

Transparency Report 2023

EY Norway



Building a better
working world

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Message from our leaders



Christin E. Bøsterud
EY Norway
Managing Partner

Welcome to the Transparency Report 2023 of Ernst & Young AS. We believe that how we continuously improve audit quality, identify and mitigate risk, and maintain our independence as auditors should be transparent to stakeholders. This report is one of the ways in which we provide an update on what we are doing in these areas.

The execution of high-quality audits with independence, integrity, objectivity and professional skepticism is central to serving the public interest and is a top priority for EY Norway and the EY organization. High-quality audits build trust and confidence in capital markets, which drives investment and economic growth, creating long-term value for society.

Companies, regulators and other stakeholders count on us to deliver excellence in every engagement, and to support this, we are committed to continuous improvement and providing an environment in which auditors can thrive. This includes recruiting, developing and retaining talented people and nurturing their careers, embracing innovation, encouraging simplification and critically evaluating the work of audit teams to identify areas for improvement. The aim is to exceed regulatory benchmarks and produce high quality audits. At EY Norway, our reputation is based on and grounded in providing high-quality professional audit services, objectively and ethically, to every entity we audit.



Finn Ole Edstrøm
EY Norway
Assurance Leader

We embrace the transparency objectives of the European Union's Regulation 537/2014, which require Norwegian statutory auditors of public interest entities (PIEs) to publish annual transparency reports. The EY Norway Transparency Report 2023 complies with the Regulation and therefore also Norwegian requirements and covers the fiscal year ending 30 June 2023 as well as any more recent relevant events.

This report highlights how we have implemented the International Standard on Quality Management 1 (ISQM 1) to drive further audit quality improvements. The new standard, which became effective 15 December 2022, requires audit firms to design, implement and monitor a system of quality management. The EY organization's approach to ISQM1 builds upon our strong global integration and existing EY processes and controls designed to continuously improve and sustain audit quality. EY Norway, along with other EY member firms who perform ISQM 1 engagements performed its first System of Quality Management annual evaluation as of 30 June 2023. Our annual evaluation conclusion as of 30 June 2023 was that the System of Quality Management provides reasonable assurance that the objectives of the System of Quality Management are being achieved. You can find more detail on this evaluation in the System of Quality Management section of this report.

NextWave is our global strategy and ambition to deliver long-term value to clients, people and society. 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 fulfills its purpose of Building a better working world.

EY purpose: Building a better working world

The EY organization is committed to doing its part in building a better working world.

The audits delivered by EY people help build trust and confidence in business and the capital markets. EY auditors serve the public interest by delivering high-quality, analytics-driven audits with independence, integrity, objectivity and professional skepticism. In so doing, the EY organization helps create sustainable, long-term value for stakeholders.

You can learn more about this strategy and how it applies to our audit services in the Engagement performance section and in the Infrastructure supporting quality section. In this report, you can also learn about our Sustainable Audit Quality (SAQ), program, which provides a framework to help address the evolving risks of the audit and a globally consistent approach to sustaining high-quality audits across the EY network. You will also learn how we continue to transform the way EY teams deliver the financial statement audit and meet changing business needs and stakeholder expectations. At the heart of our transformation is driving consistency in how we apply our audit methodology, how we manage our audits and how we use innovative technology. This commitment includes a US\$1b investment in a next generation Assurance technology platform to facilitate trust, transparency and transformation. The investment program will integrate existing EY Assurance technologies under one seamless global platform while leveraging advanced technologies to transform capabilities and power a new generation of data-driven assurance services.

We also include updates on our continuing commitment to sustainability, within the EY organization and for EY clients, as an important element in creating long-term value for all stakeholders. For example, EY Assurance services can help clients respond to investors and stakeholders who are seeking more robust and transparent nonfinancial information. Nonfinancial or environmental, social and governance (ESG) reporting continues to require measuring and reporting on metrics beyond the customary financial statement elements, the assurance over which could be important to delivering long-term value. The EY organization is also on its own sustainability journey, which includes the EY carbon ambition to reduce absolute emissions by 40% through a 7-point action plan, while maintaining business growth. The EY organization became carbon negative in 2021 and remained carbon negative in 2022, following the achievement of carbon neutrality in 2020. EY Norway is doing its part in achieving these goals.

We remain focused on enhancing audit quality and upholding our independence, informed by several factors, including our evaluation of our System of Quality Management that includes our external and internal inspection results. Continuous and sustainable improvement of audit quality requires us to challenge approaches to audit execution, and we concentrate on this by evaluating our monitoring results, including inspection findings, and taking responsive actions.

Trust and confidence in financial reporting in the capital markets is critical in an ever-changing environment, and auditors play an important role.

At EY Norway the main focus areas have been

- EY Norway moved headquarters to the heart of Oslo from 1 June 2023. Our new home in Stortorvet 7 (S7) is an innovative and modern place to work. It has been designed with our hybrid working model in mind. We are offering our people flexibility with respect to where and when work is performed. Together with the team and the client, our people agree when, where, and how to meet.
- Adherence to new and future requirements for PIEs in respect of closer communication with those charged with governance. We have been closely working with clients on future requirements of the EU Corporate Social Responsibility Directive (CSRD). In addition we have implemented reporting on social responsibility, adherence to transparency act and equality and diversity reporting, This has been made possible through continued focus on sustainability competence across all assurance professionals.

- EY.ai has been introduced as a platform that combines our vast experience in strategy, transactions, transformation, risk, assurance and tax with EY technology and capabilities. This will help build confidence, create value and augment potential.
- Last year EY set out a strong and compelling rationale for the future of our organization, which would address the changing needs of clients, our industry and other stakeholders. While we remain committed to that vision and those goals, we stopped working on Project Everest, which set out to separate the EY businesses. For further information we refer to Press release on update of Everest, released on 14 April 2023 - [EY update on Everest | EY - Global](#)

We encourage all EY stakeholders – including clients and their investors, audit committee members and regulators – to continue to engage with us on our strategy as well as any of the matters covered in this report.



Christin E. Bøsterud
Managing Partner
Ernst & Young AS

Finn Ole Edstrøm
Assurance Leader
Ernst & Young AS



About us

About us



Legal structure, ownership and governance

In Norway, Ernst & Young AS is a private limited company organized in Oslo and is a member firm of Ernst & Young Global Limited, a UK company limited by guarantee (EYG). In this report, we refer to ourselves as “EY Norway,” “we,” “us” or “our.” EY refers collectively to the global organization of the member firms of EYG.

Ernst & Young AS, an approved Norwegian audit firm, is 99.99% owned by Norwegian partners, who have 49% of the votes in the company (Class A shares). Ernst & Young Europe SRL (EY Europe), an approved Belgian audit firm, owns 0.01% of the shares and has 51% of the votes (Class B share). Ernst & Young AS is organized as a silent partnership (Ernst & Young IS) where Ernst & Young AS is the general partner, and the Norwegian partners are silent partners. The activities of the silent partnership include all of Ernst & Young AS' operations. Ernst & Young AS owns 100% of the Norwegian private limited companies EY Skye Consulting AS and Ernst & Young Compliance Services AS. In addition, the company Ernst & Young Advokatfirma AS is a company Ernst & Young AS cooperates with.

The general meeting is the highest decision making body in Ernst & Young AS, attended by the shareholders, similar to the partners' meeting being the highest decision making body in Ernst & Young IS. Through these bodies, corporate governance is exercised by the companies, including decisions on the admission of partners, the election of the Board of Directors and appointment of the managing partner.

The Board of Directors of Ernst & Young AS consists of Christin Erichsen Bøsterud (Chairman of the Board) and the other representatives of the A-shareholders Tone Mari Flatland, Aina Kristin Karlsen Røed, Finn Ole Edstrøm, Einar Hersvik and Erik Richard Haagenen. Employee representatives on the Board of Directors are Ivar Vikasæter, Joakim Sollie, Maria G. Strønstad and Sandra Tennøy. Deputy employee representatives on the Board of Directors are Sondre Torgrimsen, Kristoffer Sanden Klausen and Nikki Kooger.

Christin Erichsen Bøsterud is managing partner of EY Norway. Jesper Almström is Regional Managing

Partner of EY Nordics. Nordic Service Line Leaders are Heikki Ilkka (Head of Assurance), Stig Thorgersen (Head of Consulting), Carl Pihlgren (Head of Tax) and Mikko Äijälä (Head of Strategy and Transactions).

Audit in Norway is divided into 13 offices allocated to the three major cities Oslo, Bergen and Stavanger, as well as three geographic areas outside the major cities consisting of 10 offices. The regions are managed by regional managers and each of the offices is headed by a local office manager. Audit in Norway is led by Finn Ole Edstrøm (Assurance Leader Norway). Truls Nesslin is Quality and Enablement Leader (QEL) and Einar Hersvik has the Professional Practice Director (PPD) role in Norway.

