

# Annual report 2022/2023

EY Godkendt Revisionspartnerselskab

[ey.com/dk](https://ey.com/dk)

EY Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
2000 Frederiksberg  
CVR no. 30 70 02 28

Penneo document key: 11332-ECOBG-4633V-3-ZNT-014EE-VQJPE



Building a better  
working world



# Contents

## Management's review

CEO letter 4

About this report 6

Who we are 8

How we create value 10

Our service lines 11

**Sustainability** 12

Material topics 13

Risks and opportunities 14

Stakeholder engagement 17

Sustainability roadmap 18

**Principles of Governance** 20

Legal structure 20

Governance in EY Denmark 22

Sustainability management 23

in Denmark 23

Members of EY Denmark 23

Supervisory Board 23

Business ethics and integrity 24

Anti-corruption 26

Independence 26

Data ethics 27

Procurement and supply chain 28

**Planet** 30

Global impact 32

Greenhouse gas emissions 32

Scope 1 34

Scope 2 34

Scope 3 36

Our progress and key actions: Planet 39

Climate-related risks 40

and opportunities (TCFD) 40

**People** 42

Employee health, safety 44

and well-being 44

The EY hybrid working model 46

Diversity, equity and inclusion 46

Skills for the future 54

Discrimination and harassment 56

Human rights 57

**Prosperity** 62

Community investment 64

Investing in innovation 68

Generating value 69

with sustainability services 73

Economic contribution 73

**Sustainability reporting principles** 74

Principles of Governance 75

Planet 75

People 77

Prosperity 77

Restatement of information 77

WEF-IBC Index 78

Progress on the UN Sustainable 80

Development Goals 80

**Development in FY23  
and outlook FY24** 82

## Financial statements and reports

**Financial statements** 86

Statement by Management 119

Independent auditor's reports 120

Company details 125





Penrnoo document key: 11332-EC0BG-4B1F8-51ZNT-044EE-V0JPE



# CEO letter



Pinneo docu Scan 4B8F8-5TZNT-014EE-VQJPE



Welcome to EY Denmark's annual report for the fiscal year 2022/23 (FY23) where we present highlights and results on the impact and value we are creating - for our people, our clients, and the communities where we live and work.

### **Growing our business and our clients**

We closed the year realizing a revenue of DKK 2,938 million compared to DKK 2,699 million in 2021/22, which corresponds to a 9% growth rate.

Across our service lines, we have created value for our clients by helping them grow responsibly and protect value. We leverage technology and digital transformation to accelerate new and better ways of working. Meanwhile, sustainability is a shared commitment, and our vision involves shaping a more promising business landscape. In FY23 EY has invested heavily in services, solutions, technology, and people to help companies develop and implement more sustainable ways.

When looking beyond our borders, this past year has been characterized by geopolitical instability, rising inflation and war in Europe with severe consequences for those directly affected and leading to markets becoming more challenging. It was also a year where the effects of climate change crept closer with more extreme weather in both Denmark, Europe and globally.

### **Continuous commitment to the climate agenda**

In EY, we continue our journey to deliver on EY's global commitment to greenhouse gas emission reductions in line with the Paris Agreement's 1.5° goal. In FY23, EY Denmark reduced greenhouse gas emissions by 47% compared to our baseline year, FY19. The emission reductions are mainly attributable to reduced business travel. We continuously work to provide the most accurate and transparent insight into our business and this year we were also able to include more of our indirect emissions in our reporting: Emissions from commuting, working from home and fuel and energy-related activity, and we are working to include more categories going forward.

### **The importance of EY people**

Closest to our hearts is the wellbeing, development, and satisfaction of our more than 2000 employees. Their enthusiasm and creativity are key to the success of EY, and we make a promise to our employees to enable them to build an exceptional EY experience where they can grow both professionally and personally. We frequently ask how we are doing, and this year 82% agree that their experience with EY is exceptional. We are proud of this result, but we want to do even better.

At the same time, we work to create an even more diverse and inclusive workforce, because we know the power of leveraging different perspectives, abilities, backgrounds, and knowledge when developing unique solutions. Having an inclusive and gender balanced organization at all levels is a business imperative for EY. We are not where we want to be yet, but we continuously work to improve our talent attraction and retention.

FY23 was also the first full year without restrictions caused by the pandemic. We see that our hybrid working model is well-established and we offer a high degree of flexibility for our employees, which our research shows is something our employees value highly.

We are also proud that the number of employees who engaged in our corporate volunteering program EY Ripples has tripled, allowing us to make an even greater impact as we volunteer our time and skills to assist impact start-ups, NGOs, students, and underserved groups.

### **Two becomes one**

After four years with a shared CEO role in EY Denmark, we are streamlining the leadership structure allowing Jan Huusmann to fully focus on clients and market development.

Jan C Olsen is continuing as sole CEO and as Head of Assurance in Denmark with effect from our general assembly meeting in December 2023.

### **Thank you**

We are looking forward to continuing to build on the great results achieved these past years in EY Denmark.

In conclusion, we would like to extend a big thank you to all EY employees and partners for their tremendous efforts and contributions in FY23 and to all our clients for trusting EY to be their auditor or advisor.

### **Jan M Huusmann**

Country Managing Partner & CEO,  
EY Denmark

### **Jan C Olsen**

CEO, EY Denmark





# About this report



Per questo documento: [www.unicredit.it](https://www.unicredit.it)



This report contains information about EY Denmark's financial and sustainability performance, risk, strategy and governance for the fiscal year 2023 (FY23), between 1 July 2022 and 30 June 2023. The sustainability section references core metrics and selected expanded metrics of the "Stakeholder Capitalism Metrics" presented by the World Economic Forum's International Business Council (WEF-IBC) in cooperation with among others EY (2020). In addition, we report on climate risks and opportunities with reference to the Task Force on Climate-related Financial Disclosure (TCFD) framework.

The report has been prepared in accordance with disclosure requirements of the Danish Financial Statements Act (DFSA) and constitutes EY Denmark's statutory reporting on §99a, §99b and §99d. Selected ESG figures are assured externally with limited assurance.

- Our reporting in compliance with section 99a of the DFSA on statement on corporate responsibility can be found on pages 8-11 and 83 under 'principal activities' for business model, pages 12-21, 24-26, and 28-81 covers the reporting on risks, policies, actions, results, and expectations for the future.
- Our reporting in compliance with section 99b of the DFSA on statement on the under-represented gender can be found on pages 48-51
- Our reporting in compliance with section 99d of the DFSA on Data ethics can be found on page 27.

The sustainability section is structured according to the four pillars of the WEF-IBC's Stakeholder Capitalism Metrics:

- People – our responsibility to create a diverse, safe and evolving work environment for our people.
- Planet – our role in protecting the planet to support the needs of current and future generations.
- Prosperity – our role in furthering economic, technological and social progress for our communities.
- Principles of Governance – our responsibility in effective governance and setting accountability standards.

The EU Corporate Sustainability Reporting Directive will take effect for EY for our fiscal year FY26. However, we are already taking steps to ensure we are prepared to meet these requirements and expect to be able to report on parts of the requirements and standards in our FY24 reporting. As is the case for most other companies, this is a comprehensive task, and we have put considerable efforts into the preparation of our FY24 report and beyond for CSRD readiness in parallel to developing this report.





# Who we are



Penneo document key: 11332-ECOBG-4B8F8-51ZNT-014EE-VQJPE



## Our values

All EY people live by a set of shared values that define who we are.

These values are fundamental to our culture. They influence our actions and behaviour in meetings with colleagues and clients, but also how we engage with our communities.

## We are

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

## Our purpose

EY's purpose – "Building a better working world" is the basis for our business model. With this purpose we wish to be leading in what our stakeholders expect from us. We strongly believe in building trust and confidence in the capital markets, we help our clients to manage difficult issues, we carry on our business in accordance with our values, and we offer our employees exceptional opportunities. This is the core of who we are and what we do.

EY believes that a better working world is one where economic growth is sustainable and inclusive. We recognise our social and environmental responsibility and wish to make a real difference supported by EY's global strategy NextWave.



# How we create value

## Strategic ambition

NextWave is our strategy and ambition to create long-term value for EY people, clients and society as the world's most trusted, distinctive professional services organization.

We fulfill our purpose and deliver our ambition through the four strategic pillars that set our direction and identify the areas we will focus on – client centricity, exceptional and diverse people, data and technology, and global integration and teaming.

We measure success against the EY NextWave strategy key performance indicators that measure the value we create for EY people, clients and society – alongside financial performance. See [EY Global Value Realized Report FY23](#).





## Our service lines

### Assurance

**999**  
people

mDKK 1,178 (+12%)

In Assurance, we serve the public interest by independently assessing risk and identifying opportunities to enhance trust in business and the capital markets, in support of sustainable, long-term value creation.

### Strategy and Transactions (SaT)

**222**  
people

mDKK 419 (-1.6%)

In Strategy and Transactions, we help our clients to reimagine ecosystems, reshape portfolios and reinvent themselves for a better future. How organizations manage their capital today will define their competitive position tomorrow.

### Tax and Law

**396**  
people

mDKK 728 (+12%)

In Tax and Law, we provide our clients with information, insights, services and solutions to help enterprises navigate complexity and risks, drive better business decisions, understand global tax policies and laws, and comply with requirements and responsibilities.

### Consulting

**320**  
people

mDKK 613 (+7.8%)

In Consulting, we are transforming businesses through the power of people, technology and innovation. By placing humans at the center, leveraging technology at speed and enabling innovation at scale, our clients are transforming to realize long-term value for people, businesses and society as a whole.

Read more about our services on [ey.com/dk](https://ey.com/dk)

In addition, we have our internal functions, our Core Business Services with 147 people (-3% from last year). We are a creative, curious and consultative community of

specialists helping our day-to-day business run efficiently and smoothly, eventually leading EY to business success.



# Sustainability



Penneo document key: 11332-ECOBG-4B8F8-51ZNT-014EE-VQJPE



# Material topics

In 2023, EY Denmark in collaboration with the rest of EY member firms in the Nordics performed an annual review of our sustainability agenda and relevant topics. We were inspired by the principles of double materiality to assess environmental, social and governance (ESG) topics and matters in the WEF-IBC's Measuring Stakeholder Capitalism framework together with areas of risks identified by EY's Risk Management team, and global megatrends.

Hence, we considered the materiality of the topics from both a financial perspective and an impact perspective. We assessed the topics based on the impact EY has on the ESG topics based on severity of impact and the importance of the topics to EY's value creation based on likelihood. The topics were assessed with respect to the direct and indirect impact EY has as a company.

A part of this work is also to understand our stakeholder's thinking and needs. Therefore, we have considered what

topics our stakeholders deem most significant. We have considered our clients' expectations of not only our skills and how we can support them but also in respect of the sustainability of our operations; our employees' expectations of EY as a modern and attractive employer; our vendors' expectations, and feedback from the wider community. This was based on desk-top analysis.

Based on their individual score, the topics were categorized into three groups: Topics to prioritize, topics to manage and topics to monitor.

The sustainability topics for EY Denmark to prioritize are:

- ▶ Climate change
- ▶ Diversity, equity and inclusiveness
- ▶ Employee health and wellbeing
- ▶ Integrity, ethics and independence
- ▶ Risk and opportunity management

Climate change:	Employee health and well-being:	Diversity, equity and inclusiveness:	Integrity, ethics and independence:	Risk and opportunity management:
<p>Climate change is an overarching mega trend that impacts EY. We wish to be net-zero and we need to leverage our position to drive change with all clients. We are taking extensive climate action both in our own operations and through our client work, helping clients transform to more sustainable growth.</p> <p>Climate change is covered in the <a href="#">Planet section</a>.</p>	<p>Our people are the core of everything we do and our greatest assets. Their health, safety, and mental, physical and social well-being are essential for building a better working world. We invest time and money in skills and learning for our people to ensure they deliver their best – to their teams and to our clients while ensuring they can build their own exceptional EY Experiences.</p> <p>Employee health and well-being is covered in the <a href="#">People section</a></p>	<p>We depend on attracting the best talent from a diverse pool of people to grow and have a positive impact on society. We are committed to continuing to foster an environment where all differences are valued, practices are equitable, and everyone experiences a sense of belonging. This means ensuring equitable opportunities for all employees in recruitment and selection, training, development and promotion.</p> <p>Diversity, equity and inclusiveness are covered in the <a href="#">People section</a></p>	<p>It is our ambition to be the most trusted, distinctive professional services firm. Respecting business ethics, delivering the highest quality, complying with laws and regulations, preventing corruption, and protecting and respecting our own and clients' data are all fundamentals for building trust and confidence and serving the public interest.</p> <p>Integrity, ethics and independence are covered under <a href="#">Principles of Governance</a>.</p>	<p>The governance of our own operation is a highly material topic. Incorporating the risks and opportunities associated with economic, environmental, and social topics into our governance and related processes is essential for prioritizing and addressing these issues. Independently assessing risk and identifying opportunity is key to enhancing trust in business and capital markets.</p> <p>Risk and opportunity management is covered under <a href="#">Principles of Governance</a>.</p>





## Risks and opportunities

Managing long-term risks toward FY25 and beyond is critical to planning and positioning the organization for the future. As part of the materiality assessment, EY Denmark has assessed long-term financial risks and opportunities seen as a consequence of sustainability-related developments and

economic, social and governance impacts throughout our value chain.

Mitigating these risks is part of EY’s responsibility and actions and our core business functions drive the main actions to

Career management and training:	Integrity, ethics and independence:	Innovation of better services:	Climate change:
<p>We are our people. EY’s ability to provide the global scale, personal support, inclusive culture and technology that our employees need to develop and become the best version of themselves is fundamental. It is crucial to stay relevant – to retain the best talent and to meet the market’s need for the best skills and competences. We are an organization that in supplement to our audit and consulting services also develop employees and future leaders.</p> <p>Learn more about how we provide training and learning to <a href="#">our people</a>.</p>	<p>As an audit and consulting firm, EY has and needs to have the right standards, controls, and procedures in place. It would pose a considerable risk to EY were we not to comply with laws and regulations, keep a high standard for ethical business conduct, protect our clients’ data privacy, and ensure cyber security.</p> <p>Currently, the number of regulations and demand for documentation is increasing and getting more complex covering a wider scope of our business. Therefore, it is of paramount importance to EY Denmark to have the resources, processes, and necessary documentation in place to continuously ensure quality, trust and transparency. Learn how we work with Integrity, ethics and independence <a href="#">here</a>.</p>	<p>Our services are our livelihood. To dive into disruptive changes and be abreast of market developments – and be able to support our clients on the same journey – are fundamental for our business. Sustainability and AI are two main bets for EY.</p> <p>EY is in a position to take a leading role in driving business innovation and contributing to a sustainable future. Not acting on this opportunity would likely cause reputational risk, and the risk of losing talent and market shares.</p> <p><a href="#">Read more</a> about how we innovate new services and deliver sustainability services.</p>	<p>Climate change is one of the most disruptive megatrends of our time – severely impacting nature, and at the same time impacting geopolitics and market conditions. Stakeholders increasingly focus on environmental and climate action, and it is likely to cause reputational damage if we fail to incorporate sufficient climate action measures into our own operations.</p> <p>While we are very conscious of our own footprint, EY has a unique opportunity to make a positive impact for change through our services and the knowledge and solutions we share with our clients. Read more on our climate risk assessment where we disclose our work related to <a href="#">Taskforce on Climate-related Financial Disclosures</a>.</p>





Penneo document key: 11332-ECOBG-4B8F8-51ZNT-014EE-VQJPE

ensure we manage these risks in our everyday business conduct and EY Denmark’s leadership and board bear the final responsibility. EY actions and progress are described in the sections Planet, People and Prosperity, and Governance of this report.

These are the risks which received the highest scores in our assessment of the sustainability topics:

Diversity, equity and inclusiveness:	Risk and opportunity management:	Responsible and sustainable supply chain:	Employee health and well-being
<p>To be the preferred professional services firm with a wide market potential, we need to attract the best people from the whole of society. The business case for building a diverse organization is clear and the only way to ensure long-term value growth. With a diverse workforce, we are better equipped to utilize the power of different opinions, perspectives, and cultural references, which will help us set the highest performing teams. Failing to adopt and retain a diverse workforce would likely have a negative impact on both reputation and growth.</p> <p>More on how we work to ensure D,E&amp;I can be found <a href="#">here</a>.</p>	<p>Managing risks and opportunities in our business helps us stay ahead, to develop innovative services for EY clients, but also to ensure cyber security and avoid data breaches with potential financial risks.</p> <p>Through the audits and consulting services we deliver, we help build trust and confidence in business and capital markets and we serve the public interest. We continuously work to improve the quality of our internal and external processes and provide advice and assistance to our clients. By monitoring and controlling our processes, we uphold trust and protect our brand and reputation. <a href="#">Learn more about</a> how we manage risks and opportunities.</p>	<p>Resource shortage, price pressure and geopolitical instability threaten both environmentally friendly production, people’s safety and human rights. When a global supply chain becomes fragmented, it could erode the responsibility and accountability of both nature and people further down in the supply chain. In addition to the risk of not complying with laws defining a business’ responsibility to prevent violations against human rights in its own operation and supply chain, there is a long-term reputational and market risk in not being accountable for social and environmental risks in your supply chain. How we engage with our supply chain is covered <a href="#">here</a>.</p>	<p>We are what our people make us – it is crucial to EY that our people feel they belong so that they can develop and thrive. The job is not just a job; people seek purpose and a sustainable balance between work and life in a sometimes stressful work environment. The competition for the best people is high. Therefore, listening to and meeting current and potential employee needs is fundamental to retaining the best people in a market with high competition for talent.</p> <p><a href="#">Learn more about</a> our work to ensure the well-being of our employees.</p>







# Stakeholder engagement

We engage with our stakeholders regularly and listen to their expectations when assessing materiality and plans for the future as well as short-term planning and actions.

Our primary stakeholders, how we interact with them and their expectations of EY, are:

## Clients

Our clients rely on us for sustainable, high-quality solutions with excellent delivery provided by the best talents and the latest technology to help them achieve sustainable growth and to create long-term value. Client centricity is a key strategic pillar, and we get insight through our close client relationships, input from tender processes and criteria and questionnaires to capture client satisfaction.

## Employees

Our employees rely on EY to ensure their well-being, satisfaction, and development at work through technology, teams, challenges, opportunities, culture, support and relationships at EY. We nurture a culture of openness and accessibility, and we measure our employees' experience through regular People Pulse surveys.

## Suppliers

Our suppliers require EY to live up to our responsibilities and Code of Conduct, just as we require our suppliers' compliance with our Supplier Code of Conduct and commitment to running a sustainable business. We have close collaborations with our biggest vendors to ensure alignment with values and collaborate to improve our sustainability actions.

## Regulators and authorities

Regulators set high demands on EY and other players in our industry in terms of quality controls, systems and processes. EY build trust and confidence in the capital markets through our offerings and services.

## Media

Media require openness and transparency from EY and need subject matter insights when covering issues concerning the public interest. We engage in regular dialogue with the media

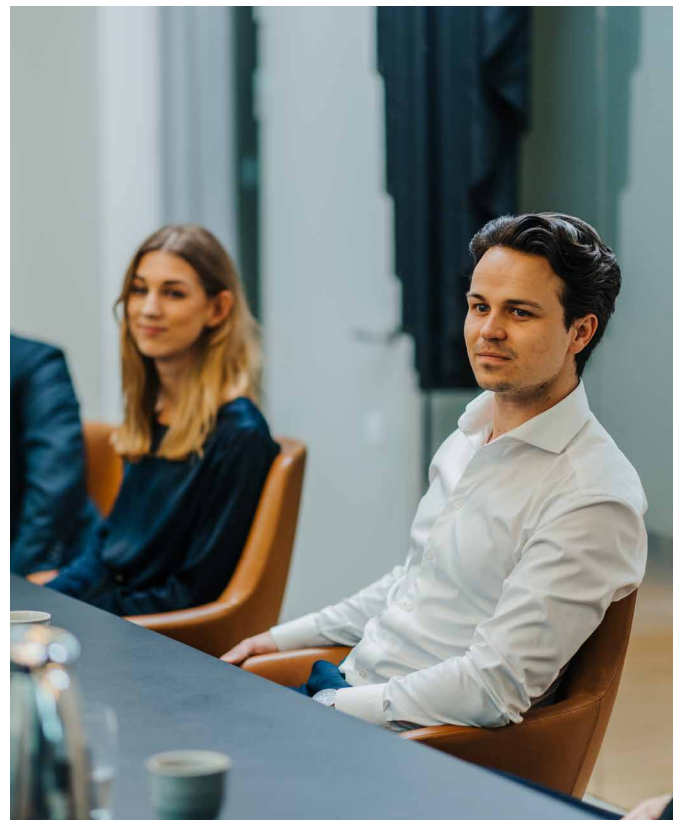
and share opinion pieces and thought leadership to offer facts and perspectives on public matters.

## NGOs

As independent organizations promoting public interests, NGOs look at EY's conduct and, at the same time, rely on us to support their operation and initiatives. Globally, EY is a signatory of the UN Global Compact. In Denmark, EY works with several organizations through our corporate volunteering program, EY Ripples.

## Partners and alliances

Our partners and [alliances](#) rely on strong relationships with EY as we rely on them. We leverage the transformative potential of our alliance and ecosystem relationships to help companies rapidly and digitally transform with minimal risk. These relationships help provide technologies and insights to create new forms of client value.





# Sustainability roadmap

At EY, we believe sustainability is everybody's business. EY is affecting 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.

Based on our materiality assessment, we have set targets and defined focus areas for our sustainability work. We have summarized the main themes and progress toward our targets in our sustainability roadmap:

	Principles of Governance	Planet
High-level ambition	Become the most trusted professional services firm	Protect the planet to support the needs of current and future generations
FY25 targets & focus areas	<ul style="list-style-type: none"> <li>Code of Conduct and independence training, 100%</li> <li>Code of Conduct and Independence confirmation 100%</li> <li>Supplier Code of Conduct coverage, 100%</li> </ul>	<ul style="list-style-type: none"> <li>Reach Net Zero in FY25 (SBTi)</li> <li>Absolute GHG emissions, -40% vs. FY19</li> <li>Keep annual air travel emissions at 50% of FY19 level toward FY25</li> <li>Recyclability of waste: 80%</li> </ul>
Actions towards FY25	<ul style="list-style-type: none"> <li>Require annual training and confirmation from all EY people</li> <li>Continue to strengthen our focus on Danish supply chain in cooperation with EY Global Supply Chain Services</li> </ul>	<ul style="list-style-type: none"> <li>Support implementation of EY Global's seven-point action plan to reach Net Zero in FY25 and continue implementation of ISO 14001 EMS</li> <li>Implement initiatives to reduce internal travel</li> <li>Improve waste sorting in offices</li> </ul>
Progress FY23	<ul style="list-style-type: none"> <li>Code of Conduct training/confirmation: 99%/100%</li> <li>Independence training/confirmation: 100%/100%</li> <li>Completed first Human Rights due diligence</li> <li>Continue to monitor supplier ESG compliance</li> </ul>	<ul style="list-style-type: none"> <li>GHG emissions all scopes: -47% vs. FY19</li> <li>Air travel emissions: -49% vs FY19</li> <li>Share of recyclable waste: 64%</li> </ul>



\* Initiatives driven by EY Global



## Committing to the UN's sustainable development goals

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.

The UN's 17 sustainable development goals cover extensive challenges like economic inclusiveness, diminishing natural resources, geopolitical instability, environmental damage and the consequences of climate changes. Businesses will play a decisive role in reaching the goals and will likely gain a lot in the process.

At EY, we operate globally and serve global clients, and through our business activities, we directly or indirectly

impact all the SDGs. For EY Denmark specifically, we have identified seven goals where we have a particular impact on our business, where we have set targets or work dedicated to reducing our impact, and where we can help improve conditions through our actions.

We recognize that we can address complex sustainability challenges by scaling up our efforts and collaborating with peers, industry bodies, clients, authorities, non-profit organizations and society in general.

We describe the sub-targets we focus on and how we commit to deliver on them in the relevant chapters on the following pages and you can read more about how our work impacts the UN's sustainability goals [here](#).

	People	Prosperity
High-level ambition	Empower EY people to build their own exceptional EY experiences	Build a better working world in the communities where we live and work
FY25 targets & focus areas	<ul style="list-style-type: none"> <li>Gender balance, 40% women at leadership level</li> <li>Employee well-being and satisfaction measured by min. 90% perceive to have an 'Exceptional EY Experience'</li> </ul>	<ul style="list-style-type: none"> <li>Deliver exceptional audit services</li> <li>Contributing to EY Global's target of 1 billion lives impacted through EY Ripples*</li> </ul>
Actions towards FY25	<ul style="list-style-type: none"> <li>Improve and increase efforts for better gender balance</li> <li>Listening to our people to support employee well-being, engagement, retention and satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>Invest US\$10b in audit quality, innovation, tech &amp; people as a 3-year commitment by EY Global</li> <li>Introduce initiatives to support local communities</li> </ul>
Progress FY23	<ul style="list-style-type: none"> <li>Gender balance, all employees 41%/59% (w/m) (FY19: 42%/58%)</li> <li>Leadership level: 33%/67% (w/m) (FY19: 32%/68%)</li> <li>82% of EY people agree that their experience at EY is exceptional</li> </ul>	<ul style="list-style-type: none"> <li>EY Global invested US\$3.6b*</li> <li>Positively impacted, 210k lives through 356 participants</li> </ul>





# Principles of Governance

## Legal structure

EY Godkendt Revisionspartnerselskab is the organization where our Danish audit practice is performed. EY Godkendt Revisionspartnerselskab is a wholly owned subsidiary of EY Partnership P/S. EY Partnership P/S and EY Godkendt Revisionspartnerselskab are member firms of Ernst & Young Global Limited, a UK company limited by guarantee (EYG). EY Partnership P/S is owned and controlled by partners.

For more information about EY's legal structure, ownership and responsibility, please read our [Transparency Report FY23](#)

Across the country  
we are over  
2,000 employees

### Organizational integration

EY Denmark is closely integrated into the Nordic region, including EY in Sweden, Finland, Norway and Iceland. Our Danish leadership team is part of the Nordic leadership bodies, Regional Leadership Team and the Nordic Operational Executive.





Penneo document key: 11332-ECOBG-4B8F8-5TZNT-0J4EE-VQJPE



### 16.5 Substantially reduce corruption and bribery in all their forms

EY is committed to fighting corruption in all its forms and has implemented a global policy against bribery and corruption. We embed anti-corruption measures throughout EY, and all employees are required to complete annual training on this matter. An unwavering commitment to combating corruption is also built into the services we offer clients. The insights and quality services we deliver at EY help build trust and confidence in the capital markets and economies, and we help companies manage their anti-bribery and anti-corruption programs. To raise awareness of the fight against corruption, we also collaborate with external networks and groups.



## Governance in EY Denmark

EY Godkendt Revisionspartnerselskab's leadership team consists of Jan M. Huusmann, CEO, Country Managing Partner and Tax & Law Leader, and Jan C. Olsen, CEO and Assurance Leader. The daily management team consists of the managers of our four Service Lines, Jan C. Olsen (Assurance), Jan M. Huusmann (Tax & Law), Michael J. Laursen (Consulting) and Søren P. Krejler (Strategy and Transactions). In addition, Mona Blønd heads the Danish

EY Professional Practice (Assurance Quality and Risk), and Lorenzo Congiu heads our internal functions, Core Business Services.

EY Denmark also includes the other EYG member firms in Denmark:

- ▶ EY Grønland Godkendt Revisionsanpartsselskab
- ▶ Datoselskab af 18/10 2022 A/S (non-audit firm)



# Sustainability management in Denmark

The corporate sustainability lead (CSL) in Denmark is working closely with the other Nordic EY firms from a strategic and operational aspect, the latter in close cooperation with relevant function leaders like Talent (HR), Risk and Facility Management.

