Protecting your data

EY’s approach to data protection and information security
Digital technologies are a key enabler in the globalization of business. They dramatically enhance our ability to communicate, share and store information, and connect with colleagues and clients. New technologies bring new capabilities and, with new capabilities, an increased risk of unauthorized data disclosure. This reality has prompted a number of regulators to increase data privacy constraints, including limits on international cross-border transfers of personal data, and to specify information security requirements designed to protect the confidentiality, integrity and availability of business and personal information.

At EY, we believe that a strong business reputation depends on a robust data protection and information security program.

EY views data protection and information security as fundamental components of doing business. We are committed to protecting information assets, personal data and client information. We believe that a solid data protection and information security program is an essential component of a leading professional services organization. The purpose of this document is to summarize our approach to data protection and information security. It provides an overview of how we secure client information and our systems housing this information. The specifics of these measures may vary depending on the services performed and the applicable country regulatory requirements.

Our data protection and information security program and practices are focused on sharing information appropriately and lawfully, while providing confidentiality, integrity and availability.
A well-articulated security and data protection strategy

EY's ability to provide seamless, consistent, high-quality client service worldwide is supported by a well-articulated data protection and information security strategy. We protect information assets, personal data and client information whenever and wherever they are created, processed, transmitted or stored. We maintain an effective governance function and ongoing compliance with applicable domestic and international regulatory standards.

The implementation of EY's data protection and information security program and practices is managed by two distinct yet aligned groups: the Global Data Protection Network and the Information Security organization. Their mission is to protect the information assets of EY and its clients from unauthorized collection, retention, use, disclosure, modification or destruction. This is accomplished through appropriate policies, procedures, guidelines, technical security architecture, training and awareness efforts.

EY Global Data Protection team and Information Security organization are aligned under global priorities that are implemented worldwide within the EY organization. This provides a single, cohesive vision around the protection of our information assets, personal data and client information.

**Elements of EY's data protection framework**

**International data transfers**

The international transfer of personal data is strictly regulated by European data protection law. Countries outside the European Economic Area without a comprehensive legislative approach to data protection are not deemed by the EU to provide an adequate level of protection for individuals' data privacy rights. Data protection law in Europe therefore prohibits the transfer of personal data to these countries unless the organization transferring the information has implemented appropriate legal safeguards.

EY has established Binding Corporate Rules (BCRs) as a mechanism to permit the international transfer of personal data between our member firms. BCRs enable us to transfer personal data seamlessly within EY member firms, facilitating borderless, cross-service-line teaming. Although the legal obligations under European law apply only to personal data used and collected in the EU, EY has applied these BCRs globally. Our BCRs are published on ey.com/bcr.

In addition, our member firm in the US is certified to the EU-US and Swiss-US Privacy Shield Frameworks governing transfers of data from the EU and Switzerland to the US.

**Global code of conduct**

EY holds its professionals to the applicable professional and technical standards and requires adherence to its global code of conduct. These principles are publicly available for viewing on our global website (ey.com/GL/en/Home/Global-Code-of-Conduct) and represent binding standards that apply to all member firms globally. The global code of conduct is based on a comprehensive behavioral and ethical framework. It guides the daily decisions made by all EY people, regardless of their individual role, position or member firm. It demands that employees respect and protect both personal and confidential information obtained from, or relating to, EY, our people, EY clients or third parties.
Training and awareness programs
As attack methods change, so must the information, guidance and training we offer EY people. Raising awareness of threats to data privacy and information security is an ongoing and dynamic process. It is one that EY takes very seriously, and it is reflected not only in professional formal training for professionals in each of our service lines, but in numerous other activities to drive awareness within the entire global EY population.

Global information security policy
EY information security policy and its supporting standards and controls are continually vetted by senior management to confirm that the material remains timely and accurate, and that it correlates to legal and regulatory requirements applicable to our organization.

Mandatory and recommended policy statements span nearly a dozen widely recognized information security areas, including but not limited to:

- Access control
- Asset management: classification and control
- Communications and operations security
- Human resources security: personnel
- Information systems acquisition, development and maintenance
- Physical and environmental security
- Risk assessment

Technical security controls
EY’s approach to information security does not rely solely upon written security policy or standards. We also maintain the confidentiality, integrity and availability of information through the protection of our technology resources and assets. Measures include, but are not limited to:

- Desktop and laptop full disk encryption
- Removable media encryption tools (e.g., USB “thumb” drives)
- Desktop and laptop firewalls
- Antivirus and anti-malware software (server, endpoint, gateway)
- Multifactor authentication solutions
- Automated patching and security vulnerability assessments
- Strong physical, environmental and perimeter controls
- Intrusion detection and prevention technologies
- Monitoring and detection systems

In addition, EY invests considerable time and resources into future-state security technologies. We align our information security strategy to our technology product road map and maintain close association with our technology service offerings. This properly positions us to address security issues that might otherwise threaten the confidentiality, integrity or availability of our technology resources.
Disaster recovery program
EY's continued commitment to protecting organization and client data is demonstrated through our disaster recovery capabilities. We are committed to protecting EY people, facilities, infrastructure, business processes, applications and data before, during and after a catastrophic event. The disaster response and system recovery procedures for our critical business applications have been carefully planned and tested. EY's disaster recovery methodology incorporates the following:
• Business impact analyses
• Mission-critical disaster recovery plans built on industry-leading standards
• Support from certified disaster recovery planners
• Regular testing of disaster recovery plans to verify operational readiness

Vendor assurance program
EY vendor assurance program aligns with EY's vendor management due diligence process to cover third-party activities related to information security, procurement, contracts, data protection and independence, including:
• Evaluation of prospective vendors for compliance with EY's ISO 27001/2 aligned global policies and controls
• Due diligence reviews, including preparation of risk ratings and findings
• Mitigation of risk findings
• Support in vendor selection and contract negotiations
EY uses industry-standard security assessments to evaluate inherent and residual risk across information security, compliance and other third-party risk categories such as data classification, data location, access and data transmission type.