As of 30 June 2023, the following partners are owners of class A shares in Ernst & Young AS either directly or through wholly owned limited companies (ownership interest in brackets):

Aakvik, Gunvor (0,29 %), Albrigtsen, Eirik (2,87 %), Amundsen, Amund P (1,15 %), Andenæs, Anders (0,57 %), Andersen, Kjetil (0,29 %), Aschehoug, Leiv T. (1,15 %), Askvik, Gunn Helen (0,10 %), Aune, Helga Karen (0,10 %), Aurdal, Tore Waage (0,10 %), Baklid, Bjørn (1,15 %), Baksås, Tor Erik (0,10 %), Bamrud, Helene Cecilie Raa (0,10 %), Baukhol, Rune (0,29 %), Baumann-Larsen, Sveinung (1,15 %), Bekkeseth, Kristin (0,57 %), Birkeland, Magnus Hegertun (1,15 %), Bjerkvik, Trine Hansen (0,10 %), Borge-Hansen, Per Øyvind (0,29 %), Bristol, Alexandra van der Zalm (0,10 %), Broks, Magnus (0,10 %), Bø, Nils Kristian (2,87 %), Bøsterud, Christin E. (2,87 %), Christoffersen, Petter Løvendahl (0,10 %), Dalby, Kristian (0,10 %), Dar, Arbab Ummer (0,10 %), Dyrnes, Cecilie (0,29 %), Ebeltoft, Gaute (0,10 %), Eckhoff, Christian Cunningham (1,15 %), Edstrøm, Finn Ole (2,87 %), Eidissen, Willy (2,87 %), Embretsen, Thomas (1,72 %), Enge, Anja Undrum (0,10 %), Flatebø, Dag (0,57 %), Flatland, Tone Mari (0,10 %), Foss, Bjørn Tore (1,72 %), Fosse, Jan Henry Silfverberg (0,10 %), Foyn-Bruun, Astrid (0,57 %), Fredheim, Helge (0,86 %), Frøseth, Kai Astor (0,57 %), Fuglestrand, Rune (0,10 %), Fyllingen, Espen (0,10 %), Galta, Odd Eivind (1,15 %), Goertz, Michael (0,10 %), Granheim, Mette Anett (0,57 %), Grefsrød, Jon-Michael (0,57 %), Grette, Anne (1,72 %), Grydeland, Aleksander (2,87 %), Gulseth, Øystein Arff (1,15 %), Gøbel, Anders (2,30 %), Haagenen, Erik Richard (1,15 %), Hagland, Kristin (1,15 %), Haugerud, Agnete (1,72 %), Haver, Thomas Schulstok (0,57 %), Hegglov, Elisabeth (0,10 %), Helseth, Petter (0,10 %), Henriksen, Carl Fredrik (0,10%), Hersvik, Einar

(1,72 %), Holen, Hanne Skaarberg (1,15 %), Holm, Finn (0,57 %), Holthe, Marit Dokka (0,10 %), Høyland, Njaal Arne Kristian (1,15 %), Håvardstun, Kjetil (0,10 %), Jakobsen, Egil (0,10 %), Johansen, Pål André (0,10 %), Junker, Rune (0,29 %), Karlsen, Thomas (0,10 %), Killengreen, Johan Andreas (1,72 %), Knutsen, Jørn (1,15 %), Krabbesund, Frode Skårmo (0,10 %), Kristensen, Kjetil (2,30 %), Kullmann, Thomas (0,10 %), Kvalvik, Jan (1,15 %), Kvifte, Steinar Sars (1,15 %), Kågen, Ingvild Onshuus (0,10 %), Laache, Aleksander Haug (0,10%), Larsen, Petter Frode (1,44 %), Larsen, Rolf Gunnar (0,10 %), Leivestad, Marius Engström (1,15 %), Ler, Asbjørn (2,87 %), Lund, Tor Kjetil (0,29 %), Maan, Anja (0,10 %), Mallasvik, Aleksander Furnes (0,10 %), Martin, Steven Aron (0,10 %), Mjaanes, Christian (2,30 %), Mjølunes, Reidun Marie Høiland (0,10 %), Mobrätthen, Morten (0,57 %), Moe, Eirik (2,30 %), Nebo, Hanne Kverneland (0,10 %), Nesslin, Truls (0,10 %), Nordby, Johan Lid (0,10 %), Nore, Øyvind (1,15 %), Norstrøm, Håvard (0,57 %), Norvik, Ivar-André (0,10 %), Nytveit, Trond Stian (0,10 %), Olberg, Trond (0,86 %), Olsen, Trond (0,29 %), Paulsen, Krister Emil Hauge (0,57 %), Puri, Ankit (0,10 %), Rafen, Nina (1,15 %), Rimstad, Kjetil (2,30 %), Rognli, Cato (0,57 %), Roll-Matthiesen, Anders (0,10 %), Romskaug, Tommy (0,57 %), Ronæss, Christian (0,10 %), Rugsveen, Tommy (0,86 %), Røed, Aina Kristin Karlson (2,30 %), Råum, Kristian Villersø (0,10 %) Seehuus, Ronny (1,72 %), Sellæg, Finn Espen (1,15 %), Siem, Ole Conrad (0,10 %), Skage, Merete (0,86 %), Skar, Shahid Aasmund (0,10 %), Skjellevik, Tor Inge (1,15 %), Skjærpe, Jonas Slørdahl (0,10 %), Skuggedal, Hans Georg (0,10 %), Stene, Johan-Herman (0,10 %), Stevning, Vegard (2,87 %), Strand, Stig Tore (0,10 %), Svendsen, Are Øverby (0,10 %), Syvertsen, Kjersti Haukom (0,10 %), Søren, Erik (0,57 %), Sørli, Tore (0,57 %), Thorgersen, Stig (2,87 %), Tobiassen, Per Oskar (1,72 %), Totland, Helen (0,57 %), Tveide, Leif Ivar (0,10 %), Tøsse, Trygve Wangen Røst (0,10 %), Veum, Harry (0,10 %), Vigdel, Lars Ragnar (0,29 %), Vinge, Even (0,10 %), Waag, Ann-Kristin Lie (0,10 %), Willumsen, Arve (0,10 %) and Åsland, Jan Erik (0,10 %).

As of 30.06.2023, the following partners are participants in Ernst & Young IS:

Gunvor S Aakvik, Eirik Albrigtsen, Amund Petter Amundsen, Anders Andenæs, Kjetil Andersen, Leiv Aschehoug, Gunn Helen Askvik, Helga Karen Aune, Tore Waage Aurdal, Bjørn Baklid, Tor Erik Baksås, Helene Cecilie Raa, Rune J Baukhol, Sveinung Baumann-Larsen, Kristin Bekkeseth, Magnus Hegertun Birkeland, Trine Hansen Bjerkvik, Per Øyvind Borge-Hansen, Alexandra van der Zalm Bristol, Magnus Broks, Nils Kristian Bø, Christin Erichsen Bøsterud, Petter Løvendahl Christoffersen, Kristian Dalby, Arbab Ummar Dar,

Cecilie Aasprong Dyrnes, Gaute Ebeltoft, Christian Cunningham Eckhoff, Finn Ole Edstrøm, Willy Eidissen, Thomas Embretsen, Anja Undrum Enge, Dag Flatebø, Tone Mari Flatland, Bjørn Tore Foss, Jan Henry Silfverberg Fosse, Astrid Johanne Stave Foyn-Bruun, Helge Fredheim, Kai Astor Frøseth, Rune Fuglestrand, Espen Fyllingen, Odd Eivind Galta, Michael Goertz, Mette Anett Granheim, Jon-Michael Grefsrød, Anne Grette, Aleksander Grydeland, Øystein Arff Gulseth, Anders Gøbel, Erik Richard Haagensen, Kristin Hagland, Agnete Haugerud, Thomas Schulstok Haver, Elisabeth Hegglov, Petter Helseth, Carl Fredrik Henriksen, Einar Hersvik, Hanne Kristin Skaarberg Holen, Finn Holm, Marit Dokka Holthe, Njaal Arne Kristian Høyland, Erik Richard Haagensen, Kjetil Håvardstun, Egil Jakobsen, Pål André Johansen, Rune Junker, Thomas Karlson, Johan A Killengreen, Jørn Knutsen, Frode Skårmo Krabbesund, Kjetil Kristensen, Thomas Kullmann, Jan Kvalvik, Steinar Kvifte, Ingvild Onshuus Kågen, Petter Frode Larsen, Marius Leivestad, Asbjørn Ler, Tor Kjetil Lund, Aleksander Haug Laache, Aleksander Furnes Mallasvik, Anja Maan, Steven Aaron Martin, Reidun Marie Høiland Mjølunes, Christian Mjaanes, Morten Mobrätthen, Eirik Moe, Hanne Kverneland Nebo, Truls Nesslin, Johan Nordby, Øyvind Nore, Håvard Norstrøm, Ivar-André Årnes Norvik, Trond Stian Nytveit, Trond Olberg, Trond Olsen, Krister Emil Hauge Paulsen, Ankit Puri, Nina Rafen, Kjetil Rimstad, Cato Rognli, Anders Roll-Matthiesen, Tommy Romskaug, Christian Ronæss, Ina K Rosenberg, Tommy Rugsveen, Aina Karlson Røed, Kristian Villersø Råum, Ronny Seehuus, Finn Espen Sellæg, Ole Conrad Siem, Merete Skage, Shahid Aasmund Skar, Tor Inge Skjellevik, Jonas S Skjærpe, Hans Georg Skuggedal, Johan-Herman Stene, Vegard Stevning, Stig Tore Strand, Are Øverby Svendsen, Jan Wellum Svensen, Kjersti Haukom Syvertsen, Erik Søren, Tore Sørli, Stig Thorgersen, Hanne Christine Thornam, Per Oskar Tobiassen, Helen Totland, Leif Ivar Tveide, Trygve Wangen Røst Tøsse, Harry Veum, Lars Ragnar Vigdel, Even Vinge, Ann-Kristin Lie Waag, Arve Willumsen and Jan Erik Åsland.