In EY Denmark, the CSL reports to the Danish Sustainability Steering Committee, which consists of Jan M. Huusmann, Country Managing Partner and CEO; Jan C. Olsen, CEO; Margrethe Bergkvist, Associate Partner and Quality Leader for sustainability reporting and Peter Haugaard, Talent Director. The committee is responsible for evaluating the sustainability work and ensuring that it is performed in

accordance with applicable laws and regulations and internal policies while setting targets and monitoring progress bi-annually.

To structure our work on environmental topics, EY Denmark has an Environmental Management system (EMS) certified according to the ISO 14001 standard. The EMS covers both EY Denmark, Norway, Finland and Sweden. The Operational Executive is the highest management level for the EMS at Nordic level, and Danish leadership is involved in setting the agenda and decision making for EY Denmark's targets and progress.

---

# Members of EY Denmark Supervisory Board

For EY Godkendt Revisionspartnerselskab, our highest management body is our Supervisory Board. The Board is

diverse in backgrounds, competencies, experience, business focus, seniority with EY, gender and age.



**Torben Bender**  
Chair



**Mona Blønd**  
Vice-chair



**Hanne Kærhøg**



**Mikkel Sthyr**



**Carina Marie G. Korsgaard**



# Business ethics and integrity

The EY approach to business ethics and integrity is outlined in the [EY Global Code of Conduct](#) (CoC) and embedded in our culture, training programs and internal communications. EY's Global Code of Conduct provides a clear set of standards for how we shall behave and conduct our business – and shall be complied with by everybody in EY. We neither can, nor will, tolerate behaviour violating professional standards or which is inconsistent with EY's Global Code of Conduct. Examples of such behaviour include discrimination, unethical

practices, financial misconduct, deliberately jeopardizing the quality of work or failing to comply with EY policies. In 2023, zero violation of the CoC was registered in EY Denmark. All EY employees are required to complete CoC training and annually sign that they work in line with the CoC – in FY23 99% of the employees completed the learning and 100% signed the CoC. The few who did not are people on leave or transitioning to new roles outside of EY.

The EY Global Code of Conduct provides an ethical framework for our behavior. It draws on our shared values and builds on our purpose and our ambition.

Our Global Code of Conduct is organized into five categories containing guiding principles that should be used by everyone within EY to guide behavior across all areas of our activity.

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



## Ethics board

EY has a Nordic Ethics Board with the mandate to investigate and follow up on reported ethics cases, including possible whistleblower cases reported through the EY/Ethics Hotline. The Ethics Board ensures that ethics and compliance matters related to partners, employees and other persons are managed in an objective manner and that appropriate sanctions are applied where a matter is confirmed. EY has a strict non-retaliation policy and practice to protect any who may report an issue. The scope of the Ethics Board is to ensure that all alleged violations of EY's Code of Conduct Global Policy, Non-discrimination Global Policy and/or other breaches of EY's core values are being investigated and that confirmed breaches are appropriately addressed. Reported violations may be investigated by the Ethics Board. In case of minor violations, the Ethics Board may delegate the matter to be resolved by the relevant Service Line or Function. As of 2023, the Nordic Ethics board has restructured to enable the handling of cases at a legal entity level when needed. This change was initiated to meet the requirements of the [EU Directive 2019/1937 – protection of persons who report breaches of Union law](#).

## Grievance process

An investigation and review are performed as described below either by the members of the Ethics Board or someone that the Ethics Board identifies as the best recourse to

perform the investigation or review. After having reviewed the case, it is concluded whether it is: substantiated, partly substantiated, not substantiated or insufficient information. If the information available is insufficient, the Ethics Board will work to get more information to be able to make a conclusion. Before concluding, the person or group accused of potential misbehavior will always be interviewed and asked to present his/her/their view to ensure the necessary contradiction is in place. Should a case be concluded as either substantiated or partly substantiated, consequences will be based on an evaluation of the gravity of the conduct. The Ethics Board will suggest a consequence which can range from training, oral warning, written warning, identification of steps to be taken, stop of promotion and resignation. The Service Line together with Ethics Board will finally make a conclusion. Depending on the gravity of the case the Country Managing Partner and/or the Regional Managing Partner will also be involved.

During FY23, zero cases were reported to the EY Nordic Ethics Board (in FY22 four cases were reported). No whistleblower cases were reported either in FY23. Learn more about EY's Ethics Hotline and whistleblowing in the [People section](#).



## Anti-corruption

EY is committed to the fight against corruption in all forms, and, to affirm this, EY has established a Global Anti-Bribery and Corruption policy accompanied by an anti-corruption compliance program. We anchor anti-corruption measures across EY, and partners and employees are obligated to complete regular training sessions related to this topic. In FY23, we launched the Financial Crime training course in Denmark including focus on anti-money laundering, anti-bribery and corruption and insider trading. Completion rate was 86% of all employees.

In addition, EY Global has issued the Global Competition and Anti-Trust Compliance Policy in support of the EY Global Code of Conduct's provisions regarding unethical or illegal business practices, compliance with laws, regulations and standards, and the need for honesty in competitive behaviour. Furthermore, our Global hospitality and Gift policy determines boundaries for accepting or giving gifts.

A steadfast commitment to tackling corruption is not only embedded in globally consistent policies and practices, including mandatory training on anti-bribery and corruption, but in the services, we offer clients. To raise awareness of the fight against corruption, we also cooperate with external networks and groups. For example, we are part of organizations such as the World Economic Forum and Transparency International to find ways to address the social and economic challenges of our time. In addition, EY has signed the World Economic Forum Partnering Against Corruption Initiative (PACI), a global-wide initiative focused on promoting transparency and preventing corruption.

We will continue our anti-corruption training initiatives going forward and communicate our guidelines and expectations to employees and business relations through our Code of Conduct and related training

## Independence

The EY Global Independence Policy requires EY Denmark and our people to comply with the independence standards applicable to specific engagements. EY Denmark and its employees consider and evaluate independence regarding various aspects, including financial relationships, employment relationships, business relationships, the permissibility of services provided to audit clients, applicable firm and partner rotation requirements, fee arrangements, audit committee preapproval, and partner remuneration and compensation.

Annually, EY Denmark 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.

Our policies and training help avoid any non-compliance for EY people. Independence is also an integral part of the EY Global Code of Conduct. Each of us is responsible for our own personal independence and the independence of EY. We are mindful of our own personal financial interests and EY relationships with clients. More information on EY Denmark's independence and compliance policies can be found in the yearly transparency report.

### FY23 Independence compliance

In EY Denmark, all partners and employees from manager and up must reaffirm that they comply with EY's independence policy and procedures. All partners and employees, i.e., 100%, confirmed their independence and attended mandatory training in 2023.

# Data ethics

## Statement on data ethics

Data protection and ethical data processing are fundamental, and we value and respect all types of data, and recognize the importance of confidentiality in safeguarding sensitive information. We implement robust measures to protect the confidentiality of data entrusted to us, employing encryption, access controls, and other advanced technologies. This commitment underscores our dedication to not only meeting legal requirements but also going above and beyond to uphold the highest standards of confidentiality and security for the benefit of our users and stakeholders.

We continuously make efforts to further embody our data ethical principles of self-determination, human dignity, responsibility, equality and fairness, progressiveness, privacy by design, and diversity in general in separate policies and procedures to support ethical decisions when using data across the value chain and when developing new products and services.

We will ensure compliance with applicable data protection laws and have a strong focus on the principles. We always keep people in focus, and when we develop new products and services, we focus on privacy by design and standard.

We uphold transparency and openness concerning the use of data and ensure that data ethics is anchored clearly, understandably, and easily accessible. Processes ensure that individuals know what data is being collected, for what purposes, and how it will be used.

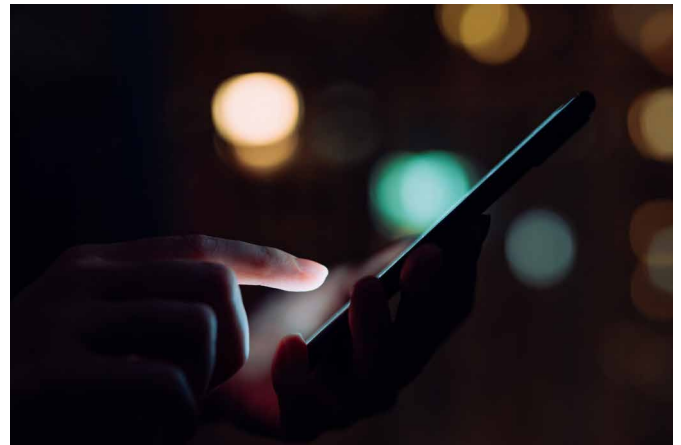
Security of data is an important part to ensure that data from a technical and organizational perspective is handled in a compliant and ethical manner. EY invests considerable time

and resources into future state security technologies. EY aligns the information security strategy to the organization's technology product roadmap and maintains a close association with EY technology service offerings. This properly positions the EY organization to address security issues that might otherwise threaten the confidentiality, integrity or availability of our EY technology resources.

The use of AI is subject to data ethics principles which require responsible and ethical handling of data.

We will continue to engage with regulators and other stakeholders to address key topics, including the responsible use of artificial intelligence (AI) and reporting on environmental, social and governance (ESG) matters.

EY has worked with data ethics throughout 2022 and 2023 and have embodied the data ethical principles of Privacy, Security and Responsibility in our Data Ethics Policy.



EY Denmark has published a [Privacy statement | EY Denmark](#), which explains how EY collects and uses personal data and describes the rights you have with respect to your personal data.

The EY Global Information Security Policy and the Information Security Management System Policy (ISMS Policy) provide EY with a global, uniform and coherent approach to information security. The policies

are aligned with the International Organization for Standardization's ISO 27001 – Information Security Management Systems.



# Procurement and supply chain

[The EY Supplier Code of Conduct](#) contains ethical guidelines determining the minimum standards of business conduct to which EY suppliers are expected to adhere. These include compliance with applicable laws and regulations, environmental considerations, human rights standards, principles of diversity and inclusiveness, health and safety regulations, and ethical integrity. Our policies and commitments for our own supply chain include:

- ▶ [EY's Supplier Code of Conduct](#)
- ▶ [EY's general terms and conditions](#)
- ▶ EY Global Procurement Policy (internal policy)

All EY personnel must adhere to the requirements set out in our internal Global Procurement and Supply Chain Policy when procuring goods or services on behalf of EY, regardless of the size of the purchase. One of the provisions requires that all contracts with suppliers should imply an obligation for the supplier to comply with EY Supplier Code of Conduct or corresponding supplier policy (as determined by Supply Chain Services and/or General Council Office). For purchases exceeding USD 50,000, Global Supply Chain Services must be included in the purchase and supplier selection.

[EY Global Supply Chain Services](#) helps optimize EY's purchasing power across products and services. As part of our procurement activities, they seek suppliers who are innovative and can offer exceptional customer service and support. We are committed to maintaining a diverse supplier base and building relationships with suppliers that reflect the market, clients and communities we serve. Our [Environmental Social Governance services-team](#) is part

of Global Supply Chain Services, driving an inclusive and sustainable mindset across EY's supply chain. Among other things, the team provides training for all Supply Chain employees on ESG topics.

In addition, we have a strict independence policy also when it comes to our third parties other than clients. We utilize a Business Relationship Independence Data Gathering and Evaluation system (BRIDGE), a Risk Management Tool, to ensure we are independent when collaborating or purchasing from third parties.

## Supply chain due diligence

EY Global Supply Chain Services has an established ESG supplier due diligence process, including ESG-related questions and agreement with our ethical guidelines in "Request for Proposals" (RFP) and the introduction of suppliers.

In the spring of FY23, we conducted a [due diligence](#) concerning Human Rights in our own operation and in our Supply Chain in EY Denmark to prepare for EU's proposed Corporate Sustainability Reporting Directive.



Penneo document key: 11332-ECOBG-4B8F8-5TZNT-0J4EE-VQJPE





# Planet

EY globally recognizes an urgent need for action to limit greenhouse gas emissions, preserve biodiversity and strengthen the resilience of nature around the world. Already in 2019, EY published the EY Global Environmental Statement, which outlines our global commitment to fight climate change and ensure environmental sustainability – both in our own operations and in the communities where we live and work.

## **Environmental management system certified according to ISO 14001:2015**

Our ambition is to incorporate environmental sustainability in every aspect of our business as we strive to reduce our environmental impact and to reduce our consumption of natural resources. In EY Denmark we have implemented an Environmental Management System which is certified according to the ISO 14001 standard, providing us with a strong foundation to accelerate our sustainability work.





**Selected sub-target: 7.3.**

“By 2030, double the global rate of improvement in energy efficiency”

At EY, we aim to be more energy efficient by reducing our absolute GHG emissions across scopes 1, 2 and 3 by 40% by reducing business travel, mainly by air, and energy consumption and waste in our offices.



**Selected sub-target: 12.6.** “Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.”

At EY, we aim to accelerate our clients' and suppliers' sustainability journeys. In addition, we integrate sustainability information into our reporting cycle, and we work consistently to adopt sustainable practices in our organization as part of our global seven-point action plan to reach net-zero in FY25.



## Global impact

Climate change is a material topic to EY, and EY Global has set the target to reduce its absolute emissions by 40% across scopes 1, 2 and selected scope 3 categories, against an FY19 baseline, consistent with a 1.5°C science-based target, approved by the Science Based Targets initiative (SBTi), to reach net zero in FY25. The boundaries of EY Global's

Science Based Target include scopes 1, 2 and categories 3, 5, 6 and 7 of scope 3.

For an update on EY Global's progress towards its [carbon ambition](#) and seven-point action plan, please see EY Global's [Value Realized report](#) for FY23.

## Greenhouse gas emissions

Contributing to the net zero goal of EY Global, EY Denmark has set a target to reduce our absolute emissions by 40% across scopes 1, 2 and selected categories of scope 3 by FY25 from baseline year FY19.

To reach the target of reducing our emissions by 40%, EY Denmark aims to halve our emissions from air travel from FY19 to FY25 and reduce other emission sources, primarily from our offices.

While historically, we have only been able to include data for categories 5 and 6 of scope 3, from FY23 we include two additional categories in our scope 3 calculations, categories 3 and 7.

Our SBTi commitment and Restatement policy are based on EY Global. Combined with the fact that we do not have data available from baseline year and as the emissions of the newly added categories are deemed immaterial for EY Global, we have not made a restatement of the baseline for EY Denmark. See graph 1 illustrating the trajectory of our 40% reduction target.

We continuously work to provide the most accurate insight into our business, and to strengthen data quality. We have also initiated calculations to include category 1, purchased goods and services from FY24.

FY23 is the first full year of normal activity since the world reopened in FY22 after the COVID-19 pandemic, and EY Denmark has adopted new ways of working smarter while considering the environment and climate. At global level, EY reduced GHG emissions by 43% against an FY19 baseline; at the same time growing our business by 40% over the same period. In EY Denmark, we reduced our absolute emissions by 47% (including the original scope of categories 3.5 and 3.6) since FY19 and grew our business by 33% in the same period. This development keeps our emissions within the boundaries of the 1.5°C target.

For transparency, we have illustrated the newly added emission categories of scope 3 in the graph 1.

Graph 1: EY Denmark's science-based target 1.5°C trajectory

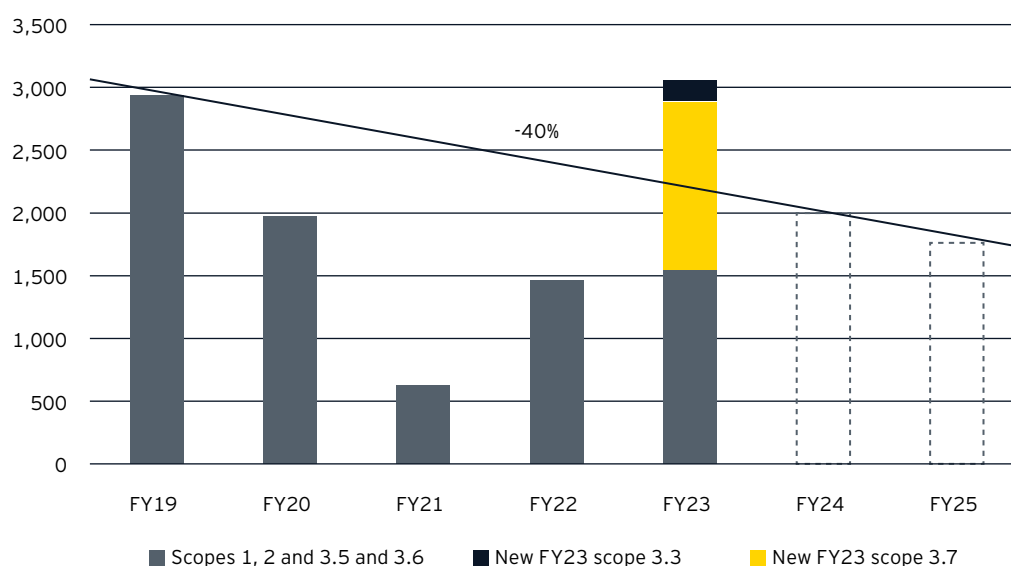


Table 1: Our greenhouse gas emissions (tons CO<sub>2</sub>e)

Greenhouse gas emissions (WEF-IBC Core)	Unit	FY19	FY20	FY21	FY22	FY23
Emissions per DKK of revenue <sup>1)</sup>	tCO <sub>2</sub> e/MDKK	1.5	0.9	0.3	0.5	0.5
Emissions per FTE <sup>1)</sup>	kgCO <sub>2</sub> e/FTE	1,915.6	1,253.6	418.2	918.5	805.3
Scope 1 <sup>2)</sup>	tCO <sub>2</sub> e	102.8	130.2	112.3	270.1	211.1
Scope 2 (location-based)	tCO <sub>2</sub> e	620.5	344.2	293.6	276.6	189.5
Scope 2 (market-based) <sup>3)</sup>	tCO <sub>2</sub> e	1,748.3	503.1	71.4	74.6	60.1
Scope 3 (total) <sup>4)</sup>	tCO <sub>2</sub> e	2,211.5	1,496.2	218.9	917.4	2,642.9
Category 3: Fuel and energy-related activities	tCO <sub>2</sub> e	no data	no data	no data	no data	158.6
Category 5: Waste generated in operations	tCO <sub>2</sub> e	no data	89.5	34.1	55.7	35.6
Category 6: Business travel	tCO <sub>2</sub> e	2,211.5	1,406.7	184.8	861.7	1,118.8
Category 7: Employee commuting	tCO <sub>2</sub> e	no data	no data	no data	no data	1,329.9
<b>Total emissions (location-based)</b>	tCO <sub>2</sub> e	<b>2,934.7</b>	<b>1,970.6</b>	<b>624.8</b>	<b>1,464.1</b>	<b>3,043.6</b>
<b>Total emissions (market-based)</b>	tCO <sub>2</sub> e	<b>4,062.4</b>	<b>2,129.5</b>	<b>402.6</b>	<b>1,262.1</b>	<b>2,914.2</b>

- Calculations are based on total emissions excluding categories 3.3 and 3.7 for historical comparison. Refer to p. 32 for more information.
- In FY23, we broadened the scope for vehicles to include in the scope 1 calculations for vehicle consumption. For comparison, we also applied this scope for FY22 scope 1 calculations. We do not have data for FY19-21 for vehicles in this new scope and are therefore not able to restate historically.
- Previous year, district heating was not included in the market-based numbers, which have therefore been restated for year FY19-22 to include district heating.
- In FY23, we have added categories 3.3. and 3.7. Our SBTi commitment and restatement policy are based on EY Global. As the emissions from the newly added categories are deemed immaterial to EY Global and as we do not have data available historically, we have not made a restatement of baseline for EY Denmark for these categories.

See more under Sustainability reporting principles.



## Scope 1

Our direct emissions (scope 1) are limited to a small number of company cars leased through EY Godkendt Revisionspartnerselskab (on short-term, irrevocable contracts). In FY23, we were able to include more cars in scope 1 as data became available and have estimated emissions for FY22 for comparison. Emissions from company cars are 207 tCO<sub>2</sub>e in FY23, which is a decrease from 265 tCO<sub>2</sub>e in FY22.

To reduce our footprint, we decided that all new company cars leased from 1 January 2023 must be electric or

plug-in hybrids. We installed nine electric charging stations in Copenhagen and charging stations are available in the parking lots in most of our offices. Along with a slight decrease in the number of cars, the reduced emissions from FY22-FY23 are attributable to an increase in electric and plug-in cars.

Included in scope 1 is also emissions from the cooling systems in our Copenhagen building, which amount to 4.7 tCO<sub>2</sub>e for FY23, which is roughly the same level as previous years.

## Scope 2

In FY23, our energy consumption decreased by 26% from FY22 and by 72% compared to FY19. Electricity consumption

alone decreased by 22% compared to last year and heating decreased by 29% compared to FY22.

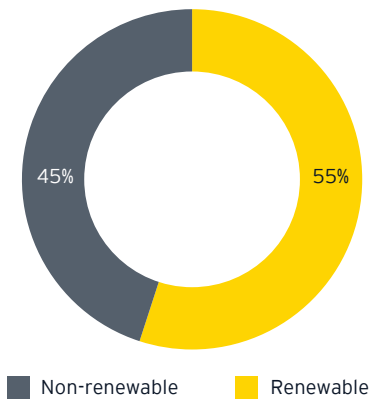
Table 2: Energy consumption by source (MWh)

Energy consumption (non-WEF-IBC)	Unit	FY19	FY20	FY21	FY22	FY23
<b>Total energy consumption</b>	MWh	<b>7,417.8</b>	<b>4,671.0</b>	<b>3,334.5</b>	<b>2,793.7</b>	<b>2,077.9</b>
Renewable energy	MWh	0.0	891.9	1,633.9	1,469.3	1,141.9
Purchased electricity	MWh	0.0	891.9	1,633.9	1,469.3	1,141.9
District heating	MWh	0.0	0.0	0.0	0.0	0.0
Non-renewable energy	MWh	7,417.8	3,779.1	1,700.6	1,324.4	936.0
Purchased electricity	MWh	3,721.8	891.9	0.0	0.0	0.0
District heating	MWh	3,696.0	2,887.1	1,700.6	1,324.4	936.0

\* The figures include estimates for the whole country based on the actual consumption of electricity in our Copenhagen, Aarhus, Odense, Sønderborg, Haderslev and Aabenraa offices and heating from our Copenhagen, Aarhus and Odense offices. Read more under Sustainability reporting principles.  
Renewable: Energy with issued guarantees of origin e.g. renewable energy certificates. Non-renewable: Energy without guarantees of origin.

We purchased renewable electricity from Danish wind to cover our full consumption in FY23. The electricity is covered by Guarantees of Origin (GoO) for renewable energy according to the EU Renewables Directive. The electricity production is certified according to the international European Energy Certificate System (EECS) standards and documented by the issue of GoO.

Share of renewable energy purchased:



**Initiatives to reduce energy consumption**

Apart from the move to our new Copenhagen location in FY20, a large part of the reduction in energy consumption since baseline year can be explained by active measures to reduce electricity and heating consumption. In FY23, we took additional steps to reduce building temperature. In our Copenhagen office, we implemented night-time saving temperature. We lowered or shut off building ventilation evenings and weekends and hot water temperature was lowered to 52 degrees. With more people coming into the office after the pandemic, these measures have taken great effect as we have still managed to reduce our energy consumption.

Solar panels in our Copenhagen office have produced electricity to cover 7% of our consumption in FY23.

We also introduced nine charging stations for electric vehicles for employees and clients in Copenhagen and the majority of our other offices also provide access to electric chargers.

Our long-term strategy is also to optimize energy consumption by using our office space more efficiently while growing our company. During FY23, we took steps to reduce our local footprint in some cities by e.g. combining two small offices into one. Reducing our office footprint is expected to have an impact on our energy consumption going forward.

**Balancing power consumption in the grid**

As a pilot project in FY23, EY became part of IBM's Flex platform, which aims to balance power consumption in the grid.

The flex platform is based on well-known technologies such as AI, IoT and Blockchain and is developed in Denmark. The idea is to avoid using fossil energy at the power plants during periods of peak loads or periods when less green electricity is produced because it is not windy for example.

Together with other participants in the platform, EY then turns down the volume of ventilation and cooling. The system adjusts the electricity consumption of the partners by itself, which in turn is rewarded for providing flexibility.



## Scope 3

### Waste

In FY23, we increased our waste generation by 13.5% compared to FY22. The increase is caused by many people returning to the office in FY23.

While the total generation of waste increased, we also increased the share of recyclable waste from 51% in FY22 to 64% FY23.

The increased share of recyclable waste has resulted in reduced emissions from our waste by 36% from FY22 to FY23.

**Tabel 3: Waste generation in tons**

Waste generation (t) recyclable/non-recyclable	FY22*	FY23*
Recyclable**	69.10	98.60
Non-recyclable***	67.60	56.60
Total	136.7	155.2

\* Data include estimates for all EY Denmark's offices based on waste generation in Copenhagen, Aarhus and Odense, which represent approx. 77% of EY employees (FTE).

\*\* Recyclables include biowaste, glass, metal, paper, cardboard and wood.

\*\*\* Non-recyclable includes mixed/residual waste. See more in Reporting principles.

**Table 4: Share of recyclable and non-recyclable waste generated**

Waste generation % recyclable/non-recyclable	FY19	FY20	FY21	FY22	FY23
Recyclable*	No data	46%	59%	51%	64%
Non-recyclable**	No data	54%	41%	49%	36%

\* Recyclables include biowaste, glass, metal, paper, cardboard and wood.

\*\* Non-recyclable includes mixed/residual waste.

### Initiatives to reduce waste and improve sorting

We have made great efforts to encourage waste sorting this past year with more waste fractions available at our offices and via communication to explain how the waste should be sorted.

In Copenhagen e.g. we reduced the amount of residual waste through a recycling project where all used paper hand towels in the bathrooms were sorted and sent for recycling into new paper towel products.

At the same time, we changed all single use plastic bags in waste containers for "dry waste", such as paper hand towels, into re-usable bags made from discarded scaffolding plastic. This has resulted in more than 50,000 plastic bags saved this past year.

In our large Copenhagen canteen, we continue our efforts to promote green meal choices to reduce meat consumption, we

serve plated meals to lower food waste, and this summer, we have started to weigh and clearly display food waste numbers to employees to increase awareness and lower the amount of food waste even further.

EY uses a large number of IT devices that could potentially end up as electronic waste. Therefore, we have an agreement with a 3rd party supplier that handles IT waste. The supplier collects used IT devices and either repairs the devices to give them new life or the materials are recycled. Laptops, mobile phones, tablets and even monitors are part of this agreement. During FY23, we had two suppliers who state that 94% and 84% of devices, respectively, were refurbished.

For electronic equipment, we encourage employees who need a new phone to opt for a used phone and possibly an older model to expand the life of our current devices.

## Business Travel

EY Denmark's emissions from business travel amounted to 1,119 tons of CO<sub>2</sub>e in FY23 – 72% of our total emissions from Scopes 1, 2 and 3 (categories 5 & 6). Emissions from business travel have decreased by 49% compared to our baseline year FY19 and have increased by 30% since FY22. When including categories 3 and 7 in our total emissions, business travel accounts for 37% of total emissions in FY23.

Air travel alone accounts for 65% of our business travel-related emissions. The rest of the emissions from business travel comes from car mileage and hotel stays. Train travel has been excluded due to the lack of data. We are working to improve our data collection and include data especially on train travel in reporting on business travel in the coming years, also to map changes in employee travel patterns and behaviour from our employees.

