calculated in line with the EYG Carbon Footprint Methodology, which is based on the WRI/WBCSD Greenhouse Gas Protocol.
2. We have used 2013 CO₂ conversion factors published by DEFRA/DECC in the UK, or locally published factors where appropriate, to calculate our emissions. The conversion factors used to calculate emissions from air travel include the impact of "radiative forcing". For further details please refer to <http://www.ukconversionfactorscarbonsmart.co.uk/>.
3. We collect activity data for our emissions using activity data from a selection of our global operations. This data is then extrapolated to provide an estimate of our total global emissions. Specifically:
 - ▶ Emissions from office energy consumption are estimated using activity data collected from 37 countries, representing 77% of our office portfolio.
 - ▶ Emissions from air travel are estimated using distance data that represents 81% of our spend on air travel.
 - ▶ Emissions from ground transportation (including rail travel and business travel in EY owned, rental and employee vehicles) are estimated using fuel consumption and distance data for approximately 73% of our employees (FTE).
4. We will continue to develop our approach to carbon reporting in FY14. In particular we will focus on our air travel emissions, our most material emissions source.

Changing our behavior through awareness

Around the world, we are seeking to reduce our environmental footprint by engaging with and educating our people. Examples include:



- ▶ EY offices participated in Earth Hour 2013 in Australia; Argentina; Bosnia and Herzegovina; Bulgaria; Canada; China (including Hong Kong), Croatia, Cyprus, the Czech Republic, Finland, Hungary, India, Israel, Italy, Mexico, Montenegro, New Zealand, Poland, Portugal, Romania, Serbia, Singapore, Slovakia, Spain, Turkey, the UK and the US.



- ▶ In the Americas, our EcoCare network comprises more than 1,000 EY volunteers who constantly find new ways to make us greener.
- ▶ In the UK, volunteers in almost every office, known as “environment champions,” educate their peers about leading practices relating to travel, energy use and reducing waste.
- ▶ Local campaigns such as environment week or zero-waste initiatives engage our people to make small changes that have a big impact.



- ▶ Working with NGOs like Earthwatch allows our people to increase their environmental awareness. Our people conduct scientific research on a week-long expedition with Earthwatch and provide skill-based volunteer services to a local entrepreneur or organization.



- ▶ Our sustainable meetings guidelines provide practical options and suggestions to ensure we are making our meetings more environmentally sustainable, wherever they take place.



Upholding the UNGC principles

Throughout this report, we have shared many examples of how EY is upholding the UNGC principles of labor, human rights, environment and anti-corruption and fulfilling our purpose of building a better working world. Specifically:

Human rights

UNGC principles: Businesses should support and respect the protection of internationally proclaimed human rights and make sure that they are not complicit in human rights abuses.

Please refer to the following sections to understand how EY upholds the UNGC human rights principles

Section	Page
EY Code of Conduct	18, 33
EY/Ethics hotline	18
Shared values	18
Health and well-being	15
Safety	15
Global Procurement Policy	35

Labor

UNGC principles: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining, the elimination of all forms of forced and compulsory labor, the effective abolition of child labor, and the elimination of discrimination with respect to employment and occupation.

Please refer to the following sections to understand how EY upholds the UNGC labor principles

Section	Page
EY Code of Conduct	18, 33
EY/Ethics hotline	18
Shared values	18
High-performing teams	7
Our people culture - the exceptional EY experience	7
Diversity and inclusiveness	8
Diversity and inclusiveness training, sponsorships, collaboration	9
Diversity recruiting	8
Learning and development opportunities	10
Empowering current and future leaders	12-14
Increasing opportunities for women	9-10
Safety	15
Health and well-being	15
Compensation	16
Workplace of the future	15
Encouraging flexibility and choice	15
Recognizing the achievements of our people	16
Listening, responding and sharing	16
Encouraging feedback	16
Sharing knowledge, creating transparency	16
Awards and recognition	17

Environment

UNGC principles: Businesses should support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.

Please refer to the following sections to understand how EY upholds the UNGC environment principles

Section	Page
Helping clients transition to a lower-carbon economy	37
Sustainability reporting	37
Engaging with stakeholders - regulators, governments and nonprofits	37
EY's global carbon footprint	38
Creating a global scorecard for global functions	38
Changing our behavior	39
Educating our people and raising internal awareness	39
Creating a global sustainability report template	39
Verdantix award	37

Anti-corruption

UNGC principle: Businesses should work against all forms of corruption, including extortion and bribery.