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

EY Norway is part of the EMEIA Area, which comprises EYG member firms in 92 countries.

Within the EMEIA Area, there are eight Regions. EY Norway is part of the Nordic Region.

Ernst & Young (EMEIA) Limited (EMEIA Limited), an English company limited by guarantee, is the principal coordinating entity for the EYG member firms in the EMEIA Area. EMEIA Limited facilitates the coordination of these firms and cooperation between them, but it does not control them. EMEIA Limited is a member firm of EYG, has no financial operations and does not provide any professional services.

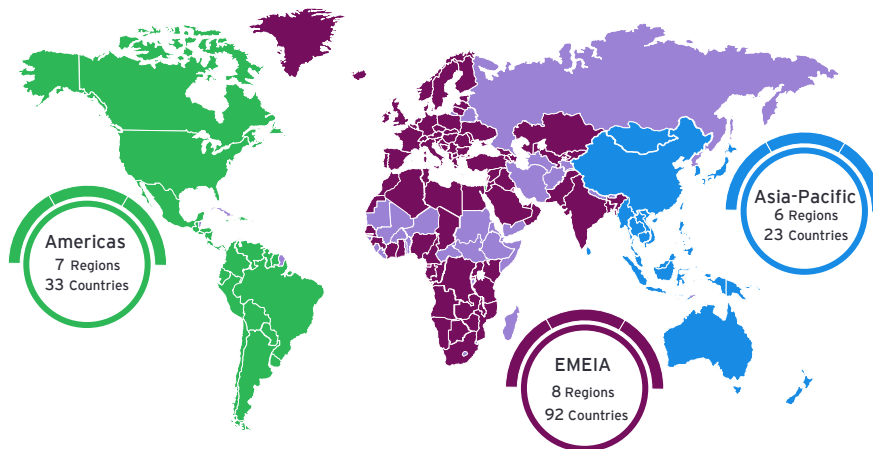
Each Region elects a Regional Partner Forum (RPF), whose representatives advise and act as a sounding board to Regional leadership. The partner elected as Presiding Partner of the RPF also serves as the Region's representative on the Global Governance Council (see page 10).

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

To the extent permitted by local legal and regulatory requirements, EY Europe has acquired or will acquire voting control of the EYG member firms operating in Europe. EY Europe is a member firm of EYG. EY Europe acquired voting control of EY Norway in 2009.

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

EY Areas, Regions and countries*



*Figures are as of 1 July 2023



Network arrangements

EY is a global leader in assurance, tax, strategy and transactions, and consulting services. Worldwide, more than 390,000 people in member firms in 148 countries share a commitment to building a better working world, united by shared values and an unwavering commitment to quality, integrity and professional skepticism. In today's global market, the integrated EY approach is particularly important in the delivery of high-quality multinational audits, which can span nearly every country in the world.

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

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

The structure and principal bodies of the global organization, described below, reflect the principle

that EY, as a global organization, has a common shared strategy.

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



Global Governance Council

The Global Governance Council (GGC) is a key governance body of EYG. It comprises one or more representative(s) from each Region, other at-large representatives from any member firm and independent non-executives (INEs). The Regional representatives, who otherwise do not hold senior management roles, are elected by their RPFs for a three-year term, with the ability to be reappointed for one additional three-year term. The GGC advises EYG on policies, strategies, and the public interest aspects of its decision-making. The GGC approves, in some instances upon the recommendation of the Global Executive (GE), certain matters that could affect EY.



Independent Non-Executives

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



Global Executive (GE)

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

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

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

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

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

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

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



GE committees

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



Global Practice Group

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



EYG member firms

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

Above all, EYG member firms commit to conducting their professional practices in accordance with applicable professional and ethical standards, and all applicable requirements of law. This commitment to integrity and doing the right thing is underpinned by the EY Global Code of Conduct and EY values (see page 19).

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

Member firms are subject to reviews to evaluate adherence to EYG requirements and policies governing issues, such as independence, quality and risk management, audit methodology and talent. Member firms unable to meet quality commitments and other EYG membership requirements may be subject to termination from the EY organization.



Creating long-term value for society

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

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

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

Among other things, this commitment is reflected in:



Corporate responsibility governance structures

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



The EY social impact ambition

The global corporate responsibility program, [EY Ripples](#), brings together the global EY network with a goal of positively impacting one billion lives by 2030. In the financial year (FY) to 30 June 2023, EY people have positively impacted 46 million lives through the EY Ripples program. To date, EY Ripples initiatives have cumulatively impacted the lives of more than 127 million people, aided by:

- ▶ A rigorous focus on three areas (supporting the next generation workforce, working with impact entrepreneurs and accelerating environmental

sustainability) where the distinctive skills, knowledge and experience of EY people can make the biggest difference.

- ▶ A collaboration with other like-minded organizations to build ecosystems that are capable of creating change at scale. For example, the TRANSFORM initiative with Unilever and the UK Foreign, Commonwealth & Development Office, which aims to change the lives of 150 million people across sub-Saharan Africa and South Asia by 2030 by tackling inequality.
- ▶ Further collaboration to create lasting positive social impact through activities such as the creation of a text-based learning program for underserved students. EY recently received the 2022 SAP Pinnacle Award for Social Impact, for this work.



Commitment to human rights

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



The EY carbon ambition

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

- ▶ Reducing business travel emissions, with a target to achieve a 35% reduction by FY25 against the FY19 baseline
- ▶ Reducing overall office electricity usage, and procuring 100% renewable energy for remaining needs, earning RE100 membership by FY25
- ▶ Structuring electricity Power Purchase Agreements (PPAs) to introduce more renewable electricity than EY consumes into national grids
- ▶ Using nature-based solutions and carbon-reduction technologies to remove from the atmosphere or offset more carbon than emitted, every year

- ▶ Providing EY teams with tools to calculate, then work to reduce the amount of carbon emitted in carrying out client work
- ▶ Requiring 75% of EY suppliers, by spend, to set science-based targets by no later than FY25
- ▶ Investing in EY services and solutions that help clients create value from decarbonizing their businesses, and provide solutions to other sustainability challenges and opportunities



System of Quality Management

System of Quality Management



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

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

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

- ▶ Ernst & Young AS

We are further providing our confirmation of compliance with EU regulation covering:

The effectiveness of the functioning of internal quality control systems. As indicated in the section System of Quality Management annual evaluation conclusion as of 30 June 2023 of this report, Ernst & Young AS concluded that our internal control systems are designed appropriately and are operating effectively.

The audit firm's independence practices. Moreover we confirm that an internal review of independence compliance has been conducted. We refer to page 40-42

The policy followed by the audit firm concerning the continuing education of statutory auditors. We refer to page 43-48



Structure

EY Norway's reputation for providing high-quality professional audit services independently, objectively and ethically is fundamental to our success as independent auditors. We continue to invest in initiatives to promote enhanced

objectivity, independence, and professional skepticism. These are fundamental attributes of a high-quality audit. Designing, implementing and operating an effective System of Quality Management is essential to these efforts.

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

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

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

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



Designing, implementing and operating a System of Quality Management

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

ISQM 1 includes robust requirements for the governance, leadership and culture of professional accountancy firms, and introduces a risk assessment process to focus the firm's attention on

mitigating risks that may have impact on engagement quality. It also requires more extensive monitoring of the System of Quality Management to identify deficiencies that require corrective actions and to provide the basis for evaluating the overall effectiveness of the System of Quality Management.