Business travel patterns have changed in several ways in recent years as we both travel less frequently, and we carry out day trips to a lesser extent than before. Only 9% of all trips in FY23 were same day trips.

The reduced need for travel is largely due to EY Denmark's investment in our hybrid working model and investments in digital meeting technology coupled with the adoption of new digital behaviors that came with the pandemic for both us and our clients.

However, we still see the need for our employees to meet face to face, not least new employees, need to meet in

person to make connections, build teams and a sense of belonging. Especially in the beginning of FY23, a large part of our travel consisted of various internal meetings and training events. This was a natural reaction to the lockdowns and travel restrictions during the pandemic and people not being able to meet in person for a long time. Thus, air travel alone increased by 39% since last year. In December 2022, we cut down on internal travel, especially by air. To keep our travel-related emissions down, it was also decided in early 2023 to take a new approach for the planning of internal travel for large events, etc., such as choosing more Nordic venues in FY24 to ensure shorter travel distance, easier access to train travel and lower emissions.

EY Denmark has a travel policy that governs how we plan and conduct business travel to reduce our negative environmental footprint. We recognize that a number of EY's services require some business travel, but we also know that air travel makes up a very large part of our organization's negative impact on the environment. According to our travel policy, our employees are expected to conduct business trips with sound business judgment and always consider alternatives to flights. Going forward, we will continue to change the way we work to reduce the need to travel and prioritize travel that adds the highest value to our business and encourage employees to choose low-emission travel modes.

Via our taxi service agreement in EY, we estimate that 80% of trips are by electric vehicles in 2023 and 100% in 2024.

**Table 5: Business travel**

Travel emissions (tCO <sub>2</sub> e)*	FY19 (base year)	FY20	FY21	FY22	FY23
<b>Total</b>	<b>2,212</b>	<b>1,407</b>	<b>185</b>	<b>862</b>	<b>1,119</b>
Air travel	1,678	978	18	522	728
Car travel	534	429	167	321	329
Hotel stays	No data	No data	No data	19	61

\* Train travel data has been excluded due to the lack of data.



### Employee commuting and remote work

In the spring of 2023, we sent out a survey to uncover emissions related to employee commuting and working from home (category 3.7). This is the first year we include this category in our reporting. We asked how our employees commute to the office, how far they commute and how often they come to the office to work vs. working remotely.

Based on the survey, we have estimated emissions from employee commuting to 1,082 tCO<sub>2</sub>e and home working to 248 tCO<sub>2</sub>e for FY23. This is a significant share of our total emissions (incl. categories 3.3, 3.5, 3.6 and 3.7) of 44%.

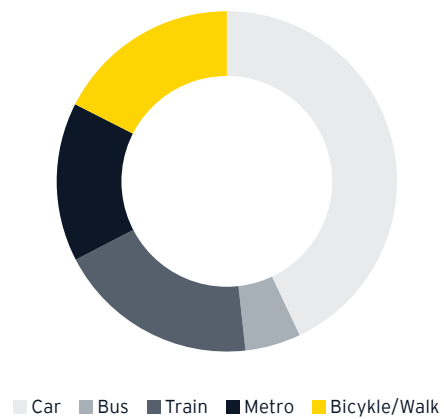
For 43% of the kilometers travelled to work by our employees the travel mode was by car and 21% of the cars were electric or plug-in hybrids. As expected, more people commute using public transportation in our bigger city offices with easier access to these facilities.

On average, our employees work from home 22% of the time which emits 248 tCO<sub>2</sub>e.

In the beginning of FY23, we decided that all new company cars purchased from 1 January 2023 must be electric or plug-in hybrids. Electric charging stations are available in the parking lots in most of our offices. In Copenhagen, we only have a limited number of parking spaces available, and our

office is located next to Flintholm station with easy access to the Metro and S-trains. As part of EY's employee benefit packages, employees can commute with DSB (Danish rail) at a discount rate. We participate in the Danish initiative 'Vi cykler til arbejde', where teams of employees ride their bikes to work in a competition to get more people to choose the bike for commuting to work. With the EY Hybrid Working model, we also promote the opportunity of working remotely.

Employee commuting – distance travelled by mode of transportation



\* Data is based on replies from the EY survey to Danish employees from April 2023. See more in Sustainability reporting principles.

# Our progress and key actions: Planet

EY Nordics Planet measures	Progress and key actions FY23	Key actions FY24
<p>Keep annual air travel emission at 50% of FY19 level toward FY25.</p>	<p>Despite increasing air travel in FY23 compared to FY22, we reduced emissions from business travel since FY19 by 49% – in line with our 1.5°C target.</p> <p>We are linking reports on business travel on organizational level for measuring CO<sub>2</sub> emissions with costs reporting.</p> <p>We implemented travel restrictions after an increase in internal travel in Q1 and Q2 of FY23</p> <p>We published a Green Event Guidelines to promote greener choices in event planning, both externally and internally. We also promoted our internal Travel CO<sub>2</sub> tool to incentivize employees to choose flight-alternative travelling modes.</p> <p>Our taxi service agreement aims for 80% of trips being in electric or plug-in vehicles in 2023 and 100% in 2024.</p> <p>We identified internal training events as a major contributing factor to air travel and plans have been made to ensure Nordic venues and reduced travel, especially by air, from FY24.</p> <p>EY Global offers a method to map emissions connected with client engagements.</p>	<p>Make emission calculations an important part of the planning of major events.</p> <p>Choose Nordic venues for larger internal training events to reduce travel, especially by air.</p> <p>Encourage employees to choose low-emission travel modes.</p>
<p>Reduce office electricity usage and procure 100% renewable electricity for the remaining EY needs.</p>	<p>Electricity consumption alone (location-based) in EY Denmark decreased by 22% compared to FY22 and by 69% compared to FY19.</p> <p>Since January 2023, all new company vehicles have to be either electric or plug-in hybrids.</p> <p>Since January 2020, EY Denmark has purchased 100% renewable electricity from Danish wind, covered by GoO for renewable energy according to the EU Renewables Directive. The electricity production is certified according to the international EECs standards and documented by the issue of GoO.</p>	<p>Continue efforts to reduce consumption, especially in our large offices.</p>
<p>Reduce waste generation and increase recyclability of total waste.</p>	<p>Although the total amount of waste increased as more people came to the office in FY23, we increased the share of recyclable waste from 51% in FY22 to 64% FY23.</p> <p>Used mobile phones are increasingly offered to employees who need a new phone.</p> <p>In our moving projects in our small offices, furniture were donated for reuse.</p> <p>Used IT devices, including laptops, phones, tablets and monitors, were sent to an IT asset disposal service for material recycling or refurbishment. More than 84% were refurbished in FY23.</p>	<p>Continue to encourage waste sorting among our employees and improve sorting fractions where needed.</p> <p>Together with EY Real Estate and Workplace Experience, establish process for moving projects to be followed regarding sustainability.</p>



# Climate-related risks and opportunities (TCFD)

Changes in stakeholder expectations, regulations and strategic opportunities encourage us to reformulate our business strategy to become more environmentally aware and recognize both the risks and opportunities that climate change poses to our business. Clients expect this from us, our employees care about it, and the regulations, especially with the upcoming CSRD framework, require this from us.

In the fiscal year 2023, EY Global conducted a [TCFD scenario analysis](#) (Taskforce on Climate-related Financial Disclosures) to update our assessment of the business' climate-related risks and opportunities. The scenario analysis was first conducted at a global level with EY global executives. The evaluation was then reviewed by our Nordic sustainability team. All pieces of information deemed relevant to EY Denmark and the rest of the Nordic region were passed on to a workshop series with various function and market segment leaders, including our leadership team in Denmark. Through this series of workshops, relevant risks and opportunities for Denmark were discussed and evaluated so that concrete preventive measures could be identified and taken. The results of our TCFD analysis FY23 are a basis for decision-making and will be integrated with our overall risk management process.

For our TCFD analysis, EY Global selected two emission scenarios, based on the IPCC model, to assess climate risks, opportunities and impacts; Unchanged conditions/High emissions scenario and Low carbon scenario. EY Global's assessment identified climate-related risks, opportunities and financial impacts for EY's Danish operations under the two emission scenarios, three of which were prioritized by our leadership:

## Impact on operations and employees due to chronic and acute climate change (risk)

At global level, physical impacts of climate change are estimated to disrupt service provision and cause broader disruptions such as employee displacement, water security, damage to critical infrastructure and inability to access healthcare.

EY Denmark's business faces relatively low physical climate risks in both climate scenarios, but some countries where we have colleagues who are involved in client projects and operations, such as India, face significantly higher physical impacts of climate change. Today, our real estate department focuses on office footprints to reduce climate risk exposure and environmental criteria are set for office leases. Going forward, we will work to further understand the impact of climate risks in the locations where our Global Delivery Service (GDS) is located and continue to evaluate and develop climate resilience requirements for our offices in Denmark together with our landlords.

## Increased concerns about reputational damage and brand value if EY does not maintain climate leadership (risk and opportunity)

As the transition to a low-carbon society progresses, EY can strengthen its brand, reputation and revenue on a global scale by continuing to be a climate leader in the professional services sector, or otherwise face reputational risks if the company starts to be seen as a climate laggard.

EY Denmark together with the rest of the Nordic region is estimated to face significant revenue losses annually if we fall from being considered climate leaders to climate laggards. However, if we maintain status as a leading climate company, our revenues are expected to significantly increase and be above estimated revenue for conditions where we are considered "average climate-friendly", in both alternative future scenarios. Today, we see our clients' requests for information about EY's own sustainability efforts increasing, and we are proud of our commitment and dedication towards a net-zero emission future by 2025. Going forward, we will focus on improving our communication on our sustainability policy, upholding our sustainability commitments, operating our business on 100% renewable energy and reaching our net zero target by 2025.

### **Increased demand for sustainability-focused services (opportunity)**

On a global scale, EY sees a rapidly growing and high demand for sustainability-related services. Our leadership sees sustainability as a key area of our business going forward and expects revenues from sustainability-related services in Denmark together with the rest of Nordics to increase significantly for both alternative future scenarios. We invest in our sustainability solutions and build sustainability capacity in our various service lines. Going forward, we will work to build additional ecosystems around current capabilities and build sustainability into all our different solutions. We will also conduct sector-specific sustainability analyses and develop strategic directions and sector-specific plans related to our sustainability services.

In keeping with the spirit of the TCFD, the above illustrates how we work to demonstrate transparency, and how we are living our purpose through integrated climate action, while candidly acknowledging where we can improve. Given the role we are privileged to play in serving clients in every sector, both private and public, it is clear that one of our biggest opportunities for activating our purpose and strategy is to be a catalyst for climate action, working with EY clients, peers, people and the communities we share. We are committed to this role, because this is the only way we can move towards net zero and a future fit for all our stakeholders.





# People

EY brings together extraordinary people to build a better working world. Their growth in knowledge, prosperity, well-being and equal opportunities for all is central to the success of our organization. At the core, we strive to provide our people with exceptional experiences by:

- Welcoming and embracing diverse people.
- Creating teams where everyone feels a sense of belonging.
- Fostering an inclusive environment mindful of our people's health and well-being.
- Developing our people's skills and competencies for the future.



Penneco document key: 1327-ECOBG-188F8-37ZNT-01HEVQJPE





Penneo document key: 11332-ECOBG-4B8F8-5TZNT-014EE-VQJPE



**Selected sub-target: 5.5** "Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life".

We work to ensure gender equality at all levels in the organization, and especially focus on greater gender balance at leadership level in EY. Several activities are in place already, including global and local mentoring programs, unconscious bias training, and strengthened efforts around parental leave, and we are implementing more initiatives. We aim to ensure that our activities promote our talent pool to become even more diverse and better balanced.



**Selected sub-target: 10.2** "By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status."

EY works to ensure diversity, equity and inclusiveness for all our people. We strive to offer all employees equal opportunities in recruitment and selection, development and promotion. Our goal is for all employees to feel appreciated, respected and fairly treated with appropriate compensation and good benefits. Our actions include inclusiveness training, unconscious bias training, network programs and much more. We aim to ensure our people feel included and free to be themselves. Our responsibility to respect human rights also extends beyond our direct operations to our supply chains. We try to actively monitor our suppliers' work with human rights.



# Employee health, safety and well-being

In EY Denmark our work environment policy outlines how we work to create a good social and physical work environment and prevent risks of work-related ill health and occupational injuries. The management of our work environment is an integrated and natural part of our overall operations, i.e. work environment issues are dealt with in a systematic way in direct connection with everyday issues. All leaders within EY have the skills, resources, and authority to solve tasks in a good manner.

Our employees' daily work consists mostly of performing high-cognition tasks in an office- or home-based environment, producing solutions for our clients, using technology, and attending client meetings in person or online. Therefore, the main physical health challenges include musculoskeletal issues (caused by computer work) and issues related to mental well-being.

Since EY Denmark introduced hybrid working in the middle of 2021, our people can choose when and where to work. For home offices, we offer equipment such as office chairs, monitors, etc., to mitigate potential challenges ergonomically. In our offices, we ensure that our workstations comply with health and safety regulations and offer ergonomic assessments. Apps to remind people of the importance of activity during the workday are available – in addition to local sports activities and access to a fitness room at our largest office.

To ensure the mental well-being of our employees, we support our people and leaders in achieving a greater balance between career and private life to better tackle potentially stressful working situations. We offer low-threshold mental health coaching, and we host regular well-being days with various speaker sessions, exercise, and e.g. classes on quality sleep, mindfulness and personal financial management, in addition to addressing mental health and work-life balance during counselor/counselee conversations.

Moreover, EY Denmark's comprehensive insurance package aims to cover the health and safety of all employees in the work environment as well as in their leisure time. In addition, it covers free access to medical specialist consultations, including physiotherapists, chiropractors, psychologists, etc. With our hybrid working model, we also ensured that our insurance program covers working from home. EY also provides in-depth health checks every three years for employees over the age of 45.

## Health, Safety and Environment organization

EY Denmark's Health, Safety and Environment (HSE) organization operates as an independent entity across all offices and with representation from both leadership and employees. Matters related to HSE are raised directly with local representatives and dealt with on a discretionary basis locally. More general or national matters are raised and dealt with in the national HSE leadership team – again comprising members from across employee groups and locations.

## Sick leave and injury

Sick leave in EY was at 1.8% in FY23, which includes children's sick days and long-term illness. This equals an average of 4.7 sick days per employee in FY23. While sick leave is evenly split between our offices, we do see a slight variation when it comes to the gender split with female employees accounting for 55% of the sick leave and male employees for 45% of the total. The gender variation is in line with what is seen in national statistics as well, and is not an issue of concern per se.

EY is seeing a relatively low level of sick days when compared to country average, and one contributing factor may well be our hybrid working model.

We have no reports of work-related accidents occurring in FY23 as reported by the HSE organization.

## Listening to our people

Three times a year, we ask about our people's engagement, well-being, and satisfaction through the EY People Pulse Survey and, thereby, aim to stay updated on how our people are doing. Each People Pulse Survey focuses on our NextWave people priorities and other timely topics contributing to our people's exceptional EY experience.

**The exceptional EY experience – it's yours to build.** This is the promise we make to EY people. To empower them to be in the driving seat of their own experiences by fostering a diverse, equitable and inclusive culture and providing them with the infrastructure and tools (from technology and scale to learnings and relationships) that will help them grow professionally as well as personally. Our goal is that 90% percent of our employees agree that their experience at EY is exceptional.

**Table 6: The latest People Pulse Survey in Denmark from July 2023 shows:**

	FY21	FY22	FY23
"I have an exceptional EY experience"	76%	85%	82%
"EY provides an environment where I feel free to be myself"	89%	92%	91%
"I feel included and supported by the people I interact with each day"	87%	90%	87%
"I feel safe to voice my views, even when they are different"	82%	87%	86%

\* The numbers are based only on favorable and very favorable replies in the survey.

**Table 7: For each service line, the FY23 results show:**

FY23 People Pulse results by service line	Assurance	Consulting	SaT	Tax & Law	Core Business Service
"I have an exceptional EY experience"	85%	75%	75%	84%	80%
"EY provides an environment where I feel free to be myself"	90%	93%	88%	94%	94%
"I feel included and supported by the people I interact with each day"	88%	84%	88%	86%	87%
"I feel safe to voice my views, even when they are different"	82%	87%	87%	90%	84%

\* The numbers are based only on favorable and very favorable replies in the survey.

In our globally conducted People Pulse surveys, EY Denmark has been on a very positive trajectory for some years and two years ago the Danish practice continuously started to come out with Best-In-Class (BIC) results across the EMEIA-region (Europe, Middle East, India and Africa). The Danish results are still BIC across EY EMEIA, however, we have seen a slight decrease in the results in FY23. This downturn mirrors a trend seen globally, and while we note the slight decrease for the Danish results in FY23, we do not find it alarming.

Some variances between individual service line results are to be expected, but while specific results may fluctuate from one survey to the next all service lines continue to operate the EY People Pulse as an open book. Results are being presented and discussed with all employees and specific action plans are developed to address any major findings – regardless of EY Denmark having BIC-results or not.



## The EY hybrid working model

As a step towards creating the workplace of the future, we implemented the EY Hybrid Model in 2021. It allows greater flexibility for each employee to decide for themselves where and when to work, including whether it is most appropriate to work from the client's office, from EY's office or remotely. Our people plan their working day based on what is most efficient for the day taking into account e.g. current tasks, client expectations, and the need for interaction with colleagues, while also allowing for improved flexibility in creating a better overall life balance.

At the end of FY23, EY Denmark decided to launch a pilot project allowing employees to work remotely from certain EU countries to further flexibility in the 'where and how' work is conducted.

In EY, we mark the month of October as Flextober, and take the opportunity to discuss advantages and challenges of hybrid working. We continue to have webcasts where e.g. effective leadership and leadership behaviors of hybrid teams are discussed and how to develop healthy digital habits as individuals and as teams.

In FY23, we have also introduced #BetterWorking@EY, a new initiative aimed at helping our employees and teams work better. The goal is to promote an approach that facilitates successful collaboration in hybrid teams.

## Diversity, equity and inclusion

With a diverse workforce, EY is better equipped to utilize the power of different opinions, perspectives, knowledge, abilities, and cultural references to set the best teams and help our clients in the best way possible.

To demonstrate our commitment, the EY Global Executive, the highest leadership body of EY, has signed the [EY Global Executive Diversity, Equity and Inclusiveness Statement](#). Not only does the statement reinforce that diversity, equity and inclusion are key strategic business priorities, but it also ensures that we hold ourselves accountable for progress, starting with our actions at the top. This is supported by our global inclusion and non-discrimination global policy, which describes our commitment to offer all employees equal opportunities in recruitment and selection, training, development, and promotion.

In line with the Universal Declaration of Human Rights, these opportunities should not be affected by gender, race, age, ethnicity, disability, and sexual orientation. Our goal is for all

employees to feel valued, respected and treated fairly with appropriate remuneration and good benefits.

In addition, we show our commitment in EY Denmark to advancing gender diversity and equality in the workplace by being among the first to sign the [Diversitetspagten](#) (Diversity Pact) issued by the Danish Chamber of Commerce. EY Denmark is also a signature to the recently issued [Diversitetsløfte](#) (Diversity Promise) by the Confederation of Danish Industry to create more gender balance in the business community.

These initiatives address the clear challenge of gender diversity in businesses. The initiatives aim to create more fairness and equality in workplaces by promoting gender diversity across sectors and companies in Denmark. It is not just about meeting quotas, but about establishing a culture that strengthens equal opportunities and creates a workforce that reflects society as a whole.

In FY23, Danish Industry launched a campaign focusing on increasing female entrepreneurs. Here, EY also played an active role through a comprehensive mentoring program aimed at helping female entrepreneurs grow their business by sharing experiences, recommendations and network.

**For FY23, our DE&I work had the following goals:**

- ▶ Improve transparency and performance of our EY tool monitoring diversity, equity and inclusion.
- ▶ Increase recruitment and promotion of female talents, including partners.
- ▶ Bring our inclusive leadership training to a wider audience by making it part of our 'Badges series' of world-class learning.

During FY23, EY has brought to life several DE&I initiatives to increase our awareness and ensure we better live our values.

**Unconscious bias**

We have addressed the risk of unconscious bias impacting our people in two dimensions:

- ▶ Training – we offer targeted presentations to leadership groups or teams with exercises in unconscious bias and in addition we offer several e-learning trainings for all.
- ▶ Embedding activities that address the risks of unconscious bias impacting core talent processes, e.g., mandatory training in connection with the annual performance assessments, promotion discussions and the annual salary process. In addition, unconscious bias dialogues are now mandatory as pre-panel discussions for senior leadership when reviewing partner candidates. More than 400 people carried out this training in FY23.

We continuously push our leaders to strengthen their awareness of inclusiveness. One example is by spreading the Inclusive Leadership for All course in EY Denmark.

In FY23, 100% of our leaders involved in the year-end evaluations and promotion process have completed the Inclusive Leadership for All course.

**Employee networks**

EY has established various employee networks supporting inclusion and belonging. The groups are available to all employees and are arenas where employees can get a sense of community. They can also engage and represent a point of view not necessarily considered by the majority.

- ▶ **Internationals@EY** – Network for our international EY employees: We have many international colleagues who are stationed in Denmark for longer or shorter duration and others who have chosen to settle permanently in Denmark. We have more than 50 nationalities working at EY in Denmark, and this network intends to serve as a forum for networking, sharing experiences and raising issues or suggestions for ensuring even stronger integration within the EY family.
- ▶ **Unity Network** – Network for people who are part of the LGBTQ+ community and those who are not – all with one common passion: to build an inclusive culture. In addition, the Unity Network will work to create a safe work environment to boost the feeling of belonging for our LGBTQ+ employees.
- ▶ **Nordic Disability Focus Group** – This group aims to raise awareness and highlight how best to create an even more embracing and inclusive environment for people with disabilities. Awareness of physical and cognitive disabilities is a critical component in creating a more empathetic organization – one where we not only embrace differences but also help one another to thrive individually and as a team. This year, we have had sessions focusing both on physical disabilities as well as neurodiversity (focusing e.g. on dyslexia and ADHD) to increase awareness and to make visible some of the 'invisible' hurdles overcome by colleagues. The Nordic Disability Focus Group is headed by people who are impacted by various disabilities and headed by a sponsoring partner.
- ▶ **Ethnicity/Race & Faith** – This employee resource group is also spearheaded by a partner and is aiming to raise awareness and appreciation of cultural diversity in the Nordics. This year, we prioritized events around Ramadan, but in the coming years the agenda will further expand.



## Gender balance in leadership

One of our main goals is to improve the attraction and retention of female leaders. We strive to have gender balance in recruitment and promotion across all levels of the organization.

In FY23, we employed 59% men and 41% women overall, and we hired 57% men and 43% women.

### Women in leadership

Table 8: Gender split in leadership in EY Denmark:

	FY19	FY20	FY21	FY22	FY23
Share of women in EY Denmark	43%	41%	40%	41%	41% (W: 859 M: 1225)
Share of women at leadership level (partner-manager)	32%	32%	30%	30%	33% (W: 258 M: 527)
Share of women in Executive Board	0%	0%	0%	0%	0% (0 out of 2)
Share of women in Supervisory Board	66%	60%	60%	60%	60% (3 out of 5)

In our supreme management body, the Supervisory Board, we have 60% female representation. We target the same split going forward.

Positions at leadership level represent our ranks from partner to manager level, which we define as “Other levels of management.” Here the share of women was 33% in FY23, which is an increase from last year. Our target is to have 40% women at the leadership level in FY25 in EY Denmark.

In FY23, we promoted seven people to partners in EY Denmark, and hereof two are women. The partner promotions take effect from 1 July 2023, thus the newly promoted partners are not included in the total partner count for FY23. Across all ranks, 36% of all promotions in FY23 were female promotions against 34% last year.

Having a gender-balanced organization at all levels is viewed as a business imperative in EY. However, we are not where we want to be – yet. We are experiencing a higher retention of women at leadership level and at the same time we also see higher retention of women just below leadership level. We strive to maintain and further build on this positive development to ensure we reach our target of 40% women at leadership level by FY25.

To achieve gender parity, additional factors influence the situation both today and in the long run. Two of these are sourcing and development and retention of female talents.

### Sourcing

Our ability to secure a gender-balanced intake is impacted by several factors; some controlled entirely by ourselves, others less so.

Being viewed as an attractive employer among female talents is paramount, and this we do control by ensuring our culture is welcoming and inclusive and people are able to be themselves at work. According to our tri-annual People Pulse Surveys we continue to score very high on these measures. EY is a great place to be and to develop. When it comes to graduate intake we see a fairly balanced gender distribution overall, but with some notable nuances linked to student demographics.

Student demographics is one factor less controllable by EY, and reality is that some of the educational backgrounds that we traditionally source from – in Audit e.g., finance and accounting – continue to see a significant male over-representation in student numbers, whereas our Business and Tax Consulting businesses are primarily sourcing from



much more gender-balanced student bodies. To mitigate the lack of female talents attracted to finance and accounting we have tried to broaden our scope, taking in talented people with related (yet very different) educational backgrounds. While this may sound simple it is less so in practice – and especially when it comes to retaining people. Having a fundamental interest in e.g., finance and accounting is a key element in committing to a longer-term career in Audit.

### **Development and retention**

Our aim is to achieve a gender balanced representation across all levels in EY. Two practical ways in which we are working to address this is by nurturing a more inclusive culture and embracing multiple ways to work. We have several examples of this, but a couple of notable examples in the past year or so is the introduction of equally paid leave for moms, dads and co-parents, and the stronger emphasis of nudging men and co-parents to take leave. And it is working. Men on average now take 15 weeks of paternal leave vs an average of 9 weeks one year ago, a 67% increase in one year. Furthermore, we continue to embrace and explore hybrid working – encouraging employees to utilize the freedom of when and where to work, thus making it easier to prioritize to pick up the kids, go for that work-out or to prioritize friends while also having a rewarding and exciting career.

We strategically target women executives to bolster the upper levels of the organization; this to promote better leadership discussion and to provide younger female talents more role models. Additionally, we provide coaching, mentoring and female development programs to change the dynamics seen in our industry for so long. This is not about changing anyone, rather it is about helping individuals becoming the best possible version of themselves.



Table 9: Gender split per service line

Service Line	Women	%	Men	%	Total
Assurance	379	38	620	62	999
Consulting	133	42	187	58	320
Strategy and Transactions	59	27	163	73	222
Tax & Law	189	48	207	52	396
CBS	99	67	48	33	147
<b>Total</b>	<b>859</b>		<b>1,225</b>		<b>2,084</b>

Table 10: Gender split by rank<sup>1)</sup>

Rank/gender	Women	%	Men	%	Total
11-Partner/Principal	9	8.41	98	91.59	107
13-Executive Director	23	20.35	90	79.65	113
21-Senior Manager	80	32.00	170	68.00	250
32-Manager	146	46.35	169	53.65	315
42-Senior	232	49.68	235	50.32	467
44-Staff/Assistant	254	43.34	332	56.66	586
51-Intern (CS)	115	46.75	131	53.25	246
<b>Total</b>	<b>859</b>	<b>41.22</b>	<b>1,225</b>	<b>58.78</b>	<b>2,084</b>

1) CBS ranks are converted to match client-facing ranks

Table 11: Gender split in leadership pr. service line

	Assurance	%	Consulting	%	SaT	%	Tax & Law	%	CBS	%	Total
Women	69	23.79	41	29.50	21	21.43	91	45.5	36	62.07	258
Men	221	76.21	98	70.50	77	78.57	109	54.5	22	37.93	527
<b>Total</b>	<b>290</b>		<b>139</b>		<b>98</b>		<b>200</b>		<b>58</b>		<b>785</b>

Table 12: Gender split at partner level

	Assurance	Consulting	SaT	Tax & Law	CBS	Total
Women	2	2	1	3	1	9
Men	54	10	19	15	0	98
<b>Total</b>	<b>56</b>	<b>12</b>	<b>20</b>	<b>18</b>	<b>1</b>	<b>107</b>

## Initiatives to improve gender equality

In addition to setting targets to ensure that the number of women promoted to senior positions is representative, we have a review committee that monitors fair promotions and has established guidelines for how our recruitment should take place. Our guidelines state how vacancies should be advertised, how the ads should be designed and how interviews should be conducted to attract as much diversity as possible. We use tests at an initial stage to reduce the impact of unconscious biases in the selection process and offer recruitment training in our business areas to educate in areas such as discrimination and unconscious bias. To promote gender balance in recruitment, EY also applies positive action to the extent possible, and in its promotion work, EY works on the principle of “fair representation” to ensure that there is an even distribution of promotions given the population at the given rank.