Please refer to the following sections to understand how EY upholds the UNGC anti-corruption principles

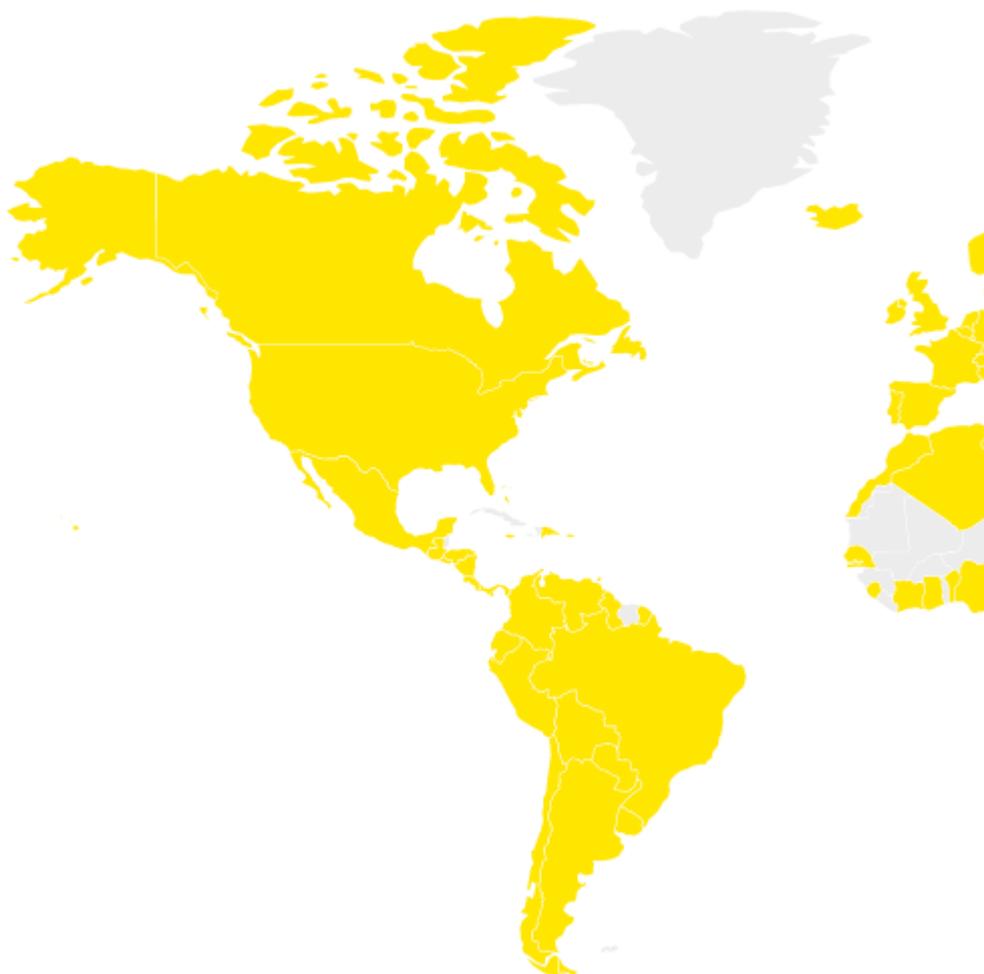
Section	Page
Our structure	33
Independent non-executives	34
EY Code of Conduct	18, 33
Anti-bribery Policy	35
Insider Trading Policy	35
Quality control mechanisms	35
Independence practices	35
Limiting risk and promoting strong integration, globally	33
Global risk management	34
Engaging with stakeholders - regulators, governments and nonprofits	32
Supply chain rigor	35
Helping our clients tackle fraud and manage risk	20, 21
Sustainability reporting	21

UN Women's Empowerment Principles

EY is a signatory of the UN Women's Empowerment Principles, a set of principles for business that offer guidance on how to empower women in the workplace, marketplace and community. They are the result of collaboration between the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Nations Global Compact.

The principles are	
Section	Page
1. Establish high-level corporate leadership for gender equality	
Diversity and inclusiveness	8
Awards	17
Tracking our progress	10
2. Treat all women and men fairly at work – respect and support human rights and non-discrimination	
Code of Conduct	18, 33
Our shared values	18
Global Procurement Policy	35
3. Ensure the health, safety and well-being of all women and men workers	
Safety	15
Health and well-being	15
4. Promote education, training and professional development for women	
Diversity and inclusiveness	8, 9, 10
Increasing opportunities for women in business	27, 28, 29, 30, 31
5. Implement enterprise development, supply chain and marketing practices that empower women	
WE Connect	30
Clinton Global Initiative	30
Supply chain	35
6. Promote equality through community initiatives and advocacy	
Diversity and inclusiveness - including UN Women UK	9
Increasing opportunities for women in business	27, 28, 29, 30, 31
7. Measure and publicly report on progress to achieve gender equality	
UN Global Compact	www.ey.com/global
Women: the next emerging market	www.ey.com/women
Tracking our progress	10
Awards	17

Areas and Regions



Americas

Canada

East Central (US)

Financial Services Organization

Bahamas, Bermuda, British Virgin Islands, Cayman Islands, United States

Israel

Mexico and Central America

Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama

Midwest (US)

Northeast (US)

South America

Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay, Venezuela

Southeast (US)