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

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

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

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

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

- Evaluate policies, technologies, strategies, programs and baseline provided to them, and
- Determine if they need to be supplemented by the member firm to be appropriate for use (e.g., if the policy needs to be amended to comply with local laws and regulations or if the content within the technology needs to be translated into local language).



System of Quality Management roles

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

Key roles within the System of Quality Management include:

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

Operational responsibility for the System of Quality Management: The Country Assurance Managing Partner is the individual assigned operational responsibility for the System of Quality Management. This includes recommending the System of Quality Management annual evaluation conclusion to the Country Managing Partner. The Country Assurance Managing Partner, who remains accountable, assigns a Country SQM Operational Leader to assist them in fulfilling their System of Quality Management-related responsibilities. A SQM Steering Committee has been formed chaired by the Professional Practice Director. The purpose of the SQM Steering Committee is to oversee the operational responsibility of the System of Quality Management. The SQM Steering Committee includes Country Managing Partner, Country Assurance Managing Partner, Professional Practice Director, Quality Enablement Leader and Compliance Officer.

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

Operational responsibility for monitoring the System of Quality Management: The Country Professional Practice Director is the individual assigned operational responsibility for monitoring the SQM. This includes concurring with or proposing changes to the recommended System of Quality Management annual evaluation conclusion.



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

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

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

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

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

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

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

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

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



Components of our System of Quality Management

Components of our System of Quality Management

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

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



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

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

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

mitigate an EY System of Quality Management baseline Quality Risk

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

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

- ▶ Accepted or rejected Global baseline Quality Risks and Resources after appropriate analysis of our facts and circumstances.
- ▶ Accepted or rejected the Global baseline Resources and Key Controls after appropriate analysis of our facts and circumstances.
- ▶ Together with the Area, identify the level of execution of Global baseline Key Control.
- ▶ Customized accepted Global, Area and Region baseline Key Controls.

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

In addition to reviewing the Global System of Quality Management baselines, EY Norway determined if additional quality objectives, quality risks or responses were necessary. Based on the review of these baselines, certain responses were customized, and not applicable responses were rejected.



Governance and leadership



Tone at the top

EY Norway’s leadership is responsible for setting the right tone at the top and demonstrating the EY commitment to building a better working world through behavior and actions. While the tone at the top is vital, EY people also understand that quality and professional responsibility start with them and that within their teams and communities, they are leaders too. EY shared values, which inspire EY people and guide them to do the right thing, and the EY commitment to quality are embedded in who we are and in everything we do.

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

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

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

In order to measure the quality culture across EY member firms and provide EY Norway with valuable insights into the perceptions of the culture of quality, including tone at the top, collaboration, and workload management and ethical behavior, a Global Quality Survey was launched in April 2023. The results of the Global Quality Survey were used to identify areas where EY Norway was doing well and where more actions may be required. The

Global Quality Survey results indicate that our people recognize that the tone at the top set by leadership demonstrates commitment to quality and that EY recognizes and values contributions to quality. The recognition of our strong culture of consultation, coaching and continuous quality improvement is also reflected in the results of the Global Quality Survey. Yet, the results also indicate that more still needs to be done to improve our culture around resourcing.



Global Code of Conduct

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

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

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



Relevant ethical and legal requirements



Compliance with the Global Code of Conduct

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



Independence

Compliance with relevant ethical requirements, including independence, is a key element of the System of Quality Management. It involves

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



Rotation and long association

EY Norway complies with the audit partner rotation requirements of the IESBA Code, Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014 (EU 537/2014), as well as the U.S. Securities and Exchange Commission (SEC), where required. EY Norway supports audit partner rotation because it provides a fresh perspective and promotes independence from company management, while retaining experience and knowledge of the business. Audit partner rotation, combined with independence requirements, enhanced systems of internal quality controls and independent audit oversight, helps strengthen independence and objectivity, and is an important safeguard of audit quality.

Article 17 of the EU Audit Regulation No. 537/2014 requires for public interest entities the rotation of the lead engagement partner and their engagement quality reviewer after 7 years. Following rotation, the lead audit engagement partner and engagement quality reviewer may not resume the lead partner or engagement quality reviewer role until at least three years have elapsed.

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

Upon completing the maximum service period for rotation, a key audit partner may not lead or coordinate professional services to the PIE company we audit until after completing a cooling-off period. This period is five years for a lead audit

engagement partner, three years for an engagement quality reviewer and two years for other partners subject to rotation.

In addition to the key audit partner rotation requirements applicable to PIE companies we audit, EY has established a long association safeguards framework. This is consistent with the requirements of the IESBA Code and Article 17 of 537/2014 and includes consideration of the threats to independence created by the involvement of professionals over a long period of time and a safeguards framework to address such threats.

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



External rotation

For public interest entities, we comply with the external audit firm rotation requirements of Article 17 (1) of the EU Audit Regulation and local supplements.



Whistleblowing

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

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



Non-compliance with laws and regulations

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

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



Anti-bribery

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



Insider trading

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

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



Economic and trade sanctions

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

they continue. Guidance is provided to EY people on impacted relationships and activities.



Anti-money laundering

EY Norway is classified as an obliged entity under applicable anti-money laundering (AML) regulations. Consistent with the EY global guidance on AML, EY Norway has implemented policies and procedures designed to meet these obligations, including Know Your Client (KYC) procedures, risk assessments and suspicious activity reporting. EY people are trained on their responsibilities under the regulations and provided guidance on who to consult when they have questions.



Data protection and confidentiality

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



Client and engagement acceptance and continuance



Global policy on client and engagement acceptance and continuance

The EY global policy on client and engagement acceptance sets out principles for member firms to determine whether to accept a new client, a new engagement with an existing client, or to continue with an existing client or engagement. These

principles are fundamental to maintaining quality, managing risk, protecting EY people and meeting regulatory requirements. The EY global policy on client and engagement acceptance is an example of a policy issued by EYG to help ensure the adherence to EY values, to address network risk and to drive consistency in the System of Quality Management.

The objectives of the policy are to:

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

In addition, the EY global policy on conflicts of interest defines global standards for addressing categories of potential conflicts of interest and a process for identifying them. It also includes provisions aimed at mitigating potential conflicts of interest as quickly and efficiently as possible, using appropriate safeguards. Such safeguards may include obtaining client consent to act for another party where a conflict of interest may exist, establishing separate engagement teams to act for two or more parties, implementing appropriate separations between engagement teams or declining an engagement to avoid an identified conflict.

The EY global policy on conflicts of interest and associated guidance considers the increasing complexity of engagements and client relationships, and the need for speed and accuracy in responding to clients. They also align with the latest IESBA Code.



Putting policy into practice

We use the EY Process for Acceptance of Clients and Engagements (PACE), an intranet-based system, for efficiently coordinating client and engagement acceptance and continuance activities in line with global, service line and member firm policies. PACE takes users through the acceptance and continuance requirements and identifies the policies and references to professional standards

needed to assess both business opportunities and associated risks. PACE is an example of technological resources used by EYG member firms across the globe to drive consistency in the System of Quality Management.

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

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

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

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



Engagement performance

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



The EY Digital Audit

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

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

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

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

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

Connecting

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

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

Through the use of profile questions, audit engagements in EY Canvas are automatically configured with information relevant to an entity's type (e.g., listed, public interest entity) and industry. This helps to keep audit plans customized and up-to-date, and provides direct linkage to audit guidance, professional standards and documentation templates. The majority of forms that enable audit documentation are integrated into

EY Canvas, leveraging the profile questions to deliver the relevant audit procedures and related documentation requirements. With the Milestones program as discussed in the infrastructure supporting quality section, EY Canvas enables effective project management. EY Canvas is built with a user interface that allows the team to visualize risks and their relationship to the planned response and work performed in key areas. It also enables a linkage for group audit teams to communicate relevant information and instructions to component auditors so that the primary team can direct execution and monitor performance of the group audit.

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

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

Automating

Smart technologies help to enable greater levels of automation, centralization and standardization throughout the audit.

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

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

Analyzing

The deployment of end-to-end analytics enables a smarter, data-driven approach that supports EY

teams in identifying risk, detecting anomalies and generating insights.

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

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

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

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

Investment in next generation Assurance technology

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

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

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

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

- ▶ User experience and collaboration
- ▶ Data access and analytics

▶ AI and business intelligence

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



Fraud

As part of ongoing improvement efforts, there is recognition of the need to evolve how audits are performed to better address fraud. At a global level, EY is committed to leading the profession more widely to address stakeholders' questions about the auditor's role in fraud detection.