Some additional activities that EY is working on to improve gender equality at management level are:

- ▶ **Accelerate@EY:** aimed at senior-level women and covers areas such as career development, work-life balance, personal branding and self-awareness.
- ▶ **Career Watch:** Talent program focusing on female talents. Career Watch is a mentor program targeting upcoming key female talents and is seen as ‘pre-Accelerate@EY’. With the help of a sponsor, the participants expand their network, exchange experiences and gain perspectives, leading to both personal and professional development.
- ▶ **Unconscious bias** training is held regularly for partners and leaders, especially in the spring in connection with our performance and promotion cycle as well as in the salary process. As mentioned on page 47, 100% of our Danish leaders involved in the year-end evaluations and promotion process have completed the Inclusive Leadership for All course.
- ▶ **Navigator workshops:** These workshops are targeted at women around the senior/manager level and cover topics such as career development, work-life balance, personal branding, self-awareness, etc.
- ▶ These programs are coupled with local mentorship programs in each service line in EY Denmark.

## Stronger process for parental leave and re-entry

We updated our policies for parental leave in Denmark to better suit inclusivity in a wonderfully diverse world. Biological and adoptive parents get equal terms, and we increased parental leave for fathers and co-parents from 10 to 22 weeks. That means that as a man or co-parent, you get two weeks of “paternity leave” in connection with the birth plus 22 weeks of parental leave with a full salary. The threshold for being eligible for this was reduced from 12 months of service to 3 months and is now equal to the contractual trial periods. Additionally, and maybe most importantly, EY Denmark now offers all employees to work 12 weeks at 80% capacity with 100% salary upon return from parental leave to help make the transition back smoother.

While this is an area where the culture and norms are being developed continuously, we have seen some notable results in the first year: E.g., men now take an average of 15 weeks of paternal leave vs an average of 9 weeks one year ago. That is an 67% increase in one year. In addition, it is now the clear norm that anyone returning from leave takes advantage of the possibility of a gradual return. These two initiatives are both examples of culture-shaping initiatives that are providing us with a competitive advantage when it comes to attracting and retaining great talent – women and men alike.

## Inspired Beyond Babies

We encourage our people on parental leave to join the Inspired Beyond Babies network. This year, 40 people from EY Denmark joined one or more sessions with lectures and company visits where bringing your baby is a natural part of the concept.



EY hosted a session for Inspired Beyond Babies at our Copenhagen office in FY22





### Inspiring female students

In FY23, we continued to build on our programs to help future female candidates reach their full potential and guide them through the transition from being students to becoming young professionals:

- ▶ **"Women in Consulting – Your Mentorship Program,"** is a program aiming to inspire more female students to choose a career in management consulting through social events, professional presentations and individual mentoring sessions. In FY23, 13 mentees (FY22: 13 mentees) were paired with a female mentor from EY Consulting business who matched the mentees' background and development wishes.
- ▶ **"Women in M&A"** (formerly known as Women in Transactions) is a similar program, but gathers women with a common interest in M&A and sports. Women in M&A focus on mentoring, physical activity, and networking. For FY23, we met our goal of having 25 female mentees who are all recent graduates or students (FY22: 23 mentees).

### PhD-study focusing on female leaders

EY is actively participating in a multi-year observational PhD-study conducted by the Copenhagen Business School

focusing on the career development of female leaders. The study is the first-of-its-kind as it blends multiple long-term immersive observational studies within a theoretical framework, and a number of EY female leaders are actively being used as subjects in this. The hope is the study can further our understanding of the everyday lives of female leaders and also help uncover any underlying factors that may serve as career barriers. While this is a multi-year study we expect to be able to present provisional insights next year.

### The value-adding executive board

EY Denmark works with SelectionF – a non-profit initiative working to grow the base of highly qualified female board candidates in the Nordic region. In FY23, EY Denmark hosted speed-dating-like events to bring together board members and new candidates. We hosted conferences together with Selection F to help build the bridge between female candidates and the modern boards. On the agenda in FY23 was looking at how businesses are increasingly challenged in areas such as ESG, DE&I and geopolitics. Board member and former prime minister Helle Thorning-Schmidt shared her reflections on how we are progressing in these areas and what the future might bring.

## Equal pay

We strive for fair and competitive wage setting. This means that salary should be determined based on, among other things, experience, role, responsibility, and performance. This is described in more detail in our payroll policy.

We believe that EY can effectively prevent unjustified pay differences by adhering to the salary setting criteria established by EY. We continuously follow up on this work in connection with the annual salary review.

We hire entry-level people in our service lines at the same pay level and monitor statistics and data to ensure comparability throughout the various ranks of the organization.

**Table 13: Gender pay ratio in our service lines**

Rank	Women's salary in % of men's
Executive Director	99%
Senior Manager	95%
Manager	100%
Senior	99%
Staff/Assistant	101%
<b>Totalt %</b>	<b>99%</b>

## Freedom of association and collective bargaining

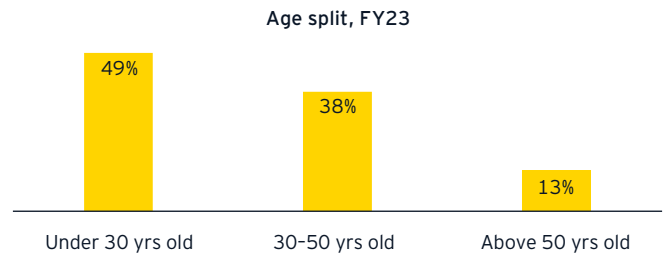
We respect employees' right to freedom of association and collective bargaining. At EY, we strive to respect the right of all people to fair and favorable employment conditions in accordance with our global inclusion and non-discrimination policy.

## Employee Forum

The Employee Forum in EY Denmark consists of min. two employee representatives from each service line and function, our Talent director and CEO. The purpose of the Employee Forum is to have a forum for broad discussions, i.e. matters that are relevant to all Danish locations and employees. The Forum may also deal with confidential topics. The Employee Forum does not have decision-making powers but is an important dialogue body. In addition, the Employee Forum acts as the voice of the employees, and with the opportunity to put topics relevant to the entire company on the agenda. The Forum meets four times a year and highlights from each meeting are shared internally with all people.

## Age split and part time work

In EY Denmark, the average age is 34.2 years. We hire many young people during their education as trainees, for example. Of our 2,084 employees in FY23, 14.5% work part-time. The majority of part-time employees are student workers.



## Retention rate

Our retention rate is increasing and above 80% for both men and women in FY23.

**Table 14: Retention rate**

Gender	2019	2020	2021	2022	2023
Men	77.0%	81.8%	74.6%	80.0%	84.1%
Women	79.6%	74.8%	68.6%	77.0%	81.7%
<b>Grand Total</b>	<b>78.3%</b>	<b>78.3%</b>	<b>71.6%</b>	<b>78.5%</b>	<b>82.9%</b>





# Skills for the future

EY strives to ensure that all employees, regardless of background and circumstances have the opportunity to develop. In today's rapidly changing world, it is more important than ever for EY employees to constantly maintain and develop new skills. Continuous investment is made in our people to help them build the right skills and experiences through training and a wide variety of development opportunities. EY Denmark provides our employees the opportunity for a minimum of 120 hours of learning during a time span of three years – i.e. minimum of one week every year. However, most of our employees attend learning in excess of this minimum threshold.

Today, EY is able to provide a fairly unique learning blend mixing eLearning and virtual classrooms with more traditional learning in physical classrooms. This creates a kind of hybrid learning where training efforts are made accessible to a greater extent because the training can be consumed more flexibly based on each employee's needs and preferences.

## EY Badges

EY provides 227 training programs named EY Badges. EY Badges complements formal training and is giving our employees the opportunity to continuously learn and develop new competencies. For example, 15 of our EY Badges are in the area of sustainability, but others allow employees to gain digital certifications as they conquer knowledge in the areas of industrial sectors, digitalization, analytics, blockchain, artificial intelligence, cybersecurity, and transformative leadership. The EY Badges certifications correspond to different skill levels, with platinum being the highest level. By blending virtual and traditional learning, we create new,

hybrid learning experiences using new technological media. In addition to EY Badges, our employees receive external training supplemented by coaching.

## The EY Masters programs

In collaboration with Hult International Business School, EY offers all our employees to enroll in various accredited MBA programs:

- ▶ Tech MBA – conducted online, focused on new technologies and developing the technology, leadership and business skills needed to work globally.
- ▶ EY Master in Business Analytics – gives a practical foundation in data and AI and equips employees to transform businesses and lead informative and strategic decision-making.
- ▶ EY Masters in Sustainability – translating knowledge into new and innovative sustainability services for clients and providing the tools to best identify sustainable opportunities.

In fiscal year 2023, the average number of training hours per full-time employee was 42 hours and we awarded 157 EY-Badges. The total investment in education amounted to DKK 16.6 million.

## State authorized public accountants

In FY23, EY Denmark's candidates received great results at the exam to become state authorized public accountants, when 19 out of 24 candidates passed the exam. In autumn 2023 further 10 out of 10 passed the exam. We see this as a result of our strong focus on preparation as well as backing and support from colleagues, leaders, mentors and teachers and not least a very strong performance from our candidates.

Table 15: Training and learning

Year	FY21	FY22	FY23
Number of training hours total and per FTE	56,513 hours / 37 hours per FTE	48,420 hours / 30 hours per FTE	80,670 hours / 42 hours per FTE
EY Badges awarded (Badges initiated)	97 (N/A)	120 (292)	157 (282)
Investing in education (mDKK)	12.1	14.8	16.6



## Supervision and coaching

Guidance and feedback in everyday work remain core to professional development, and we complement this with formal training, mentoring and coaching. Aside from ensuring relevant competence, the aim is also to facilitate that every employee receives the right development, with "right" being defined by individual needs, potential and preferences.

At EY, we work with the LEAD process to support our employees' career development and it ensures that all employees meet with their counsellor at least three times a year to discuss personal goals, career aspirations and evaluation in the form of feedback from the year's work. A central part of these meetings is to discuss development needs to enable the employees to develop in their professional role.

EY has also designed three different coaching programs to support employees' lives and careers:

- ▶ **The Family Transition Coaching program** is offered to first-time parents. The program is run as a Nordic initiative. In the program, you get a coach who can be a support person in the change of life it is to become a parent.
- ▶ **Transformative Leadership Coaching** is a coaching program with the aim of helping our employees to reflect openly on topics and challenges that they wish to take on. The program consists of 4-6 sessions and employees are assigned an internal coach. Together with their coach, employees focus on exploring new perspectives, setting personal and professional goals, and commit to create change.
- ▶ **The Partner Transition Coaching program** is offered to all new partners to support them through their first year as a partner at EY.

During fiscal year 2023, 53 employees have participated in these coaching programs in EY Denmark.



## Discrimination and harassment

Our culture is based on respect and professionalism, free from discrimination, harassment, and other violations. We have zero tolerance for unethical behavior. This is reflected in our Global Inclusion and Non-Discrimination Policy and in our Global Code of Conduct. Our work aims to foster a culture that focuses on integrity, respect, team spirit and inclusion.

At EY, all partners and employees have a personal obligation to speak out if they ever observe behavior that they believe is not in line with the principles of the company's Global Code of Conduct. Our employees are required to sign EY's Global Code of Conduct every year. At EY, we define unethical behavior as events that may adversely affect our culture, reputation, and attractiveness as an employer, as well as our credibility as a service provider.

The EY/Ethics Hotline is a method for reporting conduct that may be unethical, illegal, in violation of professional standards, or otherwise inconsistent with the EY Global Code of Conduct. The hotline may be used for whistleblowing and whistleblowers as well.

During FY23, zero cases of discrimination and harassment in Denmark were reported to the EY Nordics Ethics Board. No whistleblower cases were reported either. Read more about the [Ethics Board](#) in the Governance section.

One reported case is one too many, but we are also aware that cases may arise that we are not aware of. Hence, we communicate our policies broadly and train employees and managers in incident reporting. This way, we proactively work to prevent and address harassment of any kind.



# Human rights

Upholding human rights is fundamental to our purpose Building a Better Working World. We base our understanding of these rights on the United Nations Universal Declaration of Human Rights, related treaties and declarations, and the ethical reasoning behind their development. Our approach to respecting and upholding human rights is based on the UN Guiding Principles on Business and Human Rights. Our

responsibility to respect human rights extends beyond our direct operations to our supply chains.

In FY23, EY Denmark together with EY Norway, Sweden and Finland conducted a Human Rights Due Diligence of our own operation and our supply chain conducted in line with the OECD Due Diligence guidance.

## Human Rights Due Diligence – key findings for EY Denmark

### Respect for human rights in our own operation

We performed a high-level gap assessment of EY's own policies and routines to uncover potential negative impacts on human rights and lack of maturity and transparency in our own operation. During this process, we conducted interviews with relevant departments and functions with the aim to map our risk-reducing measures.

In our own operation, including GDS, we identified three areas where the risk of negative human rights impact is greatest:

- ▶ The right to fair and just working conditions (including rest time, leisure and reasonable limitation of working hours)
- ▶ The right to health (physical inactivity in the working day, mental health related to high work intensity and stress levels)
- ▶ The right not to be subjected to discrimination or harassment (any form of harassment or discrimination)
- ▶ For EY's GDS centers, we also included the right to assembly and freedom of association as important human rights to follow.

### Measures to be taken based on main identified risks in own operation

To continue to mitigate negative impacts of the risks identified, we will

- ▶ Operationalize annual human rights due diligence
  - ▶ Design process for due diligence of human rights
- ▶ Strengthen actions in recruiting
  - ▶ Ensure awareness to all involved in the recruitment process to reduce risk of unconscious bias throughout the process. With this we want to promote diversity at EY and prevent discrimination.
- ▶ GDS
  - ▶ Engage with local leadership to identify better local initiatives to ensure the rights of the teams we work with.

**Respect for human rights in our supply chain.** We assessed potential risks of negative impact on human rights and decent working conditions of all suppliers to EY Denmark in 2022 above 500,000 USD using desktop research.

To uncover potential human rights violations and lack of maturity and transparency in our supply chain, three different risks were assessed in addition to a maturity and transparency assessment:

- ▶ Country specific risks of vendor's operation (Geographical risk)
- ▶ Industry-specific risks (Sector/Industry risk)
- ▶ Raw material-related risks (Commodity risk)
- ▶ Human rights maturity (Enterprise-level risk transparency and maturity of policies assessed only via publicly available information)

We conducted in-depth risk assessments among the suppliers classified as high risk due to country, industry and/or human rights maturity risk.

In our supply chain, we identified these areas where the risk of negative human rights impact is greatest:

- ▶ The right to just and favorable conditions at work (including fair wages, safe and healthy working conditions, rest, leisure and reasonable limitation of working hours, holidays etc.)
- ▶ The right not to be subjected to discrimination and harassment
- ▶ The right to health and safety
- ▶ The right to freedom of association with others, and to form and join trade unions
- ▶ The right of peaceful assembly
- ▶ Minorities and indigenous people's rights
- ▶ The right to clean drinking water
- ▶ The right to freedom of movement
- ▶ The right not to be subjected to child labor
- ▶ The rights of all migrant workers and members of their families

### Measures to be taken based on main identified risks in our supply chain:

- ▶ Control system for Supplier Code of Conduct
  - ▶ Strengthen local control of the signing of EY's ethical guidelines and follow up of compliance with industries at risk
- ▶ Follow up on high-risk suppliers
  - ▶ Initiate dialog with high-risk suppliers to gain insight into their work to prevent breaches with human rights and provide documentation
- ▶ Training and guidance
  - ▶ Strengthen local guidance on procurement on behalf of EY





Penneo document key: 11332-ECOBG-4B8F8-5TZNT-0J4EE-VQJPE

## Sharing knowledge and inspiration with clients and other stakeholders in FY23

### Focusing on nature and biodiversity



EY, together with WWF focused on the biodiversity crisis at an exclusive event for large Danish companies, where Bo Øksnebjerg, Secretary General of WWF, gave a captivating presentation under the heading Companies and the Nature Crisis, about the state of the world and how companies become part of the solution and use nature as a catalyst to mitigate both climate change and ecosystem destruction.

### Record high participation for the DHL race



Each year many EY employees put on their running shoes and participates in DHL Stafetten in Aarhus and Copenhagen. EY encourages all employees to participate and there is always a big interest in the event. In 2023 a record number of EY teams ran or walked the 5-kilometer route

### Gravel Challenge – engaging clients and employees

EY Gravel Challenge is a series of gravel bike races where we encourage employees to participate and engage clients to exercise and network at a purposeful event. Each race collects funds for a good cause, and during the season EY arranges and participates in 'EY Danmarks Stafetten', a part of the national fundraising Danmarks Indsamling.



### Riding our bikes to work

We want to contribute to promoting a healthy lifestyle for our EY people. In May 2023, we encouraged employees to participate in the national event 'Vi Cykler Til Arbejde'. 22 teams and 180 employees biked to work during that period – a total of 18,750 kilometers.

### ESG and Family Constitutions

One of this year's EY events created especially for Danish family-owned businesses, was dedicated to the new EU sustainability reporting requirements, CSRD, and what the requirements mean for family-owned businesses. This event also included a focus on driving a successful family business across generations.



## Sustainability Awards



With the Sustainability Awards, EY and the Danish Chamber of Commerce wish to increase awareness, share inspiration, and raise the bar on how companies can contribute to a sustainable future.

The Sustainability Awards conference and awards ceremony gathered 300 CEOs, decision makers and sustainability leaders to discuss and celebrate how companies who work strategically and innovatively to make a real and lasting sustainable impact for society can improve further, set new industry standards and make unique role models for others.

In September 2022, the VELUX Group received the Climate Impact Award for distinguishing themselves by a strong and strategically anchored approach to environmental and climate action. Siemens Gamesa received the Innovation Award for making sustainability the driving force for innovation and DLF Group received the Long Term Value Creation Award for consistently demonstrating a strong

commitment to sustainability and making a positive impact over time.

It is an independent jury who selects the winners of the Climate Strategy Award and the Sustainability Innovation Award, while EY and the Danish Chamber of Commerce select the winner of the Long Term Value Creation Award.

In the spring of 2023, we opened the application period for the Sustainability Awards 2023, where we introduced a new prize; the Green Transition Award. While the award targets companies that, through their business model, have a significant climate and environmental impact, we want to reward companies that take responsibility and contribute to the green transition by transforming their business into solutions that show significant results.

## Celebrating 25 years of supporting entrepreneurship in Denmark



EY Entrepreneur Of The Year™ recognizes the impact of creators and innovators who lead successful businesses with purpose, vision and entrepreneurial spirit. The program honors founders, CEOs and leaders who demonstrate excellence in areas such as innovation, financial performance, social responsibility and personal commitment to their businesses and communities.

In 2022, we marked 25 years of celebrating, connecting and supporting entrepreneurs with a large anniversary show for this flagship program in Denmark. EY Entrepreneur Of The Year™ operates in more than 60 countries and territories around the world.

Starting at regional level, winners move on to the national finals, where the EY Entrepreneur Of the Year is announced, along with winners in the categories, Export & Globalization, Innovation, Sustainability, Life-Sciences, Start-up/Scaleup and Social Entrepreneurship – Future Impact. Winners are selected by an independent panel of judges who are successful, innovative entrepreneurs themselves. Country winners go on to represent their country in the ultimate global competition for entrepreneurs: EY World Entrepreneur Of The Year™, where in 2022, Denmark was represented by Dalux, who won the national finals.

## EY Danmarks Stafetten – Danmarks Indsamling 2023

EY supported the national fundraising for children in need around the globe, Danmarks Indsamling 2023, by developing and executing a bicycle stage run for five days with EY clients and other stakeholders. The final destination was on stage for the Danmarks Indsamling live show to hand over EY's 250,000 DKK donation.





An aerial photograph of a coastline. The top half of the image shows a large body of water with a greenish tint. The bottom half shows a sandy beach with some rocks and a line of green trees. A solid yellow square is positioned on the left side of the page, partially overlapping the text.

# Prosperity

EY's activities and investments in society help create economic and social prosperity through areas such as employment, community engagement, investments, innovation of services and taxes.





Penneo de t... 11332-FCOBG-4B8F5-1ZAN-0MFE-124PE



**Selected sub-target: 4.4.** "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship".

We work to increase the number of young people with relevant skills for employment and entrepreneurship, especially through our EY Ripples program. Here EY people volunteer their time and skills to mentor students and vulnerable young people and offer guidance for young start-ups as well as give feedback and coaching to students with a passion for entrepreneurship.



**Selected sub-target: 8.2** "Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors".

EY works long term to strengthen quality, enhance efficiency and create transformative opportunities for sectors and businesses through a clear focus on investments in innovation, technology and AI-enabled solutions. We aim to invest US\$ 10 billion globally from 2021 towards 2024 on audit quality, strategy, technology and people.



# Community investment

## Using our core business capabilities to make a difference

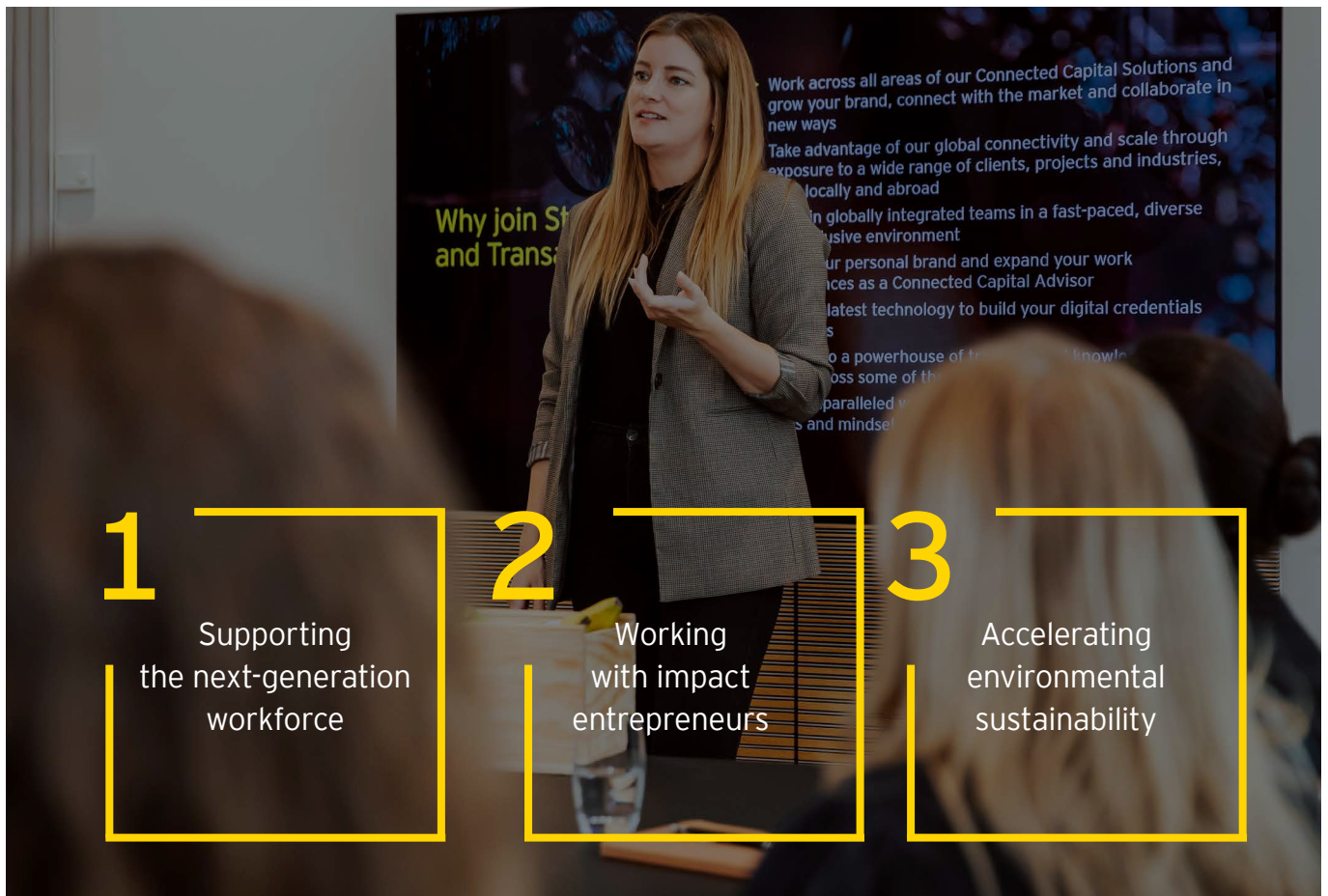
We believe businesses have an important role to play in tackling some of society's toughest challenges and helping foster sustainable, inclusive growth. Through our global corporate volunteering program, [EY Ripples](#), we mobilize EY people, tapping into our unique skills and knowledge to achieve a long-term vision – to positively impact one billion lives by 2030 globally.

EY people in Denmark can devote up to 15 working hours per year during working time to EY Ripples volunteering.

Through EY Ripples, we apply our skills and experiences in pro bono and volunteering settings to make a difference across three focus areas:

These are the areas where we believe our combined capabilities can make the biggest impact and help overcome the biggest challenges to date – as framed by the UN Sustainable Development Goals.

The EY Ripples program has had 356 participants in Denmark in FY23 compared to 95 participants last year. Our target this year was 370 participants. These efforts are estimated to positively impact more than 210,000 lives. In FY23, the time EY employees in Denmark devoted to EY Ripples activities and other pro-bono and volunteering activities constituted an investment of approximately DKK 883,000.



## Examples of FY23 EY Ripples initiatives in Denmark:

### ■ Danmarks Indsamling and bicycle stage run

Apart from the charitable donation, EY supported the national fundraising, Danmarks Indsamling 2023, with pro bono project management skills to develop and execute a bicycle stage run for five days with EY clients and other stakeholders participating to help raise money for children in need around the world. We began the stage run at EY Headquarters in Frederiksberg and concluded it on stage at the live TV show five days later. Our contribution has shown our dedication to create an impact on society, and we aspire to inspire others to support Danmarks Indsamling and their efforts to help the world's most vulnerable children.

### ■ The Foundation for Entrepreneurship



The Danish Foundation for Entrepreneurship works to promote young people's competencies and skills within entrepreneurship and innovation by integrating and anchoring entrepreneurship in teaching at all levels of the education system. EY collaborates with the foundation by putting skills into play and sharing valuable knowledge as mentors for the students and as judges for innovation competitions.

### ■ Supporting partner for the Green Up accelerator program and Danish Tech Challenge

In FY23, EY was supporting partner for the Green Tech startups in the Green-up accelerator program and for the startups in the Danish Tech Challenge under DTU (Danish Technical University). EY professionals offer their time and skills to help scale the startups by providing general guidance and sparring within financial reporting on a pro bono basis.