Aruba, Barbados, Jamaica, Curacao, Trinidad and Tobago

Southwest (US)

West (US)

EMEIA

Africa

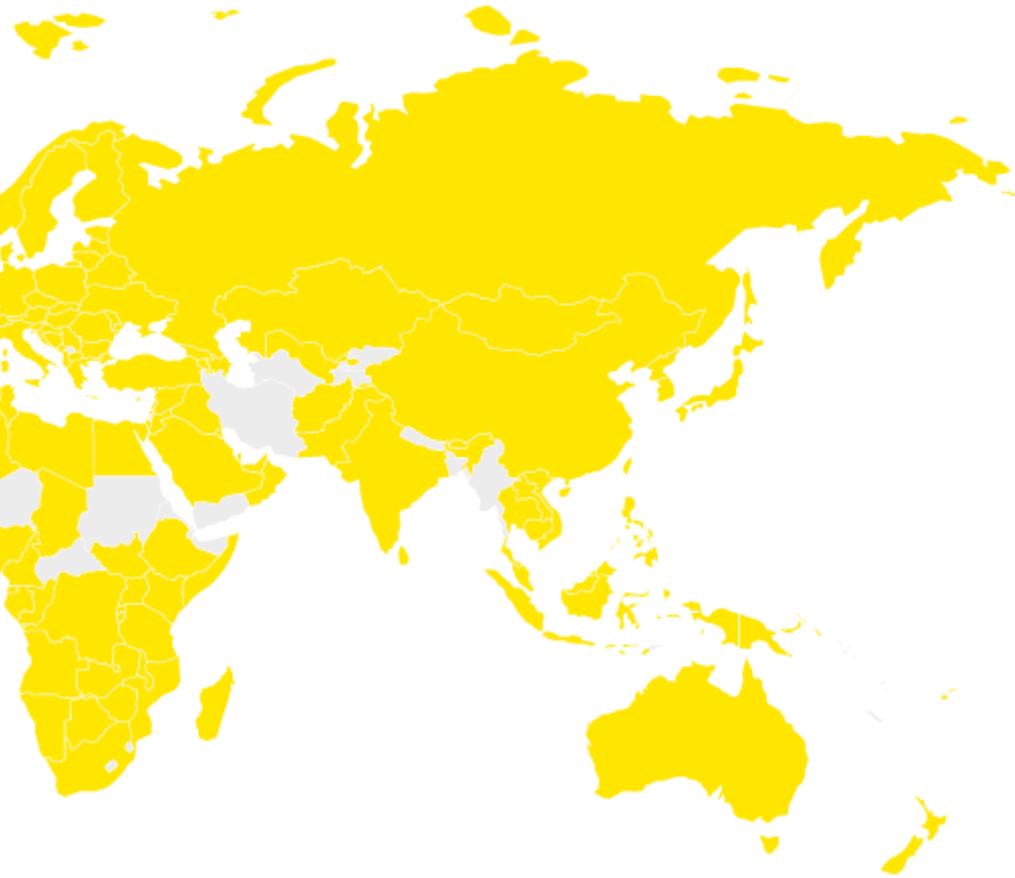
Angola, Botswana, Cameroon, Chad, Congo, DR of the Congo, Equatorial Guinea, Ethiopia, Gabon, Ghana, Guinea, Ivory Coast, Kenya, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Nigeria, Rwanda, Senegal, Seychelles, South Africa, South Sudan, Tanzania, Uganda, Zambia, Zimbabwe

BeNe

Belgium, Netherlands

Central and Southeast Europe

Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech



Republic, Estonia, Greece, Hungary, Kosovo, Latvia, Lithuania, FYR of Macedonia, Malta, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Turkey

CIS

Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Russia, Ukraine, Uzbekistan

Financial Services Organization

Framalux

Algeria, France, Luxembourg, Monaco, Morocco, Tunisia

GSA

Austria, Germany, Liechtenstein, Switzerland

India

Bangladesh, India

Mediterranean

Italy, Portugal, Spain

Middle East and North Africa

Afghanistan, Bahrain, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, Pakistan, Palestinian Authority, Qatar, Saudi Arabia, Syria, United Arab Emirates

Nordics

Denmark, Finland, Iceland, Norway, Sweden

UK and Ireland

Republic of Ireland, United Kingdom

Asia-Pacific

Asean

Brunei, Cambodia, Guam, Indonesia, Laos, Malaysia, Maldives, Myanmar, N. Mariana Islands, Philippines, Singapore, Sri Lanka, Thailand, Vietnam

Financial Services Organization

Greater China

China, Mongolia, Taiwan

Korea

Oceania

Australia, Fiji, New Zealand, Papua New Guinea

Japan

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

© 2014 EYGM Limited.
All Rights Reserved.

EYG no. FY0003

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

Nicky Major
Global Corporate Sustainability Leader, EY
Tel: +44 20 7951 1132
Twitter: @nickymajor
Email: nmajor@uk.ey.com