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

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

- ▶ The use of data analytics to enhance fraud detection capabilities and further develop professional skepticism in audits
- ▶ Using additional internal and external data and information to enable more nimble responses to external risk indicators, such as short selling and whistleblowers
- ▶ Utilizing electronic confirmations for audit evidence wherever possible
- ▶ Developing a proprietary fraud risk assessment framework for use with audit committees and those charged with governance
- ▶ Mandating annual fraud training for all audit professionals that incorporates the experience of EY forensics professionals
- ▶ Requiring the use of forensic professionals in the audit on a targeted-risk basis to assess potential risks of fraud
- ▶ Expanding the use of EY Global Assurance Risk Center of Excellence building on the latest technology, such as machine learning and AI, to further leverage external data through adverse media scrapping, key forensic metrics, short seller monitoring, tools to evaluate document

authenticity, and other technology to enhance fraud risk identification and response in our audits



Reviews of audit work

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

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

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

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



Consultation requirements

EY consultation policies are built upon a culture of collaboration, whereby audit professionals are encouraged to share perspectives on complex accounting, auditing and reporting issues. As the environment in which EY member firms work has become more complex and connected around the globe, the EY culture of consultation has become even more important to help member firms reach the appropriate conclusions for entities that they

audit on a timely basis. Consultation requirements and related policies are designed to involve the right resources, so that audit engagement teams reach appropriate conclusions.

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

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

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



Engagement quality reviews

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

EY policies and practices related to the assignment and eligibility of professionals to serve as engagement quality reviewers have been enhanced to conform with the requirements of International Standard on Quality Management (ISQM) 2, Engagement Quality Reviews. These enhancements focus on assigning an engagement quality reviewer

who has the appropriate competence and capabilities, including sufficient time, as well as having sufficient authority and objectivity to achieve an effective engagement quality review. Training and enablement support the execution of the engagement quality review.

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

For audits, engagement quality reviews are performed by audit partners in compliance with professional standards for audits of all listed companies, all public interest entities and those considered to need close monitoring. The Country AMP (or Country Audit Leader) and Country PPD approves the assignment of the engagement quality reviewer to each applicable engagement.



Audit engagement team resolution process for differences of professional opinion

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

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

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

Furthermore, if the engagement quality reviewer makes recommendations that the PIC does not accept or the matter is not resolved to the

reviewer's satisfaction, the auditor's report is not issued until the matter is resolved.

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



Documentation retention

The Records and Information Retention and Disposition Global Policy supports and builds upon provisions within the EY Global Code of Conduct regarding acting with professional integrity in terms of documenting work and respecting intellectual capital. This policy and the Global Retention Schedule (GRS) establish records and information management (RIM) requirements for the management of records and information and documents ("records and information") throughout their life cycle including the requirement to securely discard or delete records for which the retention period has expired, unless special and acceptable circumstances apply. This policy, the GRS and RIM requirements are in accordance with applicable professional standards and are based on regulatory, legal, and business requirements and obligations, and they apply to all engagements and personnel and addresses Norwegian legal requirements, applicable to the creation and maintenance of working papers, relevant to the work performed.



Resources

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



Formation of audit engagement teams

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

engagement team.

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

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



Service delivery centers

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



Diversity, equity and inclusiveness

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

EY has been on a DE&I journey for many years, and while substantial progress has been made, under

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

EY also launched the Global Assurance DE&I baseline expectations model in the audit practice to accelerate progress. This includes a set of globally applicable baseline expectations for DE&I across all Assurance talent processes and consists of ideas and initiatives for what can be done to advance DE&I within these processes. Each Region has completed a self-assessment against the baseline expectations model and committed to an action plan to make progress. There has been a particular focus on promoting gender diversity over recent years. Thirty-three percent of new audit EYG member firm partners around the globe, promoted on 1 July 2023 were women and a strong pipeline of female leadership has been built, supported by 52% of all audit hires by member firms across the globe in 2022 being female. In EY Norway 41,5% of new hires was female.

Inclusive organizations maximize the power of all differences. Employees need to feel they are working for an organization that not only values them as individuals, but also sees differences as strengths and values their contributions. Fostering this sense of belonging is critical to helping the EY organization attract the most talented individuals and helping EY professionals stay motivated and engaged.

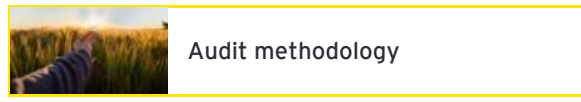
In the March 2023 employee listening survey, 82% of EY auditors said the EY organization provides a work environment where they feel free to be themselves, an increase of 3% when compared with the March 2022 survey.

Leaders across EY make DE&I a priority and it is a key metric across all the organization's talent management programs. To enable greater accountability across the EY organization, the Global DE&I Tracker helps track progress with consistent diversity and inclusiveness metrics and reporting across the organization globally. EY also created the Global Social Equity Task Force (GSET) to develop cohesive action plans, specifically addressing inequity and discrimination, including racism. As a global organization, EY has an opportunity to address the impact of inequities and injustice and push for progress within EY and beyond. EY commits to advancing social equity and inclusive growth and standing against injustice,

bias, discrimination, and racism. Social equity means that we aim for each person at EY Norway to have access to the resources and opportunities they need, given different starting points and different needs. It also means removing barriers to opportunities and inclusive experiences, that may lead to unequal outcomes. EY believes businesses have direct influence to address these gaps and build a better working world, through teaming, leadership and culture on teams, and the equitable assignment of work, and how performance evaluation, advancement and appointment decisions are made.

Our values: who we are

1 People who demonstrate integrity, respect, teaming and inclusiveness	2 People with energy, enthusiasm and the courage to lead	3 People who build relationships based on doing the right thing
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EY GAM provides a global framework for delivering high-quality audit services through the consistent application of thought processes, judgments and procedures in all audit engagements, regardless of the size. EY GAM also requires compliance with relevant ethical requirements, including independence from the audited entity. Making risk assessments; reconsidering and modifying them as appropriate; and using these assessments to determine the nature, timing and extent of audit procedures are fundamental to EY GAM. The methodology also emphasizes applying appropriate professional skepticism in the execution of audit procedures. EY GAM is based on International Standards on Auditing (ISAs) and is supplemented in EY Norway to comply with the local Norwegian auditing standards and regulatory or statutory requirements. EY GAM is one example of an intellectual resource made available to EYG member firms to drive consistency in the execution of audit engagements.

Designed and based on extensive research with audit practitioners, EY Digital GAM, which is part of EY GAM, focuses on simplifying tasks and improving connection from one audit procedure to the next by leveraging full populations of entity data. All procedures, including risk assessment and substantive procedures start with a data-first mindset, by analyzing relevant financial and non-financial data and supplementing this with

traditional audit techniques such as inquiries, observations and inspection. The ability to analyze disaggregated data using the EY Helix global analytics suite enhances audit engagement teams' understanding of the entity's business and focuses on the identification of entity-specific risks, key transactions and trends and anomalies that may be indicators of misstatement or fraud. A data-driven audit approach focuses effort on the audit of higher-risk transactions, enables a dynamic audit strategy that is reactive to readily identifiable changes in the data and refines the focus and specificity of dialogue with the entity and its management about audit findings and evaluating the outcomes.

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

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

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

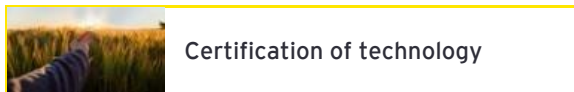
Other enhancements have been made to address implementation experiences and external and internal inspection results.

Recently, EY GAM was updated for the requirements of ISA 220 (Revised), Quality Control for an Audit of Financial Statements, ISQM 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other

Assurance or Related Services Engagements, and new independence requirements of the International Ethics Standards Board of Accountants' Code of Ethics for pre-concurrence of non-assurance services and disclosure of fees. A suite of enablement to implement the new and revised requirements was issued.

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

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



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

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



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

- ▶ Personnel
- ▶ Member firms within the EY network

- ▶ External parties
- ▶ Service providers

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



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

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

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

System of Quality Management monitoring activities include:

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

The monitoring and remediation process is executed annually based on the Global SQM Monitoring and Remediation policy, which is an example of a global intellectual resource provided to drive consistency in the execution of the EY Norway's System of Quality Management. The monitoring and

remediation process is coordinated and monitored by representatives of Global PPD, with oversight by the Global Assurance leadership.



Tests of System of Quality Management key controls

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

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

Individuals testing System of Quality Management key controls are competent, objective and independent of the control owners and control operators. Individuals testing SQM key controls operate under the direction of the Country PPD.



Audit quality reviews

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

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

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

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

In addition EY Norway has, together with the other Nordic countries, introduced a separate Nordics AQR program for the audit of small businesses.

For EY Norway, 16 audits of financial statements for 2022, have been subject to the Global AQR program. One engagement was assessed to have material quality deviations. The corresponding Global AQR process for 2021 covered 19 audit engagements of which four had material quality deviations.

In addition, the Nordics AQR program covered 16 audits for 2022. One engagement was assessed to have material quality deviations. The corresponding Nordics AQR for 2021 covered 40 audits of which three engagements were assessed to have material quality deviations.