Security strategy and mindset
EY's multifaceted security program is anchored by our global information security and personal conduct policies. It is designed to drive and promote the confidentiality, integrity and availability of our personal and client information assets. We support this effort through data protection technologies applied in accordance with applicable privacy laws and regulatory requirements, as well as the ISO 27001/2 internationally accepted standards for security program management.

EY is proactive in securing and properly managing confidential and personal information through our ISO 27001/2-based information security program, which includes:
• Appropriate policies, standards, guidelines and program management
• Strong technical security controls
• A security compliance program involving security reviews, certifications and audits
• A clearly defined security strategy and road map that consider the following:
  • Data protection: legal, regulatory and procedural requirements
  • Business: mandated procedures and requirements
  • Technology: policies, standards and procedures
  • External threats: changes to the security threat landscape
• A security incident management program to effectively control and remediate security-related incidents, including a Cyber Defense Critical Vulnerability Response Program
Compliance and audit

EY has a global data protection and information security program. We maintain an effective governance function, and we conduct compliance reviews through formal audit exercises. We manage compliance with data protection and information security obligations by executing the following reviews and programs.

**Security certification process**
Prior to implementation, all applications and systems are subject to our security certification process to confirm that they have been developed in accordance with our information security policy and secure application development standards.

The security certification process incorporates risk assessment, documentation reviews and vulnerability assessments. It is applied to any application or system used to create, store or manage information on behalf of EY. This process helps us to maintain the confidentiality, integrity and availability of our information and that of EY clients.

**Privacy and confidentiality impact assessments**
EY conducts privacy and confidentiality impact assessments (PIAs) of applications and business initiatives that handle personal or client information. Each PIA reviews the application or initiative against global standards and, where necessary, provides advice to mitigate data privacy and confidentiality risks.

Following a PIA, a list of data privacy and confidentiality recommendations, with detailed guidelines, is prepared for all users and administrators of that system. This detailed assessment includes a review of any cross-border data transfers to confirm these meet EU requirements.

EY has a comprehensive suite of policies and guidelines that helps to deploy applications in accordance with applicable data protection standards and requirements.

**Control effectiveness assessments**
To verify controls are implemented and operating effectively, EY performs a number of assessments of control effectiveness, including:

- Network and application vulnerability assessments, which focus on the technical aspects of the global information security policy, such as patch management, application security and infrastructure security
- Operating effectiveness assessments, which review technical controls and build processes of components such as operating systems, databases and infrastructure
- Ongoing operational monitoring of control effectiveness, to validate that the security controls are implemented and configured appropriately

**Information security audits**
To provide us with a more complete view of our information security compliance, EY global technology products, services and data centers are subject to audits. We conduct several forms of audit:

- Independent third-party compliance audits against ISO 27001:2013 to certify the Information Security Management System employed within our three global data centers in the US, Germany and Singapore
- Annual SOC 2, Type 2 attestation conducted by an independent third-party auditor, which encompasses the security, confidentiality and availability trust principles and covers our three global data centers in the US, Germany and Singapore
- Annual ISAE 3402/SOC 1, Type 2 attestation of our three global data centers in the US, Germany and Singapore, in which our security controls are tested and verified by an independent third-party auditor
- Network vulnerability scans, which focus on the technical aspects of the global information security policy, such as patch management, application security and infrastructure security
- Foundation audits, which review technical controls and build processes of components such as operating systems, databases and infrastructure
- On-site field audits, which include interviews with key management personnel, detailed site walk-throughs, documentation reviews and network vulnerability scans are the most significant and detailed form of audit, assessing compliance with all aspects of global information security policy

Information security compliance audit findings are compiled and vetted by senior management. Corrective action plans are determined and accepted, should they be required.

**Information security exceptions**
If an issue cannot be managed through a corrective action plan, an exception process is used to review the risks associated with the issue and explore alternatives. The exception process includes a formal approval process, regular reviews of each exception and a security assessment with an assigned risk rating. Compensating controls typically accompany approved exceptions to help properly mitigate risks that may arise as a consequence of the modification. This exception process confirms that exceptions and any subsequent corrective actions are properly documented, managed and revisited at a future date.
Protecting your data

EY secures information assets for EY clients through the use of an integrated data protection and information security strategy:

- We align our information security governance with our data protection governance to provide a consistent, cohesive vision around the protection of our information assets, personal data and client information.
- We subject our global applications and systems to both data privacy impact assessments and security certification reviews, which support a robust, consistent approach in deployment and operation.
- We protect personal data within EY network using appropriate physical, technical and organizational security measures.
- We confirm that our contracts with third-party processors contain provisions that are commensurate with our own policies, practices and controls to confirm your data is managed properly and securely, in accordance with legal and regulatory requirements.

Clients and individuals rightfully demand accountability from any organization handling their personal and confidential data. We understand the importance of taking appropriate steps to safeguard information assets and are committed to protecting information relating to EY clients and to EY people.

If you have any questions or require further information on the ways in which we protect you and your business, please contact your EY representative.

Summary
About EY

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

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