### ■ NextGen

EY's NextGen competition aims to develop the Nordic's next generation of women leaders. The program aims to empower and aid female learners throughout university and eventually as young leaders in society. EY people help to plan the competition and facilitate the days with the aim to broaden the women's horizons and encourage new ways of thinking.

### ■ 4Life Solutions

4Life Solutions, an EY Entrepreneur of The Year winner in the Social Entrepreneurship category, has introduced the affordable water purification solution (SaWa), which relies solely on the sun's UV rays, to the market. This eliminates the need for purification via boiling with charcoal or firewood, which emits a large amount of CO<sub>2</sub>e. EY participants brought their knowledge about strategy and sustainability into play on a pro bono basis to help the company towards its goal of making drinking water more accessible in low-income areas while reducing CO<sub>2</sub>e emissions. Among other things, EY helped assess how the SaWa might be used as a tool to reduce Scope 3 carbon emissions in supply chains for companies committed to the SBTi framework.



## ■ Den Sociale Kapitalfond

EY Denmark is one of the primary pro bono partners for Den Sociale Kapitalfond, which invests capital and skills in companies and organizations to help solve social problems.

Again, this past year, EY people – mainly from our Tax and Transactions teams – provided help and support in the fund’s investment processes, e.g., in relation to financial due diligence, tax due diligence and structuring of the investments.

## ■ Kwera

Through its sustainable financial model, the Danish led organization Kwera works to ensure higher education for young people in Malawi. People from across service lines at EY have supported Kwera in developing its organization and accounting processes in Denmark and Malawi.

## ■ Zooniverse

EY volunteers have contributed to professional research through the Zooniverse citizen science platform. The Arctic Bears EY research project is led by the research team at the University of Saskatchewan and aims to monitor polar bears’ body condition and behavior around built infrastructure. Contributions will help scientists, wildlife managers and Arctic communities to better understand how climate change is impacting the bears and their interactions with humans. Without the support of volunteers (citizen scientists), it would take the research team years to analyze the data before it can be published in peer-reviewed papers that inform policy and strategy.

## ■ Beach clean-up

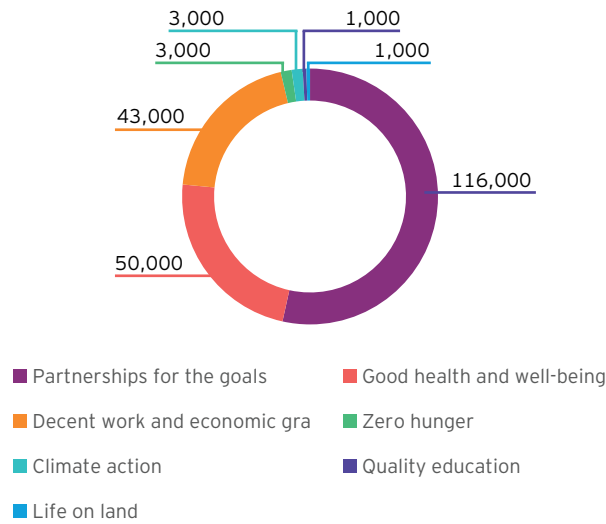


On 8 June, internationally commemorated as World Ocean Day, EY Ripples announced the launch of the global campaign, EY for Oceans. The initiative aimed to leverage EY’s vast resources in human capital, finance and technology to support the UN Sustainable Development Goal number 14, which emphasizes the importance of protecting life below water.

In honor of the occasion, teams from our Financial Services organization in Aarhus and Copenhagen organized beach clean-up endeavors, making a meaningful contribution to the environment. We teamed up with Havmiljøvogter to clear litter from Amager Strandpark and various locations in Aarhus. Despite a depressing amount of cigarette litter, the Danish team remained dedicated, with a sense of accomplishment palpable at the end of the day.



Number of lives impacted in FY23 through EY Ripples in Denmark by sustainable development goals\*\*



\* Lives impacted figures are estimated by evaluating both direct and indirect beneficiaries of an EY Ripples initiative and are weighted according to the depth and breadth of impact that can be attributed to EY support. The impact of each initiative is mapped to the most relevant SDG, based on ultimate impact.

**Charitable donations**

This past year, EY Denmark made a contribution of DKK 600,000 to community investments via charitable donations. In December, we gave out six Christmas donations of DKK 50,000 each to charity organizations and NGOs selected by EY employees. The Christmas donations were given to the Julemærkefonden, SMILfonden, Børnetelefonen, BørneRiget Fonden, Alzheimerforeningen and the Ocean Cleanup. Furthermore, we donated DKK 50,000 to WWF in connection with their 50th anniversary in Denmark.

In addition, we donated DKK 250,000 to the Danmarks Indsamling, supporting the world’s most vulnerable children. This donation was accompanied by a cross-country bicycle stage run for five days with EY clients and other stakeholders participating to help raise money for children in need around the world.





# Investing in innovation

As a professional service organization, our innovation efforts extend beyond the traditional research and development definition. Instead, EY invests in developing better products and services to serve clients and EY people even better.

This year, EY Global made investments of USD3.6b in audit quality, innovation, technology, and people – part of the US\$10b three-year commitment announced in FY21.

**Innovate EY** – as the world is changing and our clients' needs evolve, we evolve too to stay agile, adapt and succeed. That is what EY's innovation program Innovate EY is all about. Innovate EY is an incubation program which encourages employees to play their part in building a better working world, one innovation at a time.

Innovate EY can be adapted based on stakeholder requirements where employees are invited to work on their own innovative ideas through resources, tools and training and coaching from EY experts to bring their ideas to life.

Innovate EY has been successfully running since 2021 and in the process invites people from all service lines and functions to join. After each four-to-six-week program, leadership decides which ideas will be taken further, scaled up and integrated into our portfolio.

In FY23, 204 people took part in Innovate EY across the Nordics of which 53 participants were from Denmark. 70 ideas were submitted in total, 19 from Denmark, and 13 ideas were selected to be further developed to actual new client delivery services and business operations solutions.

## Fueling innovation

EY investments in innovation are incorporated across EY practices and are fundamental for our service delivery and growth. At the same time, we invest specifically in new innovative solutions via dedicated Nordic functions and programs. Two examples are our Innovate EY program and Nordic Tech Hub. Investments in these programs alone comprised over US\$1.5m in FY23.

**EY Nordic Tech Hub** is a place for our digital and tech experts to innovate, design, develop and deploy new business applications for EY internally.

EY needs to walk the talk when it comes to modern operations in keeping our focus where it belongs, on our clients. The world is changing rapidly, our clients' needs evolve, and EY needs to stay ahead. This is what the Nordic Tech Hub is pushing.

The hub is a strong multidisciplinary team of developers, designers, testers, and product managers who are passionate about building a better working EY from the inside out. The team strives to be a transformation partner for EY and focuses on a range of innovations and improvements for both the service lines and core business functions. In some cases, the hub revolutionizes EY's ways of working, while in others they aim to modernize and automate mundane processes.

Creating new solutions for the business helps bring visibility to many of our internal processes and can result in data-driven insights. A key example of this is an analysis of the male/female salary comparison to ensure we are providing fair opportunities and rewards at EY.

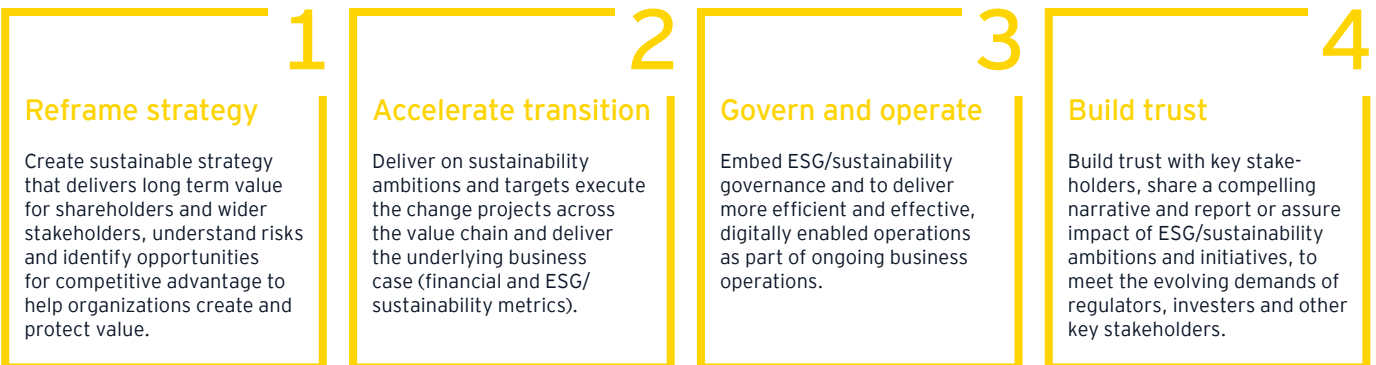


## Generating value with sustainability services

Pressing environmental and social concerns mandate immediate and systemic action from businesses for a positive, thriving future, [making sustainability everybody's business](#). However, in this journey, companies often face substantial challenges, in navigating both regulatory compliance and business transformation. At EY, we are reframing how business approaches sustainability, putting it at the center of how value is created.

In FY23, we launched EY Sustainability, which included our value-led sustainability framework, explaining that EY can help organizations wherever they are on their sustainability journey to reframe strategy, accelerate transition, govern and operate and build trust.

Sustainability is a shared commitment, and our vision involves shaping a more promising business landscape. The EY organization has heavily invested in services, solutions, technology, and people to help companies develop and implement more sustainable ways.





## EY Sustainability

EY Sustainability can be further broken down into various services that can be tracked to one of the above-mentioned

categories but formed around any of the following challenges:

Solution portfolio			
<b>Sustainable Strategy</b> Embed sustainability in the corporate strategy and purpose to set ambitions while optimizing the portfolio and valuing stakeholder impact	<b>Sustainable Transaction Execution</b> Evaluate impact of sustainability considerations during commercial and transaction due diligence to minimize risk and maximize opportunity	<b>Impact Valuation and Risk Modeling</b> Develop valuation and risk scenarios to quantify financial and non-financial value and perform portfolio stress testing	<b>Sustainable Transformation</b> Design enterprise-wide change programs with internal and external stakeholders to achieve sustainability ambitions
<b>Decarbonization &amp; Energy Transition</b> Operationalize net zero ambitions to reduce climate impacts while transitioning to renewable energy sources	<b>Sustainable Products &amp; Services</b> Create customer lifetime value by developing sustainable experiences, products & services that generate new revenue channels & meet expectations	<b>Sustainable Supply Chain &amp; Circular Economy</b> Increase transparency and embed circularity across the supply chain	<b>Sustainable Data and Technology</b> Establish data and technology strategy, transition to green technology and digitally innovate sustainability solutions
<b>Human Capital</b> Help manage the effect on people and communities, including social impact and equity, environmental, health and safety risks and organizational culture and workforce	<b>Sustainable Governance, Risk and Compliance</b> Embed sustainability into corporate governance and help manage evolving risks, scenarios and regulations	<b>Sustainable Financing &amp; Incentives</b> Help manage the corporate finance strategies and transition to positively impact environmental and social investing	<b>Sustainable Tax</b> Increase transparency, enhance tax governance and unlock incentives to accelerate sustainability strategy
<b>Sustainable Reporting &amp; Assurance</b> Publish accurate and reliable reporting that reflects the organization's sustainability narrative and performance	<b>Stakeholder communications and engagement</b> Develop the market narrative to help reflect ambitions, progress, and value achieved to address stakeholder expectations	<b>Sustainability Sector Topics</b> Account teams to select the sector-specific topics and client issues	

A major component of sustainable and transformative solutions is data and technology. We utilize deep technical skills across a breadth of issues to help businesses protect and create value from sustainability. This includes delivering technology-based solutions through alliances with e.g. Enablon, IBM, Microsoft and SAP. We continue to develop technology, products and services to help EY clients further embed sustainability into their strategies.

Examples include EY and Microsoft [announcing an expanded alliance to help businesses achieve net-zero goals](#) in October 2022 and in the end of June 2023, EY was recognized by Microsoft as their [Global Sustainability Changemaker Partner of the Year](#).

[How IT solutions can support sustainability reporting](#) was lifted together with IBM in our sustainability webcasts.

## Boosting sustainability and CSRD

In the spring of 2023, we hosted regular ‘Sustainability Matters’ webcasts displaying various aspects of CSRD such as biodiversity, people and IT.

In these 30-60 min. webcasts, we invite EY professionals and guest speakers to discuss current ESG topics for accelerating the green transition. During FY23, we have discussed:

How IT solutions can support sustainability reporting	01	<h2>Sustainability Matters</h2>	How tax transparency and governance act as upside for sustainability	06
How will your people accelerate your sustainability agenda?	02		How ESG due diligence can be a game changer in a transaction landscape	07
Bridging Business and Nature: CSRDs rolle	03		How to prepare a future roadmap using sustainability reports	08
How to prepare for the new era of ESG reporting according to CSRD	04		How tax can lead the way to sustainable business performance	09
Sustainability in a transfer pricing and operating model perspective	05		What the transition towards net zero means for the financial sector	10

Internally, **EY Sustainability Boosters** continued in FY23. In these 15-minute online learning sessions EY sustainability professionals share their knowledge, sustainability success stories, and tips and tricks for sustainability work. Topics cover a wide range of areas within sustainability, from CSRD,

EY Taxonomy to sustainability in the financial sector and regenerative futures.



### ImpACT week

In November 2022, we introduced an ImpACT Week – a week-long event that highlights sustainability for everyone in EY. We invited all people in EY Denmark to join discussions, trainings, events, and initiatives to learn how we can collaborate even more with our clients on sustainability and how we can all contribute to making a positive impact. Sessions focused on the European Green Deal, how companies can respond to the nature crisis, the role of Tax and Law in sustainability, take-aways from Cop27, increasing regulatory requirements for Human Rights, client interviews on key impact projects and much, much more. ImpACT week also highlighted vast learning and training opportunities across the sustainability agenda. In our Copenhagen office, we held a Clothes Swapping event where we invited our people to bring pre-loved clothes in good condition that could be re-loved by a colleague.



### Rankings received for our sustainability services in FY23

EY has been positioned as a leader in the latest 2023 Green Quadrant for Climate Change Consulting Services by the independent research firm Verdantix. The report highlights EY as the top choice for companies aiming for a digital-first approach to decarbonization, commending its robust digital capabilities, partnerships, and in-house tools. EY is also

recommended for organizations seeking to ensure emissions data compliance with upcoming regulations, with the report recognizing its strong assurance capabilities, including climate-related financial disclosures. ([Analyst relations | EY – Global](#))



### EcoVadis

In June 2023, EY Denmark received the EcoVadis Silver level rating for our corporate sustainability practices being among the top 13% of rated companies. This result demonstrates our sustainability commitment not only in our service delivery but also in our ways of working.

# Economic contribution

EY Denmark adds financial value to the local economy through the generation of our services, payment of wages, taxes and community investment.

**Table 16: Economic contribution**

Revenue	mDKK 2,938
Total tax contribution*	mDKK 1,319
Total community investment**	mDKK 1,483

\* Includes total tax paid and additional tax remitted

\*\* Includes EY people's time devoted to pro-bono and volunteering work and cash donation to charities

The turnover of EY Denmark increased by 9% from FY22. By the end of FY23, 2,084 people were employed by EY Denmark (a 10% increase from FY22), of which 620 were new joiners, 264 of the new joiners alone were young trainees starting a career in EY. In addition, we contribute to our communities through charitable donations and pro-bono and volunteering work by EY people in Denmark.

## Contribution through taxes

EY Denmark acknowledges society's need to finance its activity through taxes. Therefore, we see paying taxes as a natural part of the value created by EY. We are committed to paying all our taxes in a timely and correct manner and being transparent in all dialogue with the Danish Tax Authorities.

In EY Denmark, we follow the EY Global Tax Policy. This will be ensured by our country leadership of EY Denmark. We are committed not only to follow the tax regulation in Denmark but, to the best of our ability, to act within the intention of the rules and only to pursue business-driven structures for EY Denmark and thereby not engage in aggressive tax structures.

Our contribution consists of various taxes, some paid by EY (meaning all taxes borne by EY) and others remitted by EY. Using the expanded metrics of WEF-IBC, we capture all taxes

both borne and collected in EY. The total amount of taxes remitted and borne shows the contribution generated by EY.

The client-serving part of EY Denmark is organized as a partnership (Partnerselskab). This means the member firm is a tax-transparent entity only paying a small amount of corporate income tax stemming from a non-client serving subsidiary. Remuneration to capital owners is included in all materiality as personnel costs and dividends, in the same way as salary and bonus for our other partners and employees.

EY Denmark's total contributions amount to DKK 1.3b.

**Table 17: Taxes paid**

Taxes paid	
VAT	500
A-tax/labor market contribution	499
Other taxes and contributions paid on behalf of others	7
Taxes paid by EY/EY partners	313
<b>Total</b>	<b>1,319</b>



# Sustainability reporting principles



## Principles of Governance

From EY's Risk and Independence systems, we extract data on trainings and confirmations for Code of Conduct, Independence and anti-corruption.

Information on discrimination and harassment cases as well as whistleblowing is extracted from the Ethics Point system.

## Planet

EY Denmark follows the Greenhouse Gas Protocol for calculating greenhouse gas emissions.

### Scope 1

**Vehicle consumption:** We base the emission calculations on the average mileage stated in the leasing contracts. Emission factors used for fossil fuel cars is UK Government's Department Business, Energy & Industry Strategy (BEIS), "large cars" 2023. For electric and plug-in hybrid cars emission sources published by Vejdirektoratet 2022 were used for calculating emissions.

**Refrigerant:** Data is only available for refrigerants in our Copenhagen office, and we report refrigerant for this office alone. UK Government's Department Business, Energy & Industry Strategy (BEIS) factors for "Refrigerant & Other" 2023 were used.

### Scope 2

**Electricity (location-based):** We have calculated the emissions based on an estimated electricity consumption of all EY offices in Denmark. The estimation is based on the actual electricity consumption of six offices in Denmark where data is available (Copenhagen, Aarhus, Odense, Haderslev, Sønderborg and Aabenraa, which represent approx. 70% of EY Denmark's office space). We have calculated the consumption per square meter (kWh/m<sup>2</sup>) of these offices, then estimated the consumption for the rest

by multiplying the calculated kWh/m<sup>2</sup> value by the square meters of the offices where we do not have data.

Location-based emission factors have been sourced from Miljøredegørelsen with assurance statement for 2022, using two emission factors for Denmark divided into Eastern and Western Denmark, based on recommendation from GHG Protocol that location-based emission factors should be as close to the actual grid as possible. The factors are CO<sub>2</sub>e.

**Electricity (market-based):** From FY19-FY20, market-based emission factors have been sourced from AIB European Residual Mixes 2021. The residual mix factors for Denmark have been applied to the portion of electricity without a green electricity certificate. The factors are only CO<sub>2</sub>.

Since the beginning of 2020, we have purchased renewable electricity from Danish wind to cover our full consumption. The electricity is covered by Guarantees of Origin (GoO) for renewable energy according to the EU Renewables Directive. The electricity production is certified according to the international European Energy Certificate System (EECS) standards and documented by the issue of GoO. Hence, we applied zero emissions for FY23.

**District heat:** We have calculated the emissions based on estimates of the heat consumption of all EY offices in Denmark. We have calculated the consumption per square meter (kWh/m<sup>2</sup>) of the office in Copenhagen, Aarhus and



Odense where we have data (covering approx. 61% of total sqm of EY offices). We have used this value to make an estimate for the rest of the offices using their square meters.

Emission factors are sourced from supplier-specific emission factors from the specific district heating supplier for each of our offices, to ensure the factor is as close to the actual emissions as possible.

**Vehicle consumption:** For electric and plug-in hybrid company vehicles emission sources published by Vejdirektoratet 2022 were used for calculating emissions from charging under scope 2. The factors are only CO<sub>2</sub>.

### Scope 3

**Fuel and energy-related activities:** We include transmission and distribution (T&D) losses for energy consumption and upstream emissions from purchased fuels, electricity, and district heating (based on the same data as for scopes 1 and 2 calculations).

For T&D we have assumed 8% loss based on Miljøredøgørelsen (2022) for electricity and 5% for district heating based on BEIS (2023). For emission factors we leveraged the same factors as for scopes 1 and 2 calculations. For upstream emission factors, we used BEIS 2023.

**Waste:** We have calculated the emissions based on an estimate of the total amount of waste generated at all EY offices in Denmark. We calculated the rate of waste per full-time equivalent (FTE) in Copenhagen, Aarhus and Odense where we have waste data, and which covers approx. 83% of FTEs in FY23. This rate was then multiplied by the number of full-time equivalents in other offices where we do not have data.

Emission factors have been sourced from the WWF Climate Calculator factors 2018. The factors are CO<sub>2</sub>e.

**Business travel:** Business flights at EY are recorded by the location of the engagement for which the travel was done, not by the location where the traveler is based. Business travel includes air travel, car travel and hotel stays. We excluded rail travel because of the lack of data. We plan to include it in future when we have improved the data.

- ▶ Air travel: Flight distance and travel class data have been sourced from the corporate travel booking system. An uplift factor is applied using EY expense data to account for instances where EY employees book outside of the corporate travel system. We have used conversion factors published by the UK Government's Department Business, Energy & Industry Strategy (BEIS) 2023 for the calculations of emissions from air travel. The factors are CO<sub>2</sub>e.
- ▶ Car travel: Car mileage data have been sourced from the corporate travel and expense system. The emissions have been calculated based on kilometers driven and with conversion factors published by the UK Government's Department Business, Energy & Industry Strategy (BEIS) 2023. The factors are CO<sub>2</sub>e. Car fuel and car size are unknown; hence, we have used the factors for "average cars" (by size) with unknown fuel.
- ▶ Hotel stays (since 2022): Hotel nights and spend have been sourced from the corporate travel booking system. We have calculated emissions based on either the number of hotel nights or the spend, depending on the availability of conversion factor of the hotel country. The number of hotel nights has been used when a conversion factor can be found from BEIS 2023. When a factor cannot be found from BEIS, we have used the spend value and sourced the conversion factor from Exiobase 2021.

**Employee commuting and remote working:** A distance-based approach is used to calculate the emissions. We conducted an employee survey in April 2023 to collect data which includes travel distance, travel mode and number of days working at the office. Response rate was 40%.

Based on the survey, emissions per FTE are calculated for the commuting, then applied to the whole EY Denmark's personnel. UK Government's Department Business, Energy & Industry Strategy (BEIS) conversion factors 2023 are used (the factors are CO<sub>2</sub>e), except for bus transportation where a local factor from COWI for DSB 2022 was used (only CO<sub>2</sub>).

For remote working, the emissions are calculated based on the number of days working remotely, which are collected from the employee commuting survey, and an average emission factor sourced from BEIS covering both office equipment as well as heating 2023. The factors are CO<sub>2</sub>e.

## People

All data about EY people, including gender split, age and retention rate, are extracts from our HR system, Core HR, covering our fiscal year of 1 July to 30 June.

EY's People Pulse surveys are carried out at global level and results are collected in a global EY tool from which EY Denmark is able to extract all Danish results.

Sick leave numbers are extracted from the EY Mercury tool used for registering time and absence based on numbers for sick leave and child's sick days. In addition, we included long-term sick leave data from our Core HR system. This is

compared to all hours registered and as employee base we use average FTEs for FY23.

Gender pay gap numbers are extracted from our HR system Core HR and based on all employees in our services lines.

Figures on training and learning are based on time registration for learning-related activities and data on EY Badges are extracted from our global learning system.

Data on discrimination, harassment and whistleblowing were provided via our Ethics Point system in EY.

## Prosperity

### Community investment:

Data about our community investments and our EY Ripples program, including participation and lives impacted, are extracted from our global software solution from an EY alliance partner, which tracks these data throughout the year.

### Lives impacted:

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

### Tax contribution:

By applying the marginal tax rate on personal income (56%), we show the best proxy for the total amount of taxes paid over-time on the distribution. We acknowledge that it does not reflect the actual amount of taxes paid the actual year nor can we be certain that it reflects the exact amount of taxes paid over-time due to individual circumstances, which EY does not have any knowledge about.

## Restatement of information

For scope 1, company vehicles we extended the scope to include more cars where data is now available. We have updated FY22 scope 1 calculations for comparison to FY23.

We do not have data for FY19-21 for the new cars in this scope.



## WEF-IBC Index

WEF Metric	Core (C) / Expanded (E)	EY Disclosure	Omission
<b>Principles of Governance</b>			
Setting purpose	C	Who we are, page 9	
Governance body composition	C	Legal structure, Governance Denmark, pages 20-22	
Material issues impacting stakeholders	C	Stakeholder engagement page 17	
Anti-corruption	C	Anti-corruption and bribery, page 26	
Protected ethics advice and reporting mechanisms	C	Ethical behavior, page 24, Ethics hotline, page 25	
Integrating risk and opportunity into business process	C	Identified long-term risks and opportunities, pages 14-15, TCFD implementation, pages 40-41	
Purpose-led management	E	Our purpose and How we create value, pages 9-10	
<b>Planet</b>			
Greenhouse gas (GHG) emissions	C	Climate impact, pages 30-38	
TCFD implementation	C	TCFD implementation, pages 40-41	
Land use and ecological sensitivity	C	None of EY Denmark's office locations is in key biodiversity areas (KBA).	
Water consumption and withdrawal water-stressed areas	C	None of EY Denmark's office locations is in the high or extremely high baseline water stress according to WRI Aqueduct water risk atlas tool. EY Denmark's total water consumption in FY23 was 8,841 cubic meters (m <sup>3</sup> ) (20.190 m <sup>3</sup> in FY19, 7,059 m <sup>3</sup> in FY20, 5,583 m <sup>3</sup> in FY21, 8,550 cubic meters (m <sup>3</sup> ) in FY22). The figures are estimates for the whole country based on the actual consumption per full-time equivalent in the Copenhagen office and since FY23 also based on Aarhus and Odense.	Water withdrawal in water-stressed areas not applicable as our water consumption is quite low and we do not operate in water-stressed areas.
Paris-aligned GHG emission targets, Impact of GHG emissions	E	Climate impact, pages 30-38	
Single-use plastics	E	Since 2020, EY has eliminated single use plastic in our Copenhagen office and in most other offices where we have single use products, it is made from recycled material	

WEF Metric	Core (C) / Expanded (E)	EY Disclosure	Omission
<b>People</b>			
Diversity and inclusion	C	Diversity, equity and inclusiveness, pages 46-53	
Pay equality (%)	C	Equal pay, page 53	
Wage level %	C	EY's new hires for entry-level positions are university students or recent graduates and thus the EY entry-level wage is higher than in lower-wage sectors and above minimum wage	
Risk for incidents of child, forced or compulsory labour	C	Human rights and human rights due diligence, page 57	
Health and safety	C	Health, safety and wellbeing of employees, pages 44-45	
Training provided	C	Skills for the future, pages 54-55	
Discrimination and harassment	E	Discrimination and harassment, page 56	
<b>Prosperity</b>			
Absolute number and rate of employment	C	Community Investments, page 64	
Economic contribution	C	Economic contribution, page 73	
Financial investment contributions	C	Capital expenditures across the global organization in FY23 amounted to US\$3.6b; however, the EY businesses are not capital intensive. For a view of EY investments refer to page 68.	
Total R&D expenses	C	Investing in innovation, page 68	
Total tax paid	C	Economic contribution (Contribution through taxes), page 73	
Infrastructure investments and services supported	E	Community engagement, pages 65-67	
Significant indirect economic impacts	E	Community engagement, pages 65-67	
Total social investments	E	Community engagement, pages 65-67 and 73	
Social value generated	E	Generating value with sustainability services, pages 69-71	
Reporting core metrics	21		
Reporting expanded metrics	8		



# Progress on the UN Sustainable Development Goals

SDG sub targets	EY's indicator
<p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>GOVERNANCE</p>	 <p>Commitment to eliminate corruption and bribery is rooted in EY's Code of Conduct. We conduct regular trainings and all employees need to sign the Code of Conduct yearly. EY has zero tolerance for corruption and bribery.</p>
<p>7.3 By 2030, double the global rate of improvement in energy efficiency</p> <p>PLANET</p>	 <p>Net zero by 2025</p>
<p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> <p>PLANET</p>	 <p>Accelerate our clients' and suppliers' sustainability journeys</p>
<p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life</p> <p>PEOPLE</p>	 <p>Share of women at leadership level (manager – partner)</p>
<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p> <p>PEOPLE</p>	 <p>Favorable replies to the questions in our frequently asked People Pulse Survey addressing any feeling of inequality and the exceptional EY experience</p>
<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors</p> <p>PROSPERITY</p>	 <p>Clear focus on investments in innovation, technology and AI-enabled solutions to strengthen quality, enhance efficiency and create transformative opportunities for sectors and businesses.</p>
<p>4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p> <p>PROSPERITY</p>	 <p>Lives impacted through our corporate volunteering program, EY Ripples Continuous education and development of EY people</p>

Baseline FY19	Objectives FY25	Progress FY23
95%-100% compliance CoC training and sign-off	100% completed CoC training 100% Signed CoC Help build trust and transparency in the market	99% completed CoC training 100% Signed CoC
2,935 tCO <sub>2</sub>	40% reduction in absolute emissions across scope 1, 2 and 3 (categories 5 and 6).	1,555 tCO <sub>2</sub> e (-47% in Denmark)
Ambition was launched	EY Global will continue to deliver on our seven-point plan to reduce our GHG emissions and become an even more sustainable organization.  We know we also have a downstream impact through our client work, and we work to set a target for this area.	See <a href="#">EY Global's Value Realized</a> for progress on EY's seven point action plan.
32% women at leadership level	40% women at leadership level	33% women
70% of EY people say "I have an exceptional EY experience" "89% I feel free to be myself"	90% of EY people say "I have an exceptional EY experience" and 90% say "I feel free to be myself"	82% of EY people say "I have an exceptional EY experience" 91% say "I feel free to be myself"
FY19 annual technology investment plan of US\$ 1 billion	US\$ 10 billion invested globally from 2021 towards 2024 in audit quality, strategy, technology and people	US\$ 3.6 billion (globally)
Program was introduced	(Global): 1 billion lives positively impacted by 2030.	210,000 lives positively impacted (Denmark)



# Development in FY23 and outlook FY24



Penneo document key: 1B32-4COBG-4B8F8-5TZNT-014EE-YOJPE

## Principal activities

The EY Group's activities in Denmark comprise the entity EY Godkendt Revisionspartnerselskab with the subsidiaries Datoselskabet af 18/10 2022 A/S and EY Grønland Godkendt Revisionsanpartsselskab.