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

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

The results of the AQR and OAQR processes are summarized globally (including for Areas and Regions), along with any key areas where the results indicate that continued improvements are required. Summarized results are shared within the network. Measures to resolve audit quality matters noted from the Global AQR program, regulatory

inspections and peer reviews are addressed by Assurance leadership and our PPD. These programs provide important practice monitoring feedback for our System of Quality Management and continuing quality improvement efforts.



External quality assurance reviews

EY Norway's Audit practice are subject to tri-annual inspection by the Norwegian Financial Supervisory Authority (Finanstilsynet). As part of its inspections, the Norwegian Financial Supervisory Authority evaluates quality control systems and reviews selected engagements. This regulator is a member of IFIAR and accordingly, the inspection results are submitted for inclusion in the annual IFIAR survey.

EY Norway's Audit practice is also subject to inspection by non-home country regulators such as the PCAOB. The last quality assurance inspection by Finanstilsynet took place in 2020. The final report on the inspection was issued on 4 October 2021.

We respect and benefit from Finanstilsynet's inspection process. We thoroughly evaluate the points raised during the inspection to identify areas where we can improve audit quality and the relevance to the System of Quality Management. Engagements with significant findings and certain other engagements are to be subject to root cause analysis (see next section). Together with the AQR process, external inspections provide valuable insights into the quality of EY audits. These insights help us to effectively execute high-quality audits.

The latest inspection from the Norwegian Financial Supervisory Authority found deficiencies in the audit of three smaller engagements. The Authority had no comments or remarks to the audits conducted for public interest entities or the effectiveness of EY Norway's internal audit quality reviews (AQRs).

In the inspection of the EY audit firm, the authority also found some deficiencies pertaining to EY Norway's AML processes and the compliance with these. There were however no sanctions given from the Authority following the inspection.

EY Norway has clarified and communicated the actions taken to rectify the deficiencies identified by the Authority, which the Authority also has acknowledged and noted.

Information on the above-mentioned regulator can be found at [Tilsynsrapport \(finanstilsynet.no\)](https://www.finanstilsynet.no).



Engagement-level root cause analysis and action plans

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

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



Audit quality indicators

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

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

Examples of EY AQIs include:

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

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

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



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

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

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

Representatives from Global and Area Professional Practice and Assurance Leadership meet on a regular basis to review the results of the monitoring activities and the assessment of findings and deficiencies to drive consistency in the application of the framework for identifying and assessing findings and evaluating deficiencies and performing root cause as described in the Global SQM Monitoring and Remediation policy.



System of Quality Management Quality Improvement Plans

For any identified deficiencies, EY Norway's quality improvement plans are developed, which includes:

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

Quality improvement plans are developed by the Assurance leader and are reviewed by the PPD to help ensure the appropriateness of the actions designed.



Infrastructure supporting quality

Infrastructure supporting quality



Strategy

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

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

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

Through a data-driven approach, enabled by the transformation and integration of our digital technology capabilities, EY teams will continue to deliver high-quality audits with independence, integrity, objectivity and professional skepticism. EY member firms provide their audit professionals with additional training and enablement to help detect fraud. The data-first approach and enhanced training elevates EY teams' experiences, so they can spend more time addressing risks and exercising professional judgment. EY member firms remain future-focused as they transform, including ever-more sophisticated data analytics and efficiently delivering greater insight in support of the high-quality audits that are valued by the entities that EY member firms audit and the capital markets. By applying leading-edge technologies, EY

Assurance services teams contribute meaningfully to the overall EY purpose of Building a better working world.

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



Global Audit Quality Committee

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

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



Quality Enablement Leaders

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

Empowerment for audit teams is enabled by:

- ▶ Delivering audit engagement team coaching

- ▶ Deploying technical enablement related to the adoption of new auditing standards
- ▶ Driving proficiency in the use of automated tools and techniques

Operational excellence for the Audit service is achieved through:

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

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

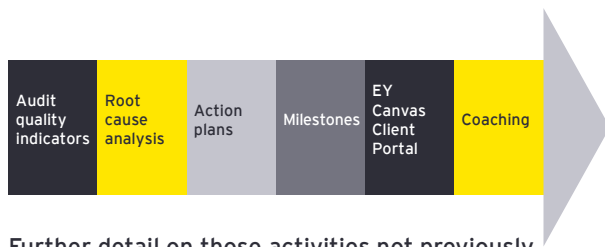


Sustainable audit quality

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

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

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



Further detail on those activities not previously discussed include:

Milestones

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

EY Canvas Client Portal

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

Coaching

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

In EY Norway several engagements have utilised the Global coaching program and have benefited from valuable insights from coaching.



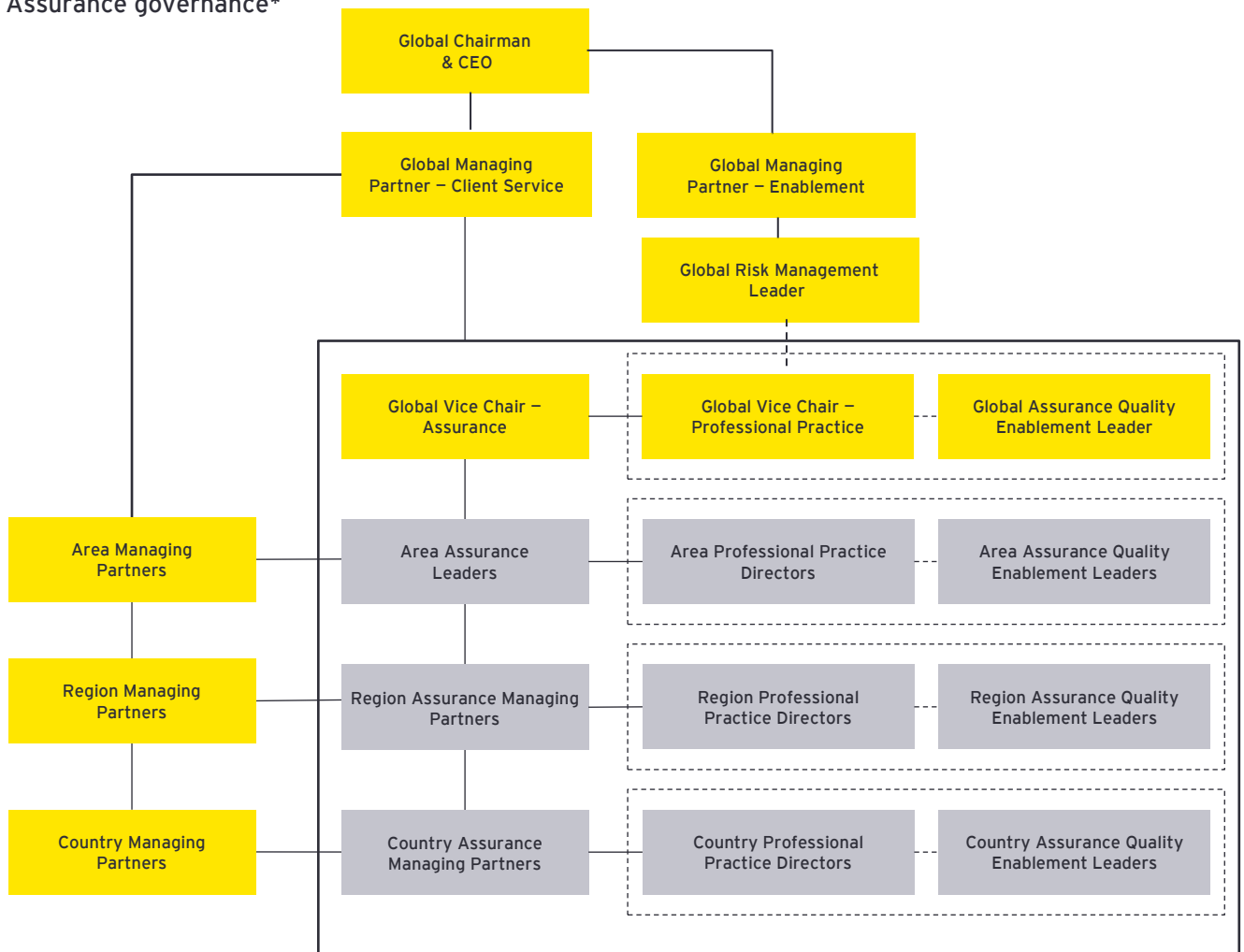
Professional Practice

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

The Global PPD also leads and oversees the Global Professional Practice group. This is a global network of technical subject-matter professionals in accounting and auditing standards who are consulted on accounting, auditing and financial reporting matters; and perform various practice monitoring and risk management activities. In

addition, the Professional Practice group is expanding its capacity on nonfinancial reporting in anticipation of the finalization of the inaugural standards by the International Sustainability Standards Board.

Assurance governance*



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

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

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

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

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



Risk Management

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

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

The Global RM Leader is responsible for establishing a consistent risk management

framework around the globe and coordinating risk management across EY.

Member firm professionals are appointed to lead risk management initiatives (supported by other staff and professionals), including coordinating with the service lines on such matters.

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

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

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

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

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



Cybersecurity

Managing the risk of major and complex cyber-attacks is a part of conducting business for all organizations. While no systems are immune from the threat of cyber-attacks, EY Norway is vigilant in the steps it takes to secure and protect client data.

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

Beyond technical and process controls, all EY people are required to annually affirm in writing their understanding of the principles contained in the EY Global Code of Conduct and their commitment to abide by them. There are also required security awareness learning activities. Various policies outline the due care that must be taken with technology and data, including, but not limited to, the Global Information Security Policy, and a global policy on the acceptable use of technology. EY cybersecurity policies and processes recognize the importance of timely communication.

EY people receive regular and periodic communications, reminding them of their responsibilities outlined in these policies and of general security awareness practice.



Nonfinancial reporting

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

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

As part of our and other EYG member firms' obligation for high-quality assurance services related to nonfinancial reporting, EY has developed guidance, training and monitoring programs and processes used by EYG member firm professionals to execute such services consistently and effectively. This includes the EY Climate Change and Sustainability Services—a dedicated team of sustainability professionals. Guidance has also been developed for audit engagement teams to assess the impact of climate risk on financial reporting under International Financial Reporting Standards (IFRS) or other financial reporting frameworks. The Global, Area, Regional and Country PPDs, EY quality functions and IFRS desks, together with other finance and sustainability professionals, who work with teams in each member firm, are knowledgeable about the changing regulatory nonfinancial reporting landscape, EY people, clients and processes. They are readily accessible to support Assurance engagement teams.

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

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



Independence practices

Independence practices

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

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

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

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



EY Global Independence Policy

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

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



Global Independence System

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

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



Global Monitoring System

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

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



Independence compliance

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



Independence confirmation

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

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



Independence compliance reviews

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



Personal independence compliance testing

Each year, the EY Global Independence team establishes a program for personal independence compliance testing (PICT), which is an audit of an individual's compliance with the requirement to report financial interests in GMS. As part of the PICT, the selected individuals will provide account statements and other documentation of their financial interests, which are then compared to information reported in GMS as of the relevant period being tested to determine if there are unreported interests. Any unreported interests are evaluated with consequences assigned as deemed appropriate. For the 2023 testing cycle, EY Norway tested 96 partners and other personnel and no regulatory breaches was identified.



Non-audit services

EY monitors compliance with professional standards, laws and regulations governing the provision of non-audit services to audited entities through a variety of mechanisms. These include the use of tools, such as PACE (see page 22) and the Service Offering Reference Tool (SORT) (see below), and training and required procedures completed during the performance of audits and internal inspection processes. There is also a process in place for the review and approval of certain non-audit services in advance of accepting the engagement.



Global independence learning

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

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

The annual independence learning program covers independence requirements, focusing on recent changes to policy, as well as recurring themes and topics of importance. Timely completion of annual independence learning is required and is monitored closely.

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

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



Service Offering Reference Tool

Service Offering Reference Tool (SORT) serves as the master list of approved EY services. We assess

and monitor our portfolio of services on an ongoing basis to confirm that they are permitted by professional standards, laws and regulations, and to make sure that we have the right methodologies, procedures and processes in place as new service offerings are developed. We restrict services from being provided that could present undue independence or other risks.

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

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



Business Relationships
Independence Data Gathering
and Evaluation (BRIDGE)

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

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



Audit committees and oversight
of independence

We recognize the important role audit committees and similar corporate governance bodies undertake in the oversight of auditor independence. Empowered and independent audit committees perform a vital role on behalf of shareholders in protecting independence and preventing conflicts of interest. We are committed to robust and regular communication with audit committees or those charged with governance. Through the EY quality review programs, we monitor and test compliance with EY standards for audit committee communications, as well as the pre-approval of non-audit services, where applicable.



Investing in exceptional talent and continuing education

Investing in exceptional talent and continuing education



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

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

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

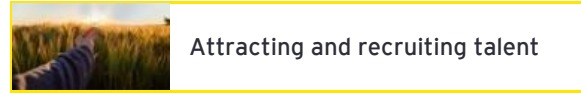
Changing environments mean that investments in exceptional talent need to be agile. Audit engagement teams already bring together an increasingly diverse set of skills and this trend will only accelerate as new technologies are adopted and the role of the audit professional continues to evolve. Skill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

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

Talent investment needs to focus more broadly on the development of new skillsets – enabling teams to harness the full potential of new technology and bring a new lens to their work.

In addition, the EY organization has taken action to address emerging risks, through both training and a

focus on increasing awareness of these risks. Common themes that teams need to focus on are communicated throughout the organization.



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

For example, in the last year, EY designed the EY Talent Tree in the metaverse. Through a series of global talent events, EY teams have hosted hundreds of potential future audit professionals in an environment that strips away the physical barrier of real-world meeting rooms, and replaces them with a new, highly interactive virtual world. What has been achieved so far is very exciting – a series of events on a global scale that helped identify new talent from the next generation of potential accounting professionals, who live and breathe technology; and who will help forge the future of our profession.

Another innovation initiative EY is currently working on is an audit virtual work experience program, with the support of an external vendor. This program is designed primarily for university and college students who are at early stages of their studies and are looking to explore future career paths. The purpose of this program is to connect with students and showcase the work EY teams do in audit, in a direct and open way, with the aim to build a network with our future talent from the early stages in their academic journey.

In order to recruit people who, fit with the EY culture, it is important to take into account not only technical excellence, but also other attributes – communication skills, high ethical standards and

the ability to collaborate in high-performing teams. All joiners are expected to live up to high standards of integrity, and to have strong business acumen and leadership potential.



Retention and focus on wellbeing

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

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

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

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

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

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



Personalized careers with diverse experiences

As the workforce becomes more diverse in terms of background, skill sets and education, aspirations also change. With more people with specialized skills entering the organization, EYG member firms are implementing more flexible career paths for all

professionals that link to future-focused service delivery model thinking.

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

Promotions focus on people's skills, not the number of years in a post. For example, the EY organization is introducing more "agile promotions," where career progression takes place when an individual is ready rather than at set times in the year.

We are seeing success through these redesigned career paths. In the March 2023 employee listening survey, 82% of respondents indicated that they know which skills they need to build the career they want. In EY Norway Assurance 75% agreed that at EY, there are diverse career paths to them building a career that is right for them compared to 72% in 2022.



Mobility

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

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

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

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

In EY Assurance Norway 76% of respondents said they feel they have access to the work experiences they need to build their career.



Performance management

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

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

The performance management framework extends to partners, principals, executive directors and directors, and applies to all EYG member firms around the world. It reinforces the global business agenda by continuing to link performance to wider goals and values. The process includes goal setting, ongoing feedback, personal development planning and an annual performance review, all tied to partners' recognition and reward. Documenting partners' goals and performance is the cornerstone of the evaluation process. A member firm partner's goals are required to reflect various global and local priorities across six metrics, the most important one being quality.



Engagement

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

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

For EY Norway 78% had a favorable attitude in terms of engagement.

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

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

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

EY Assurance runs an initiative known as "Global Voices" which unites 200 high-performing junior professionals from across the world and all sub-service lines. Its purpose is to empower and engage the EYG member firms' workforces by seeking their feedback on a wide range of topics of strategic importance, to broaden leadership perspectives. Leadership teams are increasingly engaged and motivated to understand the group's perspectives on business-critical challenges like talent retention, technology and innovation and ESG & societal impact.



The Audit Academy

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

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

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

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



Professional development

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

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

As of 30 June 2023, almost 47,000 EY Badges had been awarded to current audit professionals, including 16,000 in analytics and data strategy

alone. In addition, more than 23,000 EY Badges have been awarded to people who have since left EY.

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

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

In EY Norway Assurance 86% of the respondents said that EY provides them with learning opportunities that build the skills they need to be successful and 85% said that what they are learning at EY is helping them to achieve their career aspirations.

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

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

In addition to EYs Global policy for continuing education the Auditing Act in Norway requires that state authorized public accountants shall have at least 120 hours of continuing education over a three-year period in the subjects leading to a master degree in auditing in Norway. The education should cover the subjects financial accounting, auditing, valuation and analysis, tax and VAT-law, and business law. EY Norway has policies in place to ensure compliance with the Auditing Act in this area.