The Group provides professional services in Denmark within our four service lines – Assurance, Consulting, Tax & Law and Strategy and Transformation.

The annual report covers the period 1 July 2022 - 30 June 2023. The annual report has been prepared in accordance with IFRS as adopted by the EU and Danish disclosure requirements under the Danish Financial Statements Act.

## Financial performance

In the accounting period, the EY Group realised revenue totalling DKK 2,938 million compared to DKK 2,699 million in 2021/22. The development in revenue is considered extremely satisfactory, and the year's growth rate of 8.9% exceeds the outlook for FY23 due to higher organic growth than expected.

Other operating income, net amounts to DKK 14 million (2021/22: DKK 11 million). This includes items of secondary nature, including canteen sales and gain on sale of assets.

Operating expenses for the year, comprising other external expenses and staff costs, total DKK 2,819 million (2021/22: DKK 2,598 million). This includes staff costs totalling DKK 1,766 million (2021/22: DKK 1,609 million), which include partner remuneration. In accordance with the Danish Auditors Act, there are no external owners/investors, but all the Company's (ultimate) owners work in the Group.

The increase in operational expenses can be attributed to the increased number of employees, increased use of EY's shared service centers and rent costs.

The average number of employees (including partners) is 1,902 (2021/22: 1,643). The number of employees at year-end is 2,084 (2021/22: 1,878).

Profit before tax amounts to DKK 64 million (2021/22: DKK 56 million) which is a bit lower mainly due to higher expenses and financial costs than expected in last year's annual report. The profit development is considered satisfactory under the market circumstances.

## Cash flows for the year

Cash flows from operating activities for the year amount to DKK 73 million (2021/22: DKK 67 million).

The Group's capital structure has changed towards the end of the financial year so that financing is now to a greater extent via credit facilities against partner financing previously.

## Balance sheet and capital structure

EY's total assets amount to DKK 1,529 million (2022: DKK 1,492 million), of which current assets amount to DKK 1,233 million (2022: DKK 1,218 million). Current assets primarily comprise trade receivables and contract assets as well as other receivables. Non-current assets totalling DKK 296 million (2022: DKK 274 million) mainly consist of intangible assets and Right-of-Use assets.

Non-current liabilities amount to DKK 325 million (2022: DKK 286 million), which include lease liabilities.

Current liabilities amount to DKK 792 million (2022: DKK 797 million) and include payables to foreign EY firms, contract liabilities, staff obligations, trade payables and other payables.

EY's equity amounts to DKK 413 million, corresponding to an equity ratio of 27% (2022: 27.5%).



## Financial risks and the Group's risk management policy

Financial risks and the Group's risk management policy are described in note 26 to the annual report.

## Outlook

For the financial year 2023/24, we expect growth of 5-7% in revenue across all service lines for the Group. Our outlook can however be affected by a potential downturn in the Danish economy.

Profit for the year in 2023/24 is expected to be approx. DKK 70 million.

## Parent Company

The financial performance and operating review for the Parent Company is identical with the Group with the exception of the Parent Company's shareholding in the subsidiaries.

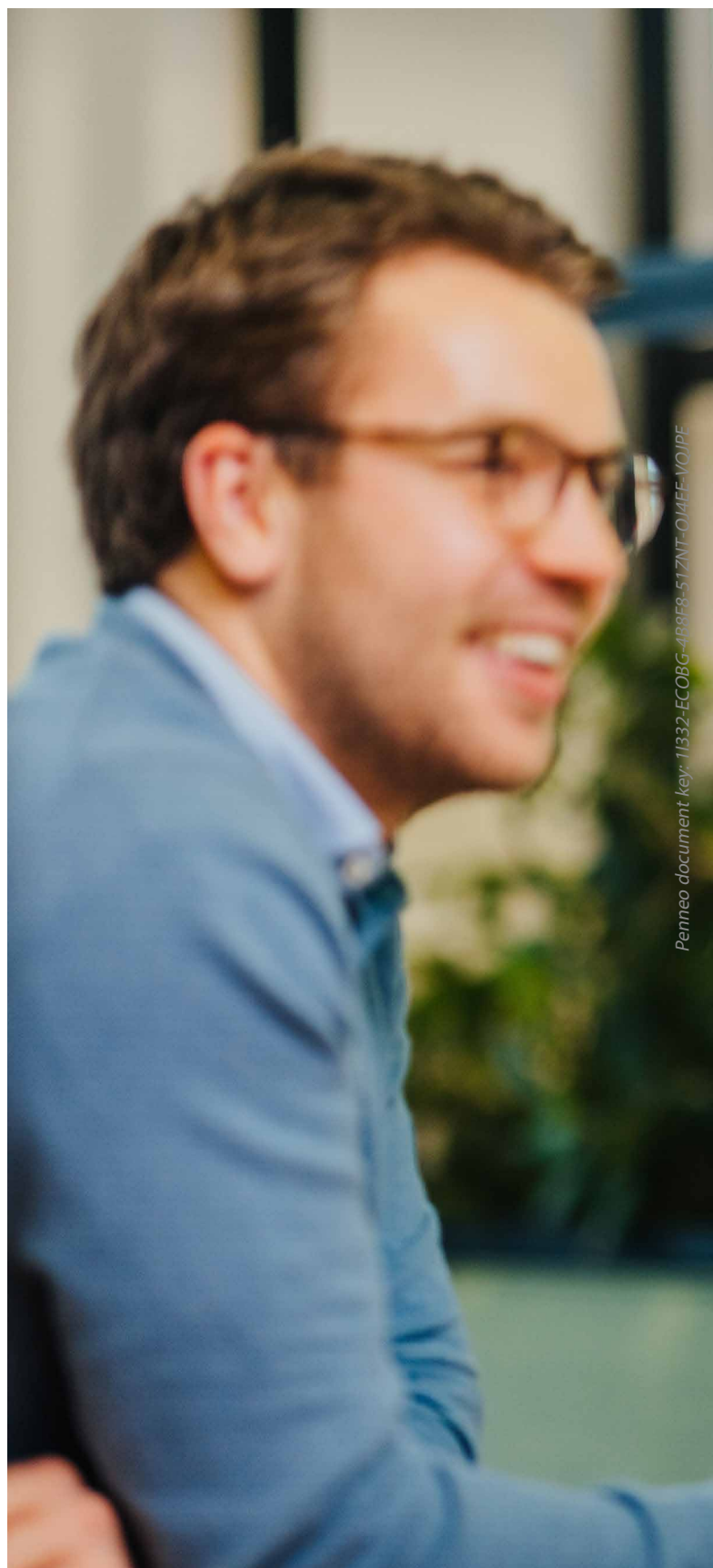
The Parent Company reported a profit of DKK 62 million for 2022/23 against a profit of DKK 60 million for 2021/22. The results for the year are considered satisfactory.

Profit for the year in 2023/24 is expected to be approx. DKK 70 million.

## Subsequent events

The Group has on 4 July 2023 completed the sale of the Horsens office.

No other significant events have occurred after the balance sheet date.







# Financial statements



Perneo document key: 11332-ECOBG-4B8F8-5TZNT-014EE-VQJPE

# Financial highlights

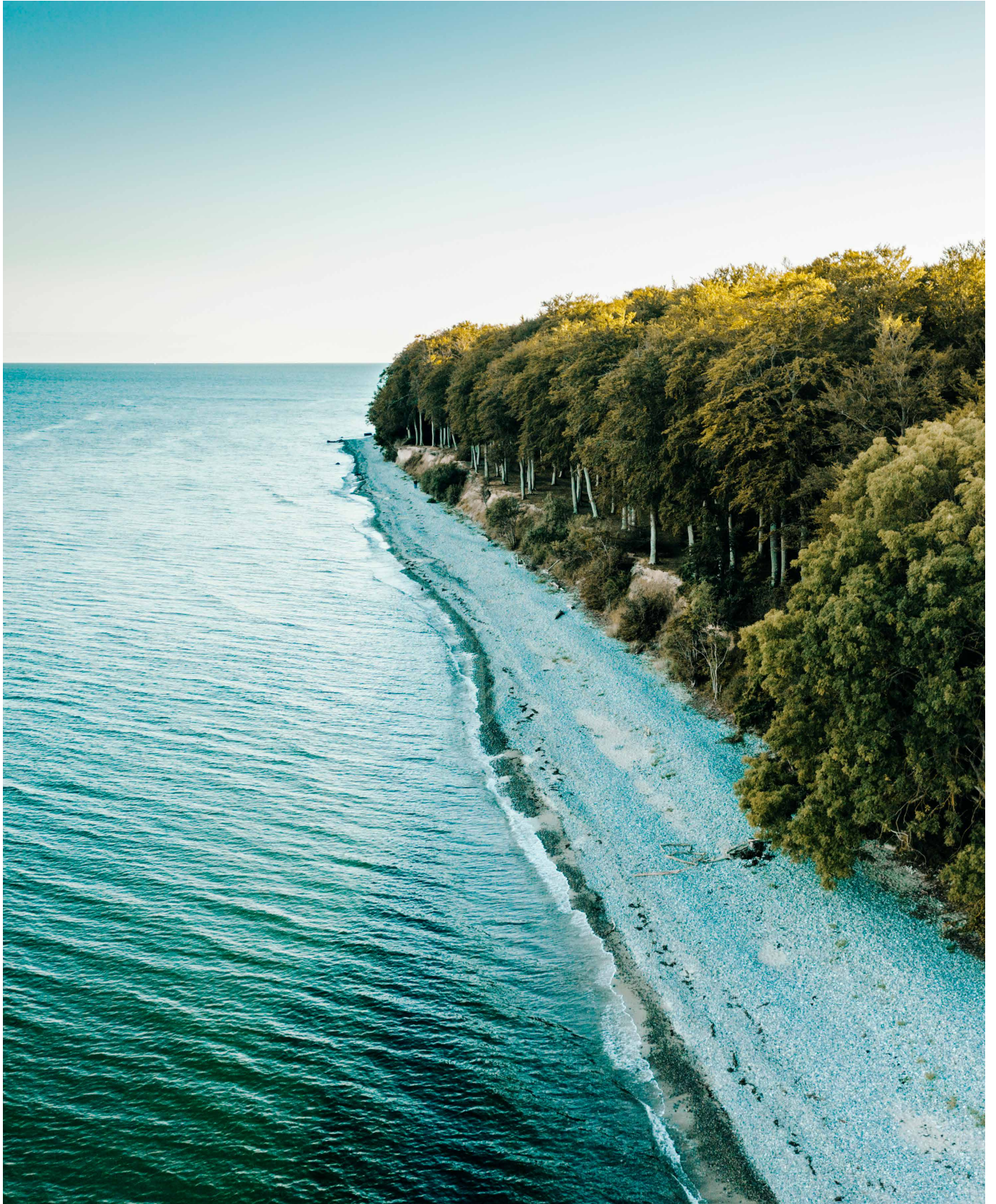
## FINANCIAL HIGHLIGHTS, GROUP

DKKm	2022/23	2021/22	2020/21	2019/20	2018/19*)
<b>Key figures</b>					
Revenue	2,938	2,699	2,303	2,083	1,952
Operating profit/loss	70	54	71	26	31
Profit/loss from net financials	-7	2	-11	-4	-2
Profit/loss before tax	63	56	60	22	29
Profit/loss for the year	63	56	58	20	29
Comprehensive income for the year	63	56	58	20	29
<b>Non-current assets</b>					
Non-current assets	296	274	286	241	18
<b>Current assets</b>					
Current assets	1,233	1,218	1,065	950	792
Total assets	1,529	1,492	1,351	1,191	810
<b>Share capital</b>					
Share capital	100	100	100	100	100
<b>Equity</b>					
Equity	413	410	163	120	130
<b>Non-current liabilities</b>					
Non-current liabilities	325	286	305	232	2
<b>Current liabilities</b>					
Current liabilities	792	797	883	839	678
<b>Cash flows from operating activities</b>					
Cash flows from operating activities	73	67	14	296	52
<b>Cash flows from investing activities</b>					
Cash flows from investing activities	-12	-26	-35	-55	0
<b>Amount relating to investments in property, plant and equipment</b>					
Amount relating to investments in property, plant and equipment	-12	-24	-35	-87	0
<b>Cash flows from financing activities</b>					
Cash flows from financing activities	-254	27	67	-134	-61
Total cash flows	-193	68	46	107	-9
<b>Financial ratios</b>					
<b>Current ratio</b>					
Current ratio	155.8%	152.9%	120.6%	116.8%	116.8%
<b>Solvency ratio</b>					
Solvency ratio	27.0%	27.5%	12.0%	10.1%	16.0%
<b>Return on equity</b>					
Return on equity	15.3%	19.4%	41.3%	16.1%	22.3%
<b>Number of employees (incl. equity partners):</b>					
<b>Average number of full-time employees</b>					
Average number of full-time employees	1,902	1,643	1,550	1,623	1,633
<b>Number of full-time employees at year end</b>					
Number of full-time employees at year end	1,931	1,709	1,532	1,577	1,616
<b>Number of employees at year end</b>					
Number of employees at year end	2,084	1,878	1,634	1,690	1,727

Financial ratios are calculated in accordance with the definitions in note 1.

\*) The numbers are not restated after the implementation of IFRS 16.





Penneo document key: 11332-ECOBG-4B8F8-5TZNT-0J4EE-VQJPE





## Statement of comprehensive income

### STATEMENT OF COMPREHENSIVE INCOME

Notes	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
3 Revenue	2,938.3	2,699.4	2,927.4	2,671.4
4 Other operating income	14.2	10.6	14.2	10.3
Income	2,952.5	2,710.0	2,941.6	2,681.7
5 Other external expenses	-1,053.5	-989.3	-1,049.4	-981.8
6 Staff costs	-1,765.9	-1,609.0	-1,761.3	-1,589.6
7 Depreciation	-63.0	-57.5	-63.0	-57.5
Operating profit/loss	70.1	54.2	67.9	52.8
Dividends from subsidiaries	-	-	2.1	4.5
8 Financial income	6.6	11.4	6.7	11.3
9 Financial expenses	-13.2	-9.4	-15.0	-9.1
Profit/loss before tax	63.5	56.2	61.7	59.5
10 Tax for the year	-0.7	-0.6	-	-
Profit/loss for the year	62.8	55.6	61.7	59.5
Other comprehensive income after tax	-	-	-	-
Comprehensive income for the year	62.8	55.6	61.7	59.5



## Balance sheet

### BALANCE SHEET

Notes	Group		Parent		
	30-06-2023	30-06-2022	30-06-2023	30-06-2022	
	DKKm	DKKm	DKKm	DKKm	
<b>ASSETS</b>					
Non-current assets					
11	Property, plant and equipment	65.1	79.2	65.1	79.2
12	Right-of-use assets	231.1	194.7	231.1	194.7
13	Equity investments in subsidiaries	-	-	2.2	2.2
13	Deposits	0.3	0.3	-	-
	<b>Total non-current assets</b>	<b>296.5</b>	<b>274.2</b>	<b>298.4</b>	<b>276.1</b>
Current assets					
14	Trade receivables	611.3	608.8	608.7	607.0
15	Contract assets	207.4	245.4	206.3	244.3
	Receivables from group entities	163.2	-	167.5	-
	Receivables from other EY firms	122.8	63.7	122.7	63.7
	Other receivables	-	0.1	-	0.1
16	Prepaid expenses	88.6	67.3	88.6	67.3
	Cash	39.5	232.8	33.3	218.1
	<b>Total current assets</b>	<b>1,232.8</b>	<b>1,218.1</b>	<b>1,227.1</b>	<b>1,200.5</b>
	<b>TOTAL ASSETS</b>	<b>1,529.3</b>	<b>1,492.3</b>	<b>1,525.5</b>	<b>1,476.6</b>



## BALANCE SHEET

Notes	Group		Parent	
	30-06-2023	30-06-2022	30-06-2023	30-06-2022
	DKKm	DKKm	DKKm	DKKm
<b>EQUITY AND LIABILITIES</b>				
17 Equity				
Share capital	100.0	100.0	100.0	100.0
Retained earnings	251.4	250.3	250.0	250.0
Proposed dividend	61.7	59.5	61.7	59.5
<b>Total equity</b>	<b>413.1</b>	<b>409.8</b>	<b>411.7</b>	<b>409.5</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
18 Provisions	19.8	21.8	19.8	21.8
12 Lease liabilities	211.6	169.0	211.6	169.0
19 Other non-current liabilities	93.3	95.1	93.3	91.7
<b>Total non-current liabilities</b>	<b>324.7</b>	<b>285.9</b>	<b>324.7</b>	<b>282.5</b>
<b>Current liabilities</b>				
18 Provisions	3.1	0.1	3.1	0.1
12 Lease liabilities	33.2	31.0	33.2	31.0
19 Other non-current liabilities	1.1	0.2	1.1	0.2
20 Credit institutions	133.3	-	133.3	-
15 Contract liabilities	126.6	137.1	126.2	136.4
Trade payables	50.3	32.2	50.2	32.1
Payables to group entities	-	131.9	-	126.2
Payables to other EY firms	151.1	157.0	150.9	155.4
Corporation tax	0.4	0.5	-	-
22 Other payables	292.4	306.6	291.1	303.2
<b>Total current liabilities</b>	<b>791.5</b>	<b>796.6</b>	<b>789.1</b>	<b>784.6</b>
<b>Total liabilities</b>	<b>1,116.2</b>	<b>1,082.5</b>	<b>1,113.8</b>	<b>1,067.1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,529.3</b>	<b>1,492.3</b>	<b>1,525.5</b>	<b>1,476.6</b>



## STATEMENT OF CHANGES IN EQUITY

DKKm	Group			
	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2021	100.0	4.2	58.3	162.5
Comprehensive income				
Profit/loss for the year	-	-3.9	59.5	55.6
Total comprehensive income for the period	-	-3.9	59.5	55.6
Transactions with owners				
Group subsidy		250.0		250.0
Distributed dividend	-	-	-58.3	-58.3
Total transactions with owners	-	250.0	-58.3	191.7
Equity at 30 June 2022	100.0	250.3	59.5	409.8
Comprehensive income				
Profit/loss for the year	-	1.1	61.7	62.8
Total comprehensive income for the period	-	1.1	61.7	62.8
Transactions with owners				
Distributed dividend	-	-	-59.5	-59.5
Total transactions with owners	-	-	-59.5	-59.5
Equity at 30 June 2023	100.0	251.4	61.7	413.1
DKKm	Parent			
	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1 July 2021	100.0	-	58.3	158.3
Comprehensive income				
Profit/loss for the year	-	-	59.5	59.5
Total comprehensive income for the period	-	-	59.5	59.5
Transactions with owners				
Group subsidy		250.0		250.0
Distributed dividend	-	-	-58.3	-58.3
Total transactions with owners	-	250.0	-58.3	191.7
Equity at 30 June 2022	100.0	250.0	59.5	409.5
Comprehensive income				
Profit/loss for the year	-	-	61.7	61.7
Total comprehensive income for the period	-	-	61.7	61.7
Transactions with owners				
Group subsidy	-	-	-	-
Distributed dividend	-	-	-59.5	-59.5
Total transactions with owners	-	-	-59.5	-59.5
Equity at 30 June 2023	100.0	250.0	61.7	411.7



## CASH FLOW STATEMENT

Notes	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
Profit for the year	62.8	55.6	61.7	59.5
23 Adjustments	50.6	44.5	51.6	25.5
24 Changes in working capital	-36.1	-34.0	-31.4	-34.0
<i>Cash generated from operations</i>	<i>77.3</i>	<i>66.1</i>	<i>81.9</i>	<i>51.0</i>
Interest received	6.6	11.4	6.7	11.3
Interest paid	-10.5	-9.4	-12.3	9.1
<i>Cash generated from operations (ordinary activities)</i>	<i>73.4</i>	<i>68.1</i>	<i>76.3</i>	<i>71.4</i>
Corporation tax paid	-0.8	-1.1	-	-
<b>Cash flows from operating activities</b>	<b>72.6</b>	<b>67.0</b>	<b>76.3</b>	<b>71.4</b>
Acquisition of property, plant and equipment	-11.8	-24.4	-11.8	-24.4
Disposal of property, plant and equipment	-	-1.8	-	-1.8
<b>Cash flows from investing activities</b>	<b>-11.8</b>	<b>-26.2</b>	<b>-11.8</b>	<b>-26.2</b>
Changes in related party balances	-321.7	89.0	-320.3	77.4
Instalments on lease obligations	-2.7	-3.2	-2.7	-3.2
Credit institutions	133.3	-	133.3	-
Repayment vacation reserve	-3.6	-0.7	-0.2	-0.6
Distributed dividend	-59.5	-58.3	-59.5	-58.3
<b>Cash flows from financing activities</b>	<b>-254.2</b>	<b>26.8</b>	<b>-249.4</b>	<b>15.3</b>
Cash flows for the period	-193.4	67.6	-184.9	60.5
Cash and cash equivalents, beginning of year	232.8	165.2	218.1	157.6
Cash and cash equivalents, year end	39.5	232.8	33.3	218.1

Cash and cash equivalents comprise cash at bank and in hand.





# Notes

## SUMMARY OF NOTES

### Note

- 1 Accounting policies
- 2 Accounting estimates and judgements
- 3 Revenue
- 4 Other operating income
- 5 Fees paid to auditor appointed at the annual general meeting
- 6 Staff costs
- 7 Depreciation
- 8 Financial income
- 9 Financial expenses
- 10 Tax for the year
- 11 Property, plant and equipment
- 12 Leased assets
- 13 Other non-current assets
- 14 Trade receivables
- 15 Contract assets and liabilities
- 16 Prepaid expenses
- 17 Equity
- 18 Provisions
- 19 Other non-current liabilities
- 20 Credit institutions
- 21 Liabilities from financing activities
- 22 Other payables
- 23 Adjustments
- 24 Changes in working capital
- 25 Contractual obligations, contingent liabilities and collateral
- 26 Financial risks and financial instruments
- 27 Related parties
- 28 Subsequent events
- 29 New accounting regulation



## Note 1

### Accounting policies

#### Group

EY Godkendt Revisionspartnerselskab is a limited partnership company with its registered office in Denmark. The annual report for the period 1 July 2022 - 30 June 2023 comprises the consolidated financial statements of Godkendt Revisionspartnerselskab and its subsidiaries, Datoselskabet af 18/10 2022 A/S and EY Grønland Statsautoriseret Revisionsanpartsselskab, and the parent company financial statements.

The consolidated financial statements and the parent company financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements for large reporting class C companies.

On 15 December 2023, the Supervisory Board and the Executive Board discussed and approved the annual report for 2022/23. The annual report will be presented to the shareholders of EY Godkendt Revisionspartnerselskab for approval at the annual general meeting on 15 December 2023.

#### Lease and licence agreement of the audit and advisory business

The Group pays consideration for the lease and licence agreement entered into between EY Partnership P/S and the Group. The consideration comprises a revenue-based lease and license fee and a fixed fee related to the right of use to EY Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by EY Partnership P/S. The right of use to non-current assets, including assets held under rental agreements, licence agreements and leases, is solely subject to minimum payments.

The lease and licence agreement is terminable at one year's notice and will then terminate on 31 December. The notice of termination comprises all components of the lease and licence agreement, including the rights of use to EY

Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by EY Partnership P/S. The agreement is subject to standard termination clauses on non-performance in accordance with the lease and license agreement.

The Group has assessed that the lease term of the sub-lease agreements entered into with EY Partnership P/S as the lessor corresponds to the lease term of the head lease agreements entered into between EY Partnership P/S and third party lessors as it is assessed that it is reasonable certain that the implicit renewal options of the assets in question in the lease and licence agreement between the group and EY Partnership P/S will be exercised.

#### Basis for preparation

The annual report is presented in Danish kroner (DKK), which is the functional currency of the Parent Company, rounded to million DKK presented to one decimal place.

The accounting policies described below have been applied consistently to the financial year and the comparative figures. For standards implemented prospectively, comparative figures are not restated.

A few restatements of comparative figures have been incorporated.

#### Changes in accounting policies

The Group has implemented the standards and interpretations effective from 2022/23. None of these standards and interpretations have had a material effect on recognition and measurement in 2022/23 and are not expected to affect the Group going forward.

#### Description of accounting policies

##### Consolidated financial statements

The consolidated financial statements comprise the Parent Company, EY Godkendt Revisionspartnerselskab, and its





wholly-owned subsidiaries, Datoselskabet af 18/10 2022 A/S and EY Grønland Statsautoriseret Revisionsanpartsselskab.

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the subsidiaries' financial statements, which are prepared in accordance with the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated.

### Foreign currency translation

The functional currency of the Parent Company and the subsidiaries is DKK. Transactions denominated in other currencies than the functional currency are foreign currency transactions.

On initial recognition, transactions denominated in foreign currencies are translated into the functional currency using the exchange rates at the transaction date.

Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated into the functional currency using the exchange rates at the balance sheet date. The difference between the exchange rates at the end of the reporting period and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in profit or loss as financial income or financial expenses.

### Statement of comprehensive income

#### Revenue

Revenue from the sale of services is recognised over time as the service is rendered. Accordingly, revenue corresponds to the selling price of work performed. Recognition implies that total revenue, including revenue related to re-invoicing of work performed by sub-suppliers etc. as well as the stage of completion at the balance sheet date can be determined reliably and that it is probable that payment will be received.

The stage of completion is assessed based on work performed (based on actual time consumption) compared to estimated total work to be performed (based on expected total time consumption).

Revenue from services whose selling price is contingent on the outcome of future events, including success fees from mergers and acquisitions, etc., is recognised at the date when the conditions are met.

Revenue includes re-invoicing of work performed by sub-suppliers at the Group's expense and risk, i.e. where the Group is considered to be the principal in the transaction as well as other outlays.

The terms of payment in the Group's sales agreements will typically not exceed 2 months. For large engagements, on-account payments are requested, while small engagements are typically invoiced when completed. Revenue from services whose selling price is contingent on the outcome of future events is typically invoiced at the date of completion.

The Group usually does not enter into sales agreements with a credit period of more than 12 months. Accordingly, the Group does not adjust the agreed contract price with a finance charge.

#### Other operating income and expenses

Other operating income and expenses comprises items of a secondary nature relative to the Group's principal activities, including canteen sales, rental income and the sale of shared services to external tenants and gain/loss on sale of assets.

#### Other external expenses

Other external expenses comprise outlays relating to clients as well as expenses relating to marketing, HR, administration, premises, bad debts, etc.

#### Staff costs

Staff costs comprise wages, salaries and related taxes, pension and social security costs to the Group's employees and partners as well as other staff costs, including jubilee benefits for the year.



### Financial income and expenses

Financial income and expenses comprise interest income and expense, interest expenses on lease liabilities including interest expense on lease commitments, and exchange gains and losses on transactions denominated in foreign currencies etc.

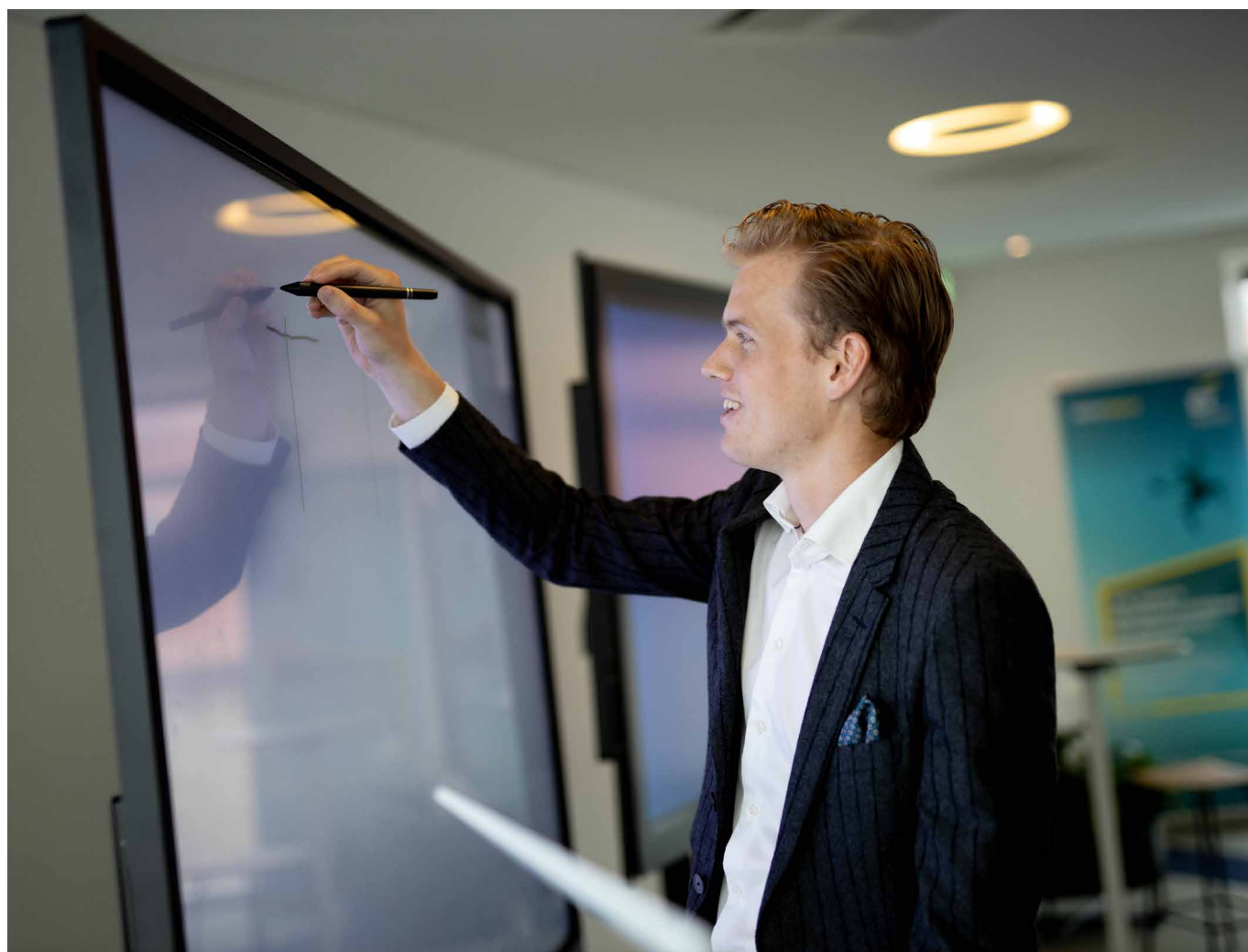
### Tax for the year

The Parent Company is not a taxable entity, and consequently, no taxes are recognised in the Parent Company's income statement.

The Parent Company's profit/loss is taxed at the Parent Company's partners in accordance with applicable rules in Danish tax law.

Therefore, tax for the year in the Group solely relates to tax on the profit/loss of subsidiaries that are independent taxable entities.

Tax for the year in the consolidated financial statements comprises current tax and changes in deferred tax for the year for the subsidiaries, including changes in deferred tax due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in other comprehensive income is recognised directly in other comprehensive income.







## Balance sheet

### Intangible assets

#### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are depreciated separately.

Fixtures and fittings, tools and equipment are depreciated over 2-5 years.

Depreciation is calculated on the basis of the residual value and impairment losses, if any.

The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. If the residual value exceeds the carrying amount, depreciation is discontinued.

When changing the depreciation period or the residual value, the effect on the depreciation is recognised prospectively as a change in accounting estimates.

### Leases

Right-of-use assets and lease liabilities are recognised in the balance sheet when the right-of-use assets under a lease entered into regarding a specific identifiable asset is made available to the Group in the lease term, and when the Group in this connection obtains almost all economic benefits from the use of the identified asset and the right to control the use of the identified asset.

On initial recognition, lease liabilities are measured at the present value of the future lease payments discounted by an incremental borrowing rate. The following lease payments are recognised as part of the lease liabilities:

- ▶ Fixed payments

- ▶ Variable payments that change concurrently with changes to an index and an interest rate based on said index or interest rate
- ▶ Payments subject to an extension option that it is highly probable that the Group will exercise

Lease liabilities are measured at amortised cost according to the effective interest method. Lease liabilities are recalculated in case of changes to the underlying contractual cash flows stemming from changes to an index or an interest rate or in case the Group changes its assessment of the probability of utilisation of options under the lease.

On initial recognition, right-of-use assets are recognised at cost, which corresponds to the value of the lease liabilities. Subsequently, the assets are measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the leased asset. Depreciation charges are recognised on a straight-line basis in the income statement.

Right-of-use assets are depreciated on a straight-line basis over the expected lease term, which is:

Office rental	2-11 years
Operating equipment	3-5 years

The Group presents the right-of-use asset and lease liabilities separately in the balance sheet.

The Group has chosen not to recognise leased assets of a low value and short-term leases in the balance sheet. Instead, related lease payments are recognised on a straight-line basis in the income statement.

### Impairment testing of non-current assets

#### Other non-current assets and right of use assets

The carrying amount of other non-current assets and right-of-use assets are tested annually for indications of impairment. When there is an indication that assets may be impaired, the recoverable amount of the asset is determined.



The recoverable amount is the higher of an asset's fair value less expected costs to sell and its value in use.

Value in use is the present value of the future cash flows expected to be derived from an asset or the cash-generating unit to which the asset belongs.

#### **Recognition of impairment losses in the income statement**

Any write-down is recognised in the income statement as depreciation, amortization and impairment losses on non-current assets and right of use assets. However, impairment losses on goodwill are recognised in a separate line item in the income statement.

Impairment losses on goodwill are not reversed. Impairment losses recognised in respect of other assets are reversed if the assumptions and estimates underlying the impairment losses have changed. Impairment losses are reversed only in so far as the new carrying amount of the asset does not exceed the carrying amount that would have resulted (net of amortisation or depreciation) had no impairment loss been recognised in respect of the asset in prior years.

#### **Deposits**

Deposits paid are recognised in the balance sheet at amortised cost. Deposits primarily relate to rent deposits.

#### **Receivables**

Receivables, which comprise trade receivables and other receivables, are measured at amortised cost, which usually corresponds to the nominal value.

#### **Contract assets**

Contract assets are measured at the selling price of the work performed plus out-of-pocket expenses and less progress billings. The individual contract assets are recognised in the balance sheet as either receivables or payables. Net assets comprise the sum of services where the selling price of the work performed exceeds invoicing on account. Net liabilities are determined as the sum of contract assets where progress billings exceed the selling price of the work performed.

#### **Write-down of receivables and contract assets**

Write-down for bad and doubtful debts on receivables and contract assets is made in accordance with the simplified expected credit loss model according to which the total lifetime expected loss is recognised immediately in the income statement at the same time as the receivable and service in progress are recognised in the balance sheet.

#### **Prepaid expenses**

Prepaid expenses are measured at cost. Prepaid expenses primarily comprise prepaid rent, insurance, subscriptions and membership fees as well as membership subscription to EY.

#### **Equity – dividend**

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date).

Dividend expected to be distributed for the year is presented as a separate line item in equity.

Acquisition costs and selling prices for treasury shares are recognised directly in equity.

#### **Corporation tax and deferred tax**

Tax payables and receivables solely relate to the subsidiaries that are independent taxable entities.

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year in the subsidiaries, adjusted for tax on prior-year taxable income and tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilization.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.





## Provisions

Provisions comprise anticipated expenses for professional liability claims, onerous contracts and jubilee benefits. Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation and it is probable that there will be an outflow of resources embodying economic benefits to settle the obligation.

A provision has been made for losses on known and potential professional liability claims for damages based on an assessment of the known facts of the individual cases.

The provision for jubilee benefits is based on an actuarial calculation of the present value of the expected jubilee benefits. The provision is calculated based on the current wage level as well as expected future wage increases and expected termination of employment.

## Financial liabilities and other payables

Financial liabilities comprise payables to credit institutions, trade payables and payables to group entities.

On initial recognition, financial liabilities are recognised at fair value less transaction costs. Subsequently, financial liabilities are measured at amortised cost.

Other payables are measured at amortised cost, which substantially corresponds to the nominal value.

## Cash flow statement

Cash flows from operating activities are calculated based on the indirect method as profit/loss after tax adjusted for non-cash operating items, changes in working capital, interest received and paid, dividends received and corporation tax paid.

Cash flows for investing activities comprise payments in connection with acquisitions and disposals of businesses, intangible assets, property, plant and equipment and other non-current assets.

Cash flows from financing activities comprise changes in the size or composition of the share capital and related costs as well as changes in balances with group entities and other related parties, the raising of loans, repayment of interest-bearing debt, including lease liabilities, as well as payment of dividend to shareholders.

Cash and cash equivalents comprise cash at bank and in hand.

## Financial ratios

The financial ratios stated under “Financial highlights” have been calculated as follows:

Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$

## Parent Company

The accounting policies applied in the parent company financial statements deviate from the accounting policies applied in the consolidated financial statements as described above in the following respects.

## Dividends from subsidiary

Distribution of retained earnings in the subsidiary is recognised as income in the statement of comprehensive income in the year of declaration.

## Tax for the year

The Parent Company is not an independent taxable entity, and consequently, no provision for tax on the Parent Company's profit/loss is made in the annual report.

The Parent Company's profit/loss is taxed at the Parent Company's partners in accordance with applicable rules in Danish tax law.



### Equity investment in subsidiary

Equity investment in subsidiary is measured at cost. In case of evidence of impairment, an impairment test is conducted. In connection with the impairment test, the subsidiary's recoverable amount is calculated. Equity investments are written down to the lower of the carrying amount and the recoverable amount. Impairment losses are recognised in the statement of comprehensive income as financial expenses.

Impairment tests are performed if dividend distributions exceed the given subsidiary's comprehensive income for the period.

Impairment losses are reversed in so far as the assumptions and estimates underlying the impairment losses have changed.





## Note 2

### Accounting estimates and judgements

#### Estimation uncertainty

The calculation of the carrying amount of certain assets and liabilities requires assessments, estimates and assumptions concerning future events.

The estimates and assumptions made are based on historical experience and other factors that Management finds reasonable in the circumstances, but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Moreover, the Group is subject to risks and uncertainties that may entail that actual results differ from these estimates. EY Partnership P/S' special risks are described in the Management's review and note 26 to the consolidated financial statements and the parent company financial statements.

It may be necessary to change previous estimates due to changes in the conditions on which these previous estimates were based or due to new knowledge or subsequent events.

Estimates that are significant to the financial reporting are made by determining revenue and selling price on contract assets.

#### Recognition of revenue and selling price of contract assets

Contract assets relating to services agreed but not completed are measured at the balance sheet date at the selling price of the work performed based on the stage of completion of the services, which is determined based on time spent and an assessment of the fee value thereof. The assessment of the stage of completion and thus revenue relating to contract assets are part of the continuous management control and budgetary control over the individual projects, which reduces the uncertainty related to the determination thereof.

Reference is made to note 15 for an overview of contract assets at 30 June.

#### Leases and lease and licence agreement

Reference is made to the description in the accounting policies and note 14 regarding the estimate to treat the lease and licence agreement as a sub-lease where the conditions in the underlying agreements, including lease terms, are used for recognition in accordance with IFRS 16.

#### Trade receivables

The write-down is based on historical data based on expected losses over the total term of the receivable, corrected for estimates of the effect of expected changes in relevant parameters such as economic development.

Reference is made to the description in notes 16 and 26 regarding the risk in connection with trade receivables.

#### Professional liability claims

For professional liability claims, a provision has been made for losses on known and potential claims for damages based on an assessment of the known facts of the individual cases. The provision relates to both assurance engagements and consultant's liability and is a result of either a judgment or criticism from a public authority.

The outcome and timing of the completion of compensation cases are inherently uncertain.





## NOTES

### 3 Revenue

Revenue relates to audit and advisory services and largely originates from Denmark.

Revenue can be broken down by business segments as follows for 2022/23 (Group):

Group:	Revenue excl. expenses	Expenses	Total
Assurance	1,123.7	54.1	1,177.8
Tax & Law	535.3	192.3	727.6
Consulting	408.9	204.6	613.5
Strategy & Transactions	366.8	52.6	419.4
	2,434.7	503.6	2,938.3

Revenue can be broken down by business segments as follows for 2021/22 (Group):

Group:	Revenue excl. Expenses	Expenses	Total
Assurance	1,010.5	43.0	1,053.5
Tax & Law	504.3	145.9	650.2
Consulting	376.8	192.5	569.3
Strategy & Transactions	334.8	91.6	426.4
	2,226.4	473.0	2,699.4

Revenue can be broken down by business segments as follows for 2022/23 (Parent):

Parent:	Revenue excl. Expenses	Expenses	Total
Assurance	1,117.6	53.9	1,171.5
Tax & Law	531.0	192.0	723.0
Consulting	408.9	204.6	613.5
Strategy & Transactions	366.8	52.6	419.4
	2,424.3	503.1	2,927.4

Revenue can be broken down by business segments as follows for 2021/22 (Parent):

Parent:	Revenue excl. Expenses	Expenses	Total
Assurance	1,006.6	43.0	1,049.6
Tax & Law	481.8	144.3	626.1
Consulting	376.8	192.5	569.3
Strategy & Transactions	334.8	91.6	426.4
	2,200.0	471.4	2,671.4

Expenses include re-invoicing of work performed by subsuppliers at the Group's expense and risk, i.e. where the Group is considered to be the principal in the transaction as well as other outlays.

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
Services recognised over time	2,802.3	2,563.4	2,791.4	2,535.4
Services recognised at a point of time	136.0	136.0	136.0	136.0
	2,938.3	2,699.4	2,927.4	2,671.4

## NOTES

	Group		Parent	
	2022/23 DKKk	2021/22 DKKk	2022/23 DKKk	2021/22 DKKk
4 Other operating income				
Gain on disposal of assets/activities	0.9	1.9	0.9	1.6
Other income	13.3	8.7	13.3	8.7
	14.2	10.6	14.2	10.3
Other income includes sales in the canteen.				
5 Fees paid to auditor appointed at the annual general meeting				
Statutory audit	0.6	0.7	0.5	0.7
Other assistance	0.1	-	0.1	-
	0.7	0.7	0.6	0.7
6 Staff costs				
Wages, salaries and partner remuneration	1,626.2	1,498.4	1,622.0	1,480.5
Pensions (defined contribution plans)	125.3	96.8	125.0	96.1
Other social security costs	14.4	13.8	14.3	13.0
	1,765.9	1,609.0	1,761.3	1,589.6
Number of employees (incl. equity partners)				
Average number of full-time employees	1,902	1,643	1,893	1,615
Number of full-time employees at year end	1,931	1,709	1,925	1,694
Number of employees at year end	2,084	1,878	2,078	1,862
Number of profit-sharing partners at year end	100	95	100	95
Remuneration to the Executive Board and key management				
Key management	73.8	82.0	73.8	82.0
Amount relating to Executive Board	20.7	23.3	20.7	23.3
The Parent Company's Supervisory Board does not receive directors' remuneration.				
Key management includes Executive Board, Supervisory Board and the Service Line leaders.				
7 Depreciation				
Depreciation on right-of-use assets	37.7	34.0	37.7	34.0
Depreciation on other property plant and equipment	25.3	23.5	25.3	23.5
	63.0	57.5	63.0	57.5
8 Financial income				
Interest income, cash	2.4	-	2.4	-
Foreign exchange gains	4.2	11.2	4.3	11.2
Interest income, other related parties	-	0.1	-	-
Other financial income	-	0.1	-	0.1
	6.6	11.4	6.7	11.3



## NOTES

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
9 Financial expenses				
Interest expenses, group entities	5.7	2.1	6.1	2.1
Interest , leasing liabilities	3.4	3.0	3.4	3.0
Other interest expenses	3.7	4.0	3.6	3.7
Other financial expenses	0.4	0.3	1.9	0.3
	13.2	9.4	15.0	9.1
10 Tax for the year				
Current tax	0.7	0.6	-	-
	0.7	0.6	-	-
<i>Tax for the year can be specified as follows:</i>				
Profit/loss for the year before tax	63.5	56.2	61.7	59.5
Amount relating to profit/loss for the year before tax in the Parent Company (not a tax liable entity)	-61.1	-55.0	-61.7	-59.5
Profit/loss for the year from subsidiaries	2.4	1.2	-	-
Computed 22.0% tax on profit/loss before tax from Danish subsidiary	0.6	0.6	-	-
Computed 26.6% tax on profit/loss before tax from Greenlandic subsidiary	-	-0.4	-	-
Tax effect of:				
Non-deductible expenses	-0.3	-	-	-
Reversal/Write-down of tax asset	0.4	0.4	-	-
	0.7	0.6	-	-
Effective tax rate in subsidiaries	29%	50%	-	-

The Parent Company is not a taxable entity, and consequently, tax is not recognised in the parent company financial statements. Thus, tax for the year solely relates to subsidiaries.

Taxation of remuneration to partners (capital owners) which are included in staff costs are taxed at individual partner level as personal income.



## NOTES

Group and Parent

	DKKm
<b>11 Property, plant and equipment</b>	
Cost at 1 July 2021	100,6
Additions for the period	24,4
Disposals for the period	-22,3
Cost at 30 June 2022	102,7
Depreciation at 1 July 2021	22,1
Depreciation for the year	23,5
Depreciation, disposals	-22,1
Depreciation at 30 June 2022	23,5
<b>Carrying amount at 30 June 2022</b>	<b>79,2</b>
Cost at 1 July 2022	102,7
Additions for the period	11,8
Disposals for the period	-1,2
Cost at 30 June 2023	113,3
Depreciation at 1 July 2022	23,5
Depreciation for the year	25,3
Depreciation, disposals	-0,6
Depreciation at 30 June 2023	48,2
<b>Carrying amount at 30 June 2023</b>	<b>65,1</b>
<b>12 Right-of-use assets</b>	
Cost at 1 July 2021	264,5
Additions for the period	22,0
Disposals for the period	-6,5
Cost at 30 June 2022	280,0
Depreciation at 1 July 2021	57,8
Depreciation for the year	34,0
Depreciation, disposals	-6,5
Depreciation at 30 June 2022	85,3
<b>Carrying amount at 30 June 2022</b>	<b>194,7</b>
Cost at 1 July 2022	280,0
Additions for the period	18,4
Remeasurement of lease liabilities due to indexation	55,7
Disposals for the period	-14,4
Cost at 30 June 2023	339,7
Depreciation at 1 July 2022	85,3
Depreciation for the year	37,7
Depreciation, disposals	-14,4
Depreciation at 30 June 2023	108,6
<b>Carrying amount at 30 June 2023</b>	<b>231,1</b>



## NOTES

	Group and Parent	
	2022/23	2021/22
	DKKm	DKKm
Reference is made to note 2 for a description of the scope of the Group's leases, exposure to potential cash flows and process for determining the discount rate.		
Additions for the year primarily relate to the new lease for the domiciles.		
12 Right-of-Use, continued		
Lease liabilities maturity		
Less than 1 year	36,1	31,2
Between 1-5 years	142,4	102,8
Exceeding 5 years	101,9	77,2
<b>Total non-discounted lease liabilities at 30 June</b>	<b>280,4</b>	<b>211,2</b>
Recognition of lease liabilities in the balance sheet		
Short-term	33,2	31,0
Long-term	211,6	169,0
<b>Lease liabilities recognised in the balance sheet</b>	<b>244,8</b>	<b>200,0</b>
Amounts recognised in the income statement:		
Interest expenses relating to lease liabilities	3,4	3,0
Depreciations	37,7	34,0
Costs related to short-term leases (less than 12 months)	0,2	0,3
Costs related to leases of a low value	-	-

For 2022/23, the Group and parent has paid DKK 2.9 million (2021/22: DKK 3.4 million) in respect of leases, of which interest payments related to recognised lease liabilities amount to DKK 0.1 million (2021/22: DKK 0.2 million) and instalments on recognised lease obligations amount to DKK 2.7 million (2021/22: DKK 3.2 million).

In addition, the Group and parent has paid DKK 29.9 million (2021/22: DKK 32.0 million) in respect of leases, of which interest payments related to recognised lease liabilities amount to DKK 3.3 million (2020/21: DKK 2.8 million) and instalments on recognised lease obligations amount to DKK 26.6 million (2020/21: DKK 29.2 million) through non-cash intercompany transactions.

The Group has assessed that the lease term of the sub-lease agreements entered into with EY Partnership P/S as the lessor corresponds to the lease term of the head lease agreements entered into between EY Partnership P/S and third party lessors as it is assessed that it is reasonable certain that the implicit renewal options of the assets in question in the lease and license agreement between the group and EY Partnership P/S will be exercised.

## NOTES

	Group	Parent
DKKm	Deposits	Equity investments in subsidiaries
13 Other non-current assets		
Cost at 1 July 2021	0.3	11.8
Cost at 30 June 2022	0.3	11.8
Value adjustments at 1 July 2021	-	-9.6
Value adjustments at 30 June 2022	-	-9.6
Carrying amount at 30 June 2022	-	0.3
Cost at 1 July 2022	0.3	11.8
Additions for the year	-	1.5
Cost at 30 June 2023	0.3	13.3
Value adjustments at 1 July 2022	-	-9.6
Value adjustment for the year	-	-1.5
Value adjustments at 30 June 2023	-	-11.1
Carrying amount at 30 June 2023	0.3	2.2

Equity investments in subsidiaries comprise:

Name	Registered office	Voting rights and ownership
Datoselskabet af 18/10 2022 A/S	Frederiksberg	100%
EY Grønland Godkendt Revisionsanpartsselskab	Frederiksberg	100%

All shares in Datoselskabet af 18/10 2022 A/S have been pledged to the Parent Company of the Group (EY Partnership P/S). The Parent Company has a contingent option to purchase the shares in Datoselskabet af 18/10 2022 A/S.





## NOTES

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
14 Trade receivables				
Trade receivables before provision for losses	627,4	616,0	624,6	614,0
Provision for losses	-16,1	-7,2	-15,9	-7,0
	611,3	608,8	608,7	607,0
Provision for losses at 1 July	-7,2	-9,6	-7,0	-9,3
Losses and write-downs identified for the year	-9,3	1,3	-9,2	1,3
Reversed impairment write-downs	0,2	-2,2	0,1	-2,3
Impairment losses for the year	0,2	3,3	0,2	3,3
Provision for losses at 30 June	-16,1	-7,2	-15,9	-7,0

All receivables fall due within one year.

Interest income regarding receivables written down constitutes insignificant amounts.

For a description of credit risks, please see note 26.

15 Contract assets and liabilities				
Selling price of contract assets	2.438,8	2.319,7	2.382,6	2.224,0
Progress billings, contract assets	-2.358,0	-2.211,4	-2.302,5	-2.116,1
	80,8	108,3	80,1	107,9
The net value is recognised in the balance sheet as follows:				
Contract assets	207,4	245,4	206,3	244,3
Contract liabilities	-126,6	-137,1	-126,2	-136,4
	80,8	108,3	80,1	107,9

Impairment losses and loss allowance on contract assets are considered immaterial.

The opening amount of contract liabilities has been recorded as revenue for the year. Opening amount of contract assets has been billed during the year and has largely been paid.

All unfulfilled performance obligations as at the balance sheet date will be fulfilled within 12 months.

The increase in the selling price of contract assets is due to an increase in Tax and Stegy & Transactions while the decrease in the net value can be attributed to all service lines.

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
16 Prepaid expenses				
Insurance	12,9	13,1	12,9	13,1
Membership subscription	66,2	48,7	66,2	48,7
Other	9,5	5,5	9,5	5,5
	88,6	67,3	88,6	67,3

## NOTES

### 17 Equity

The share capital consists of 1 share of DKK 100 million, which is owned by EY Partnership P/S. No share certificate has been issued.

On 16 December 2022, the Company distributed ordinary dividend of DKK 59.5 million. Distribution of dividend has no tax consequences for the Company.

For the financial year 2022/23, the Supervisory Board proposes dividend of DKK 61.7 million (DKK 61.7 million per share), which will be paid out to the shareholders immediately after the Company's annual general meeting provided that the annual general meeting approves the proposed dividend.

Dividend has not been recognised as a liability in the balance sheet at 30 June 2023 as it is contingent on approval by the annual general meeting.