Knowledge and internal communications

In addition to professional development and performance management, we understand the importance of providing audit engagement teams with up-to-date information to help them perform their professional responsibilities. There is

significant EY investment in knowledge and communication networks to enable the rapid dissemination of information to help people collaborate and share best practices. Some EY resources and tools include:

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



Revenue and remuneration

Revenue and remuneration



Financial information

Revenue represents revenues, and includes expenses billed to clients, and revenues related to billings to other EYG member firms. Revenue amounts disclosed in this report include revenues from both audit and non-audit clients.

Revenue is presented in accordance with the Norwegian Accounting Act and included for revenues from:

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

Financial information for the period ended on 30 June 2023 expressed in NOK million

Service	Revenue	Percent
Statutory audits and directly related services for PIEs	506	14%
Statutory audits and directly related services for non-PIEs	1088	30%
Non-audit services provided to companies we audit	400	11%
Non-audit services provided to other entities	1694	46%
Total revenues related to Ernst & Young AS	3689	100%
Non-audit services provided by other EY entities in Norway	868	
Total revenue of all entities in Norway	4556	

Service Line	Revenue	Percent
Assurance	1905	42%
Consulting	1466	32%
Tax	726	16%
SaT	437	10%
Other services	23	1%
Total revenue	4556	



Partner remuneration

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

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

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

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

The EY partner compensation philosophy calls for meaningfully differentiated rewards based on a partner's level of performance, as measured within the context of the performance management framework. Partners are assessed annually on their performance in delivering high-quality, exceptional client service and people engagement, alongside financial and market metrics.

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

also considered when we determine our partners' total reward:

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

To recognize different market values for different skills and roles, and to attract and retain high-performing individuals, the following factors are

Oslo, 26 October 2023

The Board of Directors of Ernst & Young AS



Christin Bøsterud



Tone Mari Flatland
Tone Mari Flatland



Aina Karlsen Røed



Finn Ole Edstrøm



Einar Hersvik



Erik R. Haagensen



Ivar Vikasæter



Joakim Sollie



Maria G. Strønstad
Maria G. Strønstad



Sandra Tennøy



Appendix 1: list of PIE audit clients

Appendix 1: list of PIE audit clients



EY Norway PIE audit clients

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

Adevinta ASA
Akershus Energi AS
Andebu Sparebank
AS Finansiering
Avinor AS
Awilco LNG ASA
B2Holding ASA
Bergenbio ASA
Borregaard ASA
Bouvet ASA
Chip Bidco AS
Cloudberry Clean Energy ASA
DNB Bank ASA
DNB Boligkreditt AS
DNB Livsforsikring AS
DNO ASA
Edda Wind ASA
Eidesvik Offshore ASA
Electromagnetic Geoservices ASA
Equinor ASA
Equinor Insurance AS
Frøy ASA
Gildeskål Sparebank
Hexagon Composites ASA
Hofseth Biocare ASA

Hunter Group ASA
IDEX Biometrics ASA
Klaveness Combination Carriers ASA
Kommunalbanken AS
Kongsberg Gruppen ASA
Larvikbanken - Din sparebank
Ly Forsikring ASA
Magnora ASA
Mowi ASA
MPC Container Ships ASA
Navamedic ASA
NEL ASA
Nordic Mining ASA
Nordic Nanovector ASA
Nordlys Forsikring Gjensidig
Norsk Hussopp Forsikring Gjensidig
Norwegian Property ASA
NRC Group ASA
NTC Infrastructure AS
OBOS-Banken
OBOS Boligkreditt
Observe Medical ASA
Odfjell SE
Orkla ASA
Oslofjord Sparebank
Panoro Energy ASA
PCI Biotech Holding ASA
PGS ASA
Posten Bring AS
Protector Forsikring ASA
Q-free ASA
Rana Gruber ASA
Rindal Sparebank

Safe Deposit Bank of Norway AS
Saga Pure ASA
Salmar ASA
Sbanken ASA
Sbanken Boligkreditt AS
Scana ASA
SDC AS
Self Storage Group ASA
Skagerrak Sparebank
Sogn og Fjordane Energi AS
Solstad Offshore ASA
Sparebank 1 Gudbrandsdal
Sparebanken Din
Sparebanken Øst
Sparebanken Øst Boligkreditt AS
Strongpoint ASA
Telenor ASA
Telenor Forsikring AS
Tinn Sparebank
Ultimovacs ASA
Vardar AS
Veidekke ASA
Vistin Pharma ASA
VOW ASA
Watercircles Forsikring ASA
Webstep ASA
Zalaris ASA
Å Energi AS
Åfjord Sparebank

EU-PIE's of public interest domiciled outside Norway

Altera Shuttle Tankers LLC
Hoegh LNG Holdings Ltd
Flex LNG Ltd
RomReal Ltd

EU PIE = Public Interest Entity

List of other PIE audit clients

Other PIE's listed on Euronext Growth, Euronext Access and Nordic ABM

Andfjord Salmon AS
AS Eidesfoss
Ayfie Group AS
Baltic Sea Properties AS
Biofish Holding AS
Canopy Holdings AS
Deep Value Driller AS
Desert Control AS
ECIT AS
Elektroimportøren AS
Exact Therapeutics AS
Helgeland Kraft AS

Hexagon Purus ASA
Hyon AS
Integrated Wind Solutions ASA
Jacktel AS
Lytix Biopharma AS
Kyoto Group AS
Mintra Holding AS
Nordic Capital Partners II AS
Norsk Titanium AS
OBOS BBL
OBOS Eiendom AS
Ocean Sun AS

PatientSky Group AS
Recreate ASA
Ringerikskraft AS
Seaway 7 ASA
Statt Torsk ASA
TECO 2030 ASA
Tine SA
Vegfinans Innlandet AS
Vegfinans Viken AS
Vegfinans Vestfold og Telemark AS
VOW Green Metals AS

Other PIE's domiciled outside Norway listed on foreign stock exchanges

DHT Holdings Inc
KNOT Offshore Partners LP



Appendix 2: approved EYG member firms

Appendix 2: approved EYG member firms



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

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

Member state	Statutory auditor or audit firm
Austria	Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.
Belgium	EY Assurance Services SRL
	EY Bedrijfsrevisoren SRL
	EY Europe SRL
Bulgaria	Ernst & Young Audit OOD
Croatia	Ernst & Young d.o.o.
Cyprus	Ernst & Young Cyprus Limited
	Ernst & Young
	Ernst & Young CEA (South) Services Ltd
	Ernst & Young CEA (South) Holdings Plc
Czech Republic	Ernst & Young Audit, s.r.o.
Denmark	EY Godkendt Revisionspartnerselskab
	EY Partnership P/S
	Komplementarselskabet af 1. januar 2008 A/S
	EY Grønland Godkendt Revisionsanpartsselskab
Estonia	Ernst & Young Baltic AS
	Baltic Network OU
Finland	Ernst & Young Oy
France	Auditex
	Ernst & Young Audit
	Ernst & Young et Autres
	EY & Associés
	Picarle et Associes
Germany	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
	Ernst & Young Heilbronner Treuhand-GmbH Wirtschaftsprüfungsgesellschaft
	EY Revision und Treuhand GmbH Wirtschaftsprüfungsgesellschaft
	Treuhand-Süd GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft
	TS GmbH Wirtschaftsprüfungsgesellschaft
	TS Treuhand GmbH Wirtschaftsprüfungsgesellschaft
	Schitag Schwäbische Treuhand GmbH Wirtschaftsprüfungsgesellschaft
Greece	Ernst & Young (Hellas) Certified Auditors Accountants S.A.
Hungary	Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság
Iceland	Ernst & Young ehf

Member state	Statutory auditor or audit firm
Ireland	Ernst & Young Chartered Accountants
Italy	EY S.p.A.
Latvia	Ernst & Young Baltic SIA
Liechtenstein	Ernst & Young AG, Basel
	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany
	Ernst & Young AG, Vaduz
Lithuania	Ernst & Young Baltic UAB
Luxembourg	Ernst & Young Luxembourg S.A.
	EYL Luxembourg
	Ernst & Young S.A.
Malta	Ernst & Young Malta Limited
Netherlands	Ernst & Young Accountants LLP
Norway	Ernst & Young AS
Poland	Ernst & Young Audyt Polska sp. z o.o.
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Finance sp. k
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością Doradztwo Podatkowe sp. k.
	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.
	Ernst & Young Usługi Finansowe Audyt sp. z o.o.
Portugal	Ernst & Young Audit & Associados–SROC, S.A.
Romania	Ernst & Young Assurance Services SRL
	Ernst & Young Support Services SRL
Slovakia	Ernst & Young Slovakia, spol. s r.o.
Slovenia	Ernst & Young d.o.o.
Spain	ATD Auditores Sector Público, S.L.U
	Ernst & Young S.L.
Sweden	Ernst & Young AB

Total turnover for the year ended on 30 June 2023 for these EYG member firms, resulting from statutory audits of annual and consolidated financial statements was approximately € 2,6 billion.

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