	Group and Parent
	2022/23
	DKKm
18 Provisions	
Provision for professional liability claims, 1 July	20.4
Reversed in the period	-0.4
Utilised for the period	-1.1
Provided for the period	2.6
Provision for professional liability claims, 30 June	21.5
Provision for jubilee benefits, 1 July	1.5
Utilised for the period	-0.1
Provision for jubilee benefits, 30 June	1.4
Total provisions	22.9
Expected maturities for provisions:	
Short-term:	
0-1 year	3.1
Long-term:	
1-5 years	18.7
> 5 years	1.1
	22.9

For professional liability claims, a provision has been made for losses on known and potential claims for damages based on an assessment of the known facts of the individual cases. The provision relates to both assurance engagements and consultant's liability. None of the cases resolved in the year resulted in a draw on the insurance cover. The outcome and timing of the completion of compensation cases are inherently uncertain; however, it is expected that the liabilities will be settled within the next three to five years.

### 19 Other non-current liabilities

As a result of an amendment to the Danish Holiday Act in 2019, holiday pay earned by the employees from 1 September 2019 to 31 August 2020 may be deferred and settled only when the employees retire. Consequently, the vacation allowance is presented as a non-current liability. The liability falls due after 5 years. The current part amounts DKK 1.1 million and is included under current liabilities.

### 20 Credit institutions

The Group has a credit facility of DKK 300 million with Nordea Bank Denmark. The facility carries an interest of 5% and expires in February 2024.

The Parent Company has provided a guarantee for the credit facility with the bank.



## NOTES

### 21 Liabilities from financing activities

DKKm	Opening balance	Cash flows	Non-cash changes	Closing balance
Group 2022/23:				
Current liabilities	131.9	-158.5	26.6	-
Receivables from group entities	-	-163.2	-	-163.2
Credit institutions	-	133.3	-	133.3
Lease liabilities	200.0	-2.7	47.5	244.8
Other non-current liabilities	95.3	-3.6	2.7	94.4
<b>Total liabilities from financing activities</b>	<b>427.2</b>	<b>-194.7</b>	<b>76.8</b>	<b>309.3</b>

Non-cash changes regarding lease liabilities primarily comprise the new domicile in Aalborg.

Group 2021/22:				
Current liabilities	263.7	89.0	-220.8	131.9
Lease liabilities	210.4	-3.2	-7.2	200.0
Other non-current liabilities	96.0	-0.7	-	95.3
<b>Total liabilities from financing activities</b>	<b>570.1</b>	<b>85.1</b>	<b>-228.0</b>	<b>427.2</b>

Non-cash changes regarding current liabilities primarily comprise capital increase through debt conversion.

Parent 2022/23:				
Current liabilities	126.2	-152.8	26.6	-
Receivables from group entities	-	-167.5	-	-167.5
Credit institutions	-	133.3	-	133.3
Lease liabilities	200.0	-2.7	47.5	244.8
Other non-current liabilities	91.9	-0.2	2.7	94.4
<b>Total liabilities from financing activities</b>	<b>418.1</b>	<b>-189.9</b>	<b>76.8</b>	<b>305.0</b>

Parent 2021/22:				
Current liabilities	269.6	77.4	-220.8	126.2
Lease liabilities	210.4	-3.2	-7.2	200.0
Other non-current liabilities	107.9	-0.6	-15.4	91.9
<b>Total liabilities from financing activities</b>	<b>587.9</b>	<b>73.6</b>	<b>-243.4</b>	<b>418.1</b>

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
22 Other payables				
Holiday allowance, bonus and other staff obligations	203.2	226.5	202.4	223.6
VAT, PAYE tax, labour market contributions, etc.	83.3	78.0	83.0	77.7
Other	6.0	2.1	5.8	1.9
	<b>292.4</b>	<b>306.6</b>	<b>291.1</b>	<b>303.2</b>



## NOTES

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
23 Adjustments				
Adjustment for non-cash operating items, etc.:				
Depreciations	63.0	57.5	63.0	57.5
Loss on sale of assets	0.6	2.0	0.6	2.0
Changes in prepaid expenses	-21.3	-18.3	-21.3	-18.3
Changes in provisions	1.0	4.7	1.0	4.7
Accrued interest	6.6	-2.0	8.3	-20.4
Taxation	0.7	0.6	-	-
	50.6	44.5	51.6	25.5
24 Changes in working capital				
Changes in trade receivables	-2.5	-97.5	-1.7	-104.5
Changes in contract assets and liabilities	27.5	19.2	27.8	20.5
Changes in balances with other EY firms	-65.0	38.7	-63.5	36.4
Changes in other receivables	0.1	0.2	0.1	0.1
Changes in trade payables	18.1	14.5	18.1	15.0
Changes in other liabilities	-14.3	-9.1	-12.2	-1.5
	-36.1	-34.0	-31.4	-34.0

### 25 Contractual obligations, contingent liabilities and collateral

#### Contractual obligations

##### *Lease and licence agreement*

The Group and the Parent Company pays consideration for the lease and licence agreement entered into between EY Partnership P/S and the Group/Parent Company. The consideration comprises a revenue-based lease and licence fee and a fixed fee related to the right of use to EY Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by EY Partnership P/S. The right of use to non-current assets, including assets held under rental agreements, licence agreements and leases, is solely subject to minimum payments.

The lease and licence agreement is terminable by either party at one year's notice and will then terminate on 31 December. The notice of termination comprises all components of the lease and licence agreement, including the rights of use to EY Partnership P/S' fixed assets and the right of use to the rental agreements, licence agreements and leases entered into by EY Partnership P/S. The agreement is subject to standard termination clauses on non-performance in accordance with the leasehold agreement.

The Group and the Parent Company has assessed that the lease term of the sub-lease agreements entered into with EY Partnership P/S as the lessor corresponds to the lease term of the head lease agreements entered into between EY Partnership P/S and third party lessors as it is assessed that it is reasonable certain that the implicit renewal options of the assets in question in the lease and license agreement between the group and EY Partnership P/S will be exercised.

##### *Contingent liabilities*

The Group and the Parent Company are parties to a few pending disputes. In Management's opinion, the outcome of these disputes will not affect the Group's or the Parent Company's financial position taking into consideration the provisions recognised in the balance sheet at 30 June 2023; see note 18.

The Group and the Parent Company are liable for the VAT liability of the jointly registered EY firms. The liability amounted to DKK 75.4 million at 30 June 2023.



NOTES

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm
Collateral				
<i>Pledged assets:</i>				
All shares in Datoselskabet af 18/10 2022 A/S have been pledged to the Parent Company (EY Partnership P/S). The Parent Company has a contingent option to purchase the shares in Datoselskabet af 18/10 2022 A/S	2.2	2.2	2.2	2.2
	2.2	2.2	2.2	2.2

26 Financial risks and financial instruments

The Group's risk management policy

Due to its operations, investments and financing, the Group is exposed to financial risks, including to a limited extent market risks (currency and interest rate risks) and liquidity risks and to a larger extent credit risks.

The Group's financial risk management is centralised. Management continuously monitors the Group's risk concentration on clients.

It is the Group's policy not to engage in active speculation in financial risks. The Group's financial management is thus solely aimed at managing and reducing the financial risks directly attributable to the Group's operations, investments and financing.

Market risk

*Currency*

The Group's sales transactions are, in all material respects, carried out in Danish kroner. Approx. 20% of the total receivable from invoicing of clients relates to amounts in foreign currencies (primarily USD and EUR).

Fees for services provided abroad primarily relate to contributions to EY Global, premium for indemnity insurance and procurement of services from other EY member firms. The transactions are primarily carried out in USD and EUR.

The currency risk is not considered material enough to hedge the transactions. In the below table the consequence of a realistic change to exchange rates at the balance sheet date of the 3 most significant currencies are specified:

Currency	Net balance in foreign currency	Currency rate increase	P/L effect (DKK m)
EUR	8.5	0%	-
USD	0.7	10%	0.6
GBP	-0.4	10%	-0.3
			0.3

*Interest*

Receivables from other related parties in Denmark and payables to group entities in Denmark as well as deposits with banks carry variable interest. An increase in interest rates of 1% will result in a net interest income of DKK 0.8 million.

*Capital management*

The Group's Management continuously assesses the need to consolidate the Group taking into consideration the development in the Group's activities.

It is group policy that earnings are regularly distributed as dividend to the Parent Company to the extent possible. Group Management continuously monitors the Group's capital structure.

It is the Company's intention to have a solvency ratio above 25%. At year-end the solvency ration is 27.0%.

The Group is mainly financed by external bank credit facilities. The Group has a credit facility of DKK 300 million with Nordea Bank Denmark.

## NOTES

### 26 Financial risks and financial instruments, continued

#### *Credit risk*

The Group's credit risks relate to trade receivables, contract assets, receivables from other EY firms and, to a minor extent, cash at bank and in hand. The maximum credit risk corresponds to the carrying amount of these items.

#### *Deposits with banks*

It is the Group's assessment that bank deposits are not associated with any special credit risks as the Group only has deposits with large established banks.

#### *Trade receivables*

Outstanding receivables are followed up upon centrally on an ongoing basis in accordance with the Group's policy for trade receivables. In case of uncertainty as to the client's ability or willingness to pay and if it is deemed that the claim involves a risk, write-down is made to the expected recoverable amount.

The assessment did not result in any further losses being recognised.

Group	Expected			Loss		
	Balance	default rate	allowance	Balance	Expected	Loss
	2022/23	2022/23	2022/23	2021/22	2021/22	2021/22
	DKKm	%	DKKm	DKKm	%	DKKm
Not past due	473.0	0.1%	0.5	473.7	0.1%	0.5
1-30 days	49.4	0.5%	0.3	74.5	0.5%	0.4
30-90 days	68.2	4.3%	2.9	34.0	1.5%	0.5
91-180 days	16.9	9.5%	1.6	11.3	9.6%	1.1
More than 180 days	19.9	54.5%	10.8	22.5	20.9%	4.7
	627.4		16.1	616.0		7.2

Parent	Expected			Loss		
	Balance	default rate	allowance	Balance	default rate	allowance
	2022/23	2022/23	2022/23	2021/22	2021/22	2021/22
	DKKm	%	DKKm	DKKm	%	DKKm
Not past due	470.9	0.1%	0.5	472.2	0.1%	0.5
1-30 days	49.1	0.5%	0.3	74.3	0.5%	0.4
30-90 days	68.0	4.3%	2.9	33.6	1.5%	0.5
91-180 days	16.9	9.5%	1.6	11.6	9.2%	1.1
More than 180 days	19.7	54.0%	10.6	22.3	20.5%	4.5
	624.6		15.9	614.0		7.0

With the implementation of IFRS 9, EY has applied the simplified expected credit loss model to measure the expected credit loss allowance for all trade receivables. Based on the low realised losses on receivables historically, adjustments to reflect current and forward-looking information on macroeconomic factors affecting the ability of clients to settle the receivable such as GDP and unemployment rates do not increase the risk of losses significantly.

#### *Insurance*

The Group is covered by insurance in all respects, including professional liability. The Group only cooperates with established insurance companies, and it is assessed that there is no risk associated with the credit quality of the insurance companies used.

#### *Liquidity risk*

The Group primarily finances its activities via a credit facility with Nordea Bank.

The Group's financial assets and liabilities fall due for payment as specified below where the amounts reflect the non-discounted nominal amounts falling due for payment in accordance with the underlying agreements, including future interest payments, calculated based on current market conditions.





## NOTES

DKKm	Group			Total	Carrying amount
	0-1 year	1-5 years	> 5 years		
26 Financial risks and financial instruments, continued					
Liquidity risk, continued					
List of maturities at 30 June 2023					
Lease liabilities	36.1	142.4	101.9	280.4	244.8
Credit institutions	133.3	-	-	133.3	133.3
Trade payables	50.3	-	-	50.3	50.3
Payables to other EY firms	151.1	-	-	151.1	151.1
Other payables	6.0	-	-	6.0	6.0
<b>Total financial liabilities</b>	<b>376.8</b>	<b>142.4</b>	<b>101.9</b>	<b>621.1</b>	<b>585.5</b>
Deposits	0.3	-	-	0.3	0.3
Trade receivables	611.3	-	-	611.3	611.3
Receivables from group entities	163.2	-	-	163.2	163.2
Receivables from other EY firms	122.8	-	-	122.8	122.8
Cash	39.5	-	-	39.5	39.5
<b>Total financial assets</b>	<b>937.1</b>	<b>-</b>	<b>-</b>	<b>937.1</b>	<b>937.1</b>
List of maturities at 30 June 2022					
Lease liabilities	31.2	102.8	77.2	211.2	200.0
Trade payables	32.2	-	-	32.2	32.2
Payables to group entities	131.9	-	-	131.9	131.9
Payables to other EY firms	157.0	-	-	157.0	157.0
Other payables	2.1	-	-	2.1	2.1
<b>Total financial liabilities</b>	<b>354.4</b>	<b>102.8</b>	<b>77.2</b>	<b>534.4</b>	<b>523.2</b>
Deposits	0.3	-	-	0.3	0.3
Trade receivables	608.8	-	-	608.8	608.8
Receivables from other EY firms	63.7	-	-	63.7	63.7
Other receivables	0.1	-	-	0.1	0.1
Cash	232.8	-	-	232.8	232.8
<b>Total financial assets</b>	<b>905.7</b>	<b>-</b>	<b>-</b>	<b>905.7</b>	<b>905.7</b>

The carrying amount and fair value of the above items are in all material respects identical.  
All financial assets and financial liabilities are measured at amortised cost.

## NOTES

DKKm	Parent			Total	Carrying amount
	0-1 year	1-5 years	> 5 years		
26 Financial risks and financial instruments, continued					
Liquidity risk, continued					
List of maturities at 30 June 2023					
Lease liabilities	36.1	142.4	101.9	280.4	244.8
Credit institutions	133.3	-	-	133.3	133.3
Trade payables	50.2	-	-	50.2	50.2
Payables to other EY firms	150.9	-	-	150.9	150.9
Other payables	5.8	-	-	5.8	5.8
<b>Total financial liabilities</b>	<b>376.3</b>	<b>142.4</b>	<b>101.9</b>	<b>620.6</b>	<b>585.0</b>
Trade receivables	608.7	-	-	608.7	608.7
Tilgodehavender hos tilknyttede virksomheder	167.5	-	-	167.5	167.5
Receivables from other EY firms	122.7	-	-	122.7	122.7
Cash	33.3	-	-	33.3	33.3
<b>Total financial assets</b>	<b>932.2</b>	<b>-</b>	<b>-</b>	<b>932.2</b>	<b>932.2</b>
List of maturities at 30 June 2022					
Lease liabilities	31.2	102.8	77.2	211.2	200.0
Trade payables	32.1	-	-	32.1	32.1
Payables to group entities	126.2	-	-	126.2	126.2
Payables to other EY firms	155.4	-	-	155.4	155.4
Other payables	1.9	-	-	1.9	1.9
<b>Total financial liabilities</b>	<b>346.8</b>	<b>102.8</b>	<b>77.2</b>	<b>526.8</b>	<b>515.6</b>
Trade receivables	607.0	-	-	607.0	607.0
Receivables from other EY firms	63.7	-	-	63.7	63.7
Other receivables	0.1	-	-	0.1	0.1
Cash	218.1	-	-	218.1	218.1
<b>Total financial assets</b>	<b>888.9</b>	<b>-</b>	<b>-</b>	<b>888.9</b>	<b>888.9</b>

On the basis of the the Company's expectations as to its future operations and current cash resources, no other liquidity risks have been identified.

The carrying amount and fair value of the above items are in all material respects identical.



## NOTES

	Group		Parent	
	2022/23 DKKm	2021/22 DKKm	2022/23 DKKm	2021/22 DKKm

### 27 Related parties

EY Godkendt Revisionspartnerselskab's related parties comprise the following:

#### *Parties exercising control*

EY Partnership P/S

#### *Other related parties*

Komplementarselskabet af 1. januar 2008 A/S

Datoselskabet af 18/10 2022 A/S

EY Grønland Godkendt Revisionsanpartsselskab

EY Danmark A/S

EY Legacy ApS

Datoselskabet 18/6-1992 A/S

The Company's ultimate parent company is EY Partnership P/S.

EY Godkendt Revisionspartnerselskab is included in the consolidated financial statements of EY Partnership P/S.

The consolidated financial statements can be obtained from the Company.

#### *Key management personnel*

Key management personnel are defined as the Executive Board, the Supervisory Board and the Service Line leaders. Key management personnel have not had any transactions with the Company apart from remuneration; see note 6.

#### *Related party transactions*

In addition to transactions with key management personnel, see above, the Group and the Parent Company have had the following related party transactions:

#### *Transactions with the Parent Company*

##### *Expenses*

Consideration according to leasehold agreement	22.0	20.0	22.0	20.0
--	------	------	------	------

Interest expenses, group entities	5.7	2.1	6.1	2.1
-----------------------------------	-----	-----	-----	-----

##### *Other transactions*

Distributed dividend	59.4	58.3	59.4	58.3
----------------------	------	------	------	------

Received Group subsidy	-	250.0	-	250.0
------------------------	---	-------	---	-------

### 27 Related parties, continued

#### *Transactions with other related parties*

##### *Income*

Interest income, other related parties	-	0.7	-	0.7
--	---	-----	---	-----

##### *Expenses*

Consideration, general partner liability	0.1	0.1	0.1	0.1
--	-----	-----	-----	-----

Dividends received	-	-	2.1	4.6
--------------------	---	---	-----	-----





## NOTES

### 28 Subsequent events

The Group has on 4 July 2023 completed the sale of the Horsens office.

No other significant events affecting the annual report have occurred after the balance sheet date.

### 29 New accounting regulation

At the date of the annual report for 2022/23, IASB and IFRIC have issued a number of new standards and interpretations as well as amendments that are not mandatory for the Company when preparing the annual report for 2022/23.

None of the standards are expected to materially affect the financial reporting of EY.



## Statement by Management

The Supervisory Board and the Executive Board have today discussed and approved the annual report of EY Godkendt Revisionspartnerselskab for the financial year 1 July 2022 - 30 June 2023.

The annual report has been prepared in accordance with International Financial Reporting Standards as adopted by the EU and Danish disclosure requirements under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2023 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 July 2022 - 30 June 2023.

Copenhagen, 15 December 2023

Executive Board

---

Jan Huusmann  
CEO and Country Managing Partner

---

Jan C. Olsen  
CEO and Assurance Leader

Supervisory Board

---

Torben Bender  
Chair

---

Mona Blønd  
Vice chair

---

Hanne Kærhøg

---

Mikkel Sthyr

---

Carina Marie G. Korsgaard

Godkendt Revisionspartnerselskab Sustainability information has been prepared in accordance with the Sustainability reporting principles. In our opinion, the information give a true and fair view in accordance with these principles.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, results of operations, cash flows and financial position as well as a description of material risks and uncertainties that the Group and the Parent Company face.

We recommend that the annual report be approved at the annual general meeting.

# Independent auditor's reports

## To the shareholder of EY Godkendt Revisionspartnerselskab

Independent auditor's report on the consolidated financial statements and the parent company financial statements

### Opinion

We have audited the consolidated financial statements and the parent company financial statements of EY Godkendt Revisionspartnerselskab for the financial year 1 July 2022 - 30 June 2023, which comprise statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies, for the Group as well as the Company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2023 and of the results of the Group's and the Parent Company's operations and cash flows for the financial year 1 July 2022 - 30 June 2023 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics

Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

Our responsibility in connection with our audit of the consolidated financial statements and the parent company financial statements is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the consolidated financial statements or the parent company financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the consolidated financial statements and the parent company financial statements and has been prepared in accordance with the



requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

#### **Management's responsibilities for the consolidated financial statements and the parent company financial statements**

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements**

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements and the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements and the parent company financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the note disclosures, and whether the consolidated financial statements and the parent company financial statements

represent the underlying transactions and events in a manner that gives a true and fair view.

- ▶ Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 15 December 2023

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Per Frost Jensen  
State Authorised  
Public Accountant  
MNE no. 27740



# The independent auditor's report

## To the Management of EY Godkendt Revisionspartnerselskab

We have been engaged by EY Godkendt Revisionspartnerselskab to perform a 'limited assurance engagement', as defined by the International Standard on Assurance Engagements, and to report on EY Godkendt Revisionspartnerselskab's ('EY') Sustainability & ESG data for the period from 1 July 2022 to 30 June 2023, which are included in table 1, 6-13, 15 and 16 on page 33, 45, 48, 50, 53-54 and 73 (the 'selected sustainability data') in EY Godkendt Revisionspartnerselskab's Annual Report for 2022/23.

In preparing the selected sustainability data, EY applied the sustainability reporting principles described on pages 75-77. The selected sustainability data needs to be read and understood together with the sustainability reporting principles which Management is solely responsible for selecting and applying. The absence of an established practice on which to derive, evaluate and measure the selected sustainability data allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time

Other than as described in the preceding paragraph, which sets out the scope of our assurance engagement, we did not perform any assurance procedures on the remaining sustainability information included in the Sustainability Section of the Annual Report 2022/23, and accordingly, we do not express an opinion on this information.

### Management's Responsibility

Management of EY is responsible for:

- ▶ Designing, implementing and maintaining internal controls over information relevant to the preparation of the selected sustainability data in the Annual Report that are free from material misstatement, whether due to fraud or error,
- ▶ Establishing objective sustainability reporting principles for preparing the selected ESG data,

- ▶ Measuring and reporting the information in the selected ESG data based on the sustainability reporting principles, and
- ▶ The content of the Sustainability Section of the Annual Report

This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the selected sustainability data, such that it is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express a conclusion based on our examinations on the presentation of the selected sustainability data in accordance with the scope defined above. We conducted our examinations in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain limited assurance for the purposes of our conclusion.

BDO Statsautoriseret revisionsaktieselskab applies International Standard on Quality Management, ISQM 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.



## Description of work performed

In obtaining limited assurance over the selected sustainability data, our objective was to perform such procedures as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a conclusion with limited assurance.

The procedures performed in connection with our examination are less than those performed in connection with a reasonable assurance engagement. Consequently, the degree of assurance for our conclusion is substantially less than the assurance which would be obtained had we performed a reasonable assurance engagement.

We are required to plan and perform our work in order to consider the risk of material misstatement of the ESG data. In doing so and based on our professional judgement, we:

- ▶ Made inquiries and conducted interviews with those in charge of the selected sustainability data to assess consolidation processes, use of companywide systems, and for carrying out internal control procedures.
- ▶ Performed analytical review of the data and trends to identify areas of the selected sustainability data with a higher risk of misleading or unbalanced information or material misstatements and obtained an understanding of any explanations provided for significant variances.
- ▶ Checked selected sustainability data on a sample basis to underlying documentation, and evaluated the appropriateness of quantification methods and compliance with the sustainability reporting principles for preparing the selected sustainability data,
- ▶ In connection with our procedures, we read the other sustainability information included and, in doing so, considered whether the other sustainability information is materially inconsistent with the selected sustainability data, or our knowledge obtained in the review or otherwise appear to be materially misstated.
- ▶ Evaluated the obtained evidence

In our opinion, the examinations performed provide a sufficient basis for our conclusion.

## Conclusion

Based on the procedures we performed and the evidence we obtained, nothing came to our attention that causes us to believe that EY's Sustainability & ESG data (the 'selected sustainability data') for the period from 1 July 2022 to 30 June 2023, which are included in table 1, 6-13, 15 and 16 on page 33, 45, 48, 50, 53-54 and 73, have not been prepared, in all material respects, in accordance with the applied sustainability reporting principles described on page 75-77.

Copenhagen, 15 December 2023

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Mikkel Mauritzen  
State Authorised Public Accountant  
Mne46621

## Company details

EY Godkendt Revisionspartnerselskab  
Dirch Passers Allé 36  
P.O. Box 250  
DK-2000 Frederiksberg

Telephone: +45 73 23 30 00  
Website [www.ey.com/dk](http://www.ey.com/dk)

CVR no. 30 70 02 08  
Established: 2 July 2007

Registered office Copenhagen  
Financial year 1 July - 30 June

### Supervisory Board

Torben Bender (chair)  
Mona Blønd (vice chair)  
Hanne Kærhøg  
Mikkel Sthyr  
Carina Marie G. Korsgaard

### Executive Board

Jan Huusmann  
Jan C. Olsen

### General partner

Komplementarselskabet af 1. januar 2008 A/S  
Dirch Passers Allé 36  
P.O. Box 250  
DK-2000 Frederiksberg

### Auditor

BDO Statsautoriseret revisionsaktieselskab  
Havneholmen 29  
DK-1561 Copenhagen V

### Annual general meeting

The annual general meeting will be held on 15 December 2023

## EY | Building a better working world

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

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

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

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. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via [ey.com/privacy](https://ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://ey.com).

© 2023 EY Godkendt Revisionspartnerselskab, CVR no 30700228  
All Rights Reserved.

ED None

[ey.com/dk](https://ey.com/dk)



# PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

## Jan Cotte Olsen

### Executive Board

På vegne af: EY Godkendt Revisionspartnerselskab  
Serienummer: 9c26821f-fabe-46bd-90bb-f4107a30cd97  
IP: 165.225.xxx.xxx  
2023-12-18 10:30:02 UTC



## Niels Skat Rørdam

### EY Godkendt Revisionspartnerselskab CVR: 30700228

### Chairman

På vegne af: EY Godkendt Revisionspartnerselskab  
Serienummer: 987621e6-b7b7-417f-ae50-c0ea4f8dcdeb  
IP: 165.225.xxx.xxx  
2023-12-18 11:28:26 UTC



## Mikkel Sthyr

### Board of Directors

På vegne af: EY Godkendt Revisionspartnerselskab  
Serienummer: 0a4f07c7-86a6-41ca-a8a0-dd22161b0130  
IP: 165.225.xxx.xxx  
2023-12-18 12:08:23 UTC



## Mona Blønd

### Board of Directors

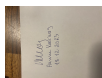
På vegne af: EY Godkendt Revisionspartnerselskab  
Serienummer: 8be4c5b4-43cb-4e7d-ba90-312a36ff1f20  
IP: 147.161.xxx.xxx  
2023-12-18 12:49:03 UTC



## Hanne Kærhøg

### Board of Directors

Serienummer: hanne.kaerhoeg@dk.ey.com  
IP: 165.225.xxx.xxx  
2023-12-18 16:01:26 UTC



## Carina Marie Korsgaard

### Board of Directors

Serienummer: 4f82e884-bb4b-4c32-a94d-4ed499009569  
IP: 165.225.xxx.xxx  
2023-12-19 08:38:21 UTC



Penneo dokumentnøgle: 11332-ECOBG-4B8F8-51ZNT-OJ4EE-VQJPE

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempelt med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

#### Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service <penneo@penneo.com>**. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: **https://penneo.com/validator**

# PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

## Jan Huusmann (CPR valideret)

### Executive Board

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: jan.huusmann@dk.ey.com

IP: 165.225.xxx.xxx

2023-12-19 09:33:31 UTC

## Torben Poul Bender

### Board of Directors

På vegne af: EY Godkendt Revisionspartnerselskab

Serienummer: 42c11d2b-6a6d-437e-9225-1dffa84d9687

IP: 165.225.xxx.xxx

2023-12-19 09:58:52 UTC



## Per Frost Jensen

### State Authorised Public Accountant

På vegne af: BDO

Serienummer: e0ae2cbf-efaa-401a-92c0-ab437eaba8bf

IP: 77.243.xxx.xxx

2023-12-19 11:14:13 UTC



## Mikkel Mauritzen

BDO STATS-AUTORISERET REVISIONSAKTIESELSKAB CVR: 20222670

### State Authorised Public Accountant

Serienummer: 11107b11-bcda-4f76-9e03-f97bf2ecc5e4

IP: 212.10.xxx.xxx

2023-12-19 14:56:56 UTC



Penneo dokumentnøgle: 11332-ECOBG-4B8F8-51ZNT-OJ4EE-VQJPE

Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempelt med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

#### Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service <penneo@penneo.com>**. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: **https://penneo.com/validator**