

Account of Human Rights Due Diligence

Ernst & Young AB

2025



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EY Sweden due diligence on human rights

Ernst & Young AB (EY Sweden) is dedicated to upholding and promoting human rights in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. We believe that respect for human rights is fundamental for advancing our purpose of “Building a better working world.” This dedication [is anchored with the EY Global Executive](#), as well as with the management and board of EY Sweden.

EY Sweden regularly conducts due diligence in its own operations and supply chain in accordance with the OECD guidelines. Based on our risk assessments, we have identified human rights issues within our own operations and value chain that EY Sweden needs to pay particular attention to.

- In the operations of EY Sweden, we have identified three areas where the risk of negative impact is the highest:
- Right to fair and favorable working conditions (including rest, leisure and reasonable limitation of working hours)
 - Right to health (addressing physical inactivity during the working day, and mental health issues linked to high work intensity and stress levels)
 - Right not to be subjected to discrimination and harassment

In recent years, we have prioritized in-depth assessments of suppliers to EY Sweden with a medium or high risk of human rights violations. This assessment is based on factors such as country, industry, raw materials in the supply chain and available information on human rights maturity. In total, we have identified rights that are particularly relevant to our value chain – from raw materials to final products and services. In 2024, EY Sweden conducted additional assessments of our suppliers within the

hospitality sector, due to the sector’s inherent risk of negative impact on human and labor rights in the Swedish context. This included a deeper analysis of 24 suppliers of EY Sweden.

The EY Global Procurement ESG teams will perform more in-depth due diligence on suppliers where we have the largest spend. This year, that includes 15 suppliers from EY Sweden. Further, EY Sweden has performed desktop due diligence on 125 suppliers and will follow up with four local suppliers that fall below the global threshold of USD 500,000 spend per annum. In addition to due diligence of existing vendor relationships, EY Global Procurement ESG teams have also strengthened human rights due diligence in real estate projects to set clear expectations on human rights from the start.

EY Sweden also engages services performed by legal entities in the wider EY network of member firms, including internal service centers. We have assessed risks based on the services purchased by EY Sweden, inherent country and industry risks, and feedback from employees of EY member firms in Denmark, Finland, Norway and Sweden (hereafter referred to as EY in the Nordics). Further, we have identified global policies and controls in place to safeguard human rights across the EY global network.

EY Sweden has well-established processes in place to safeguard human rights in our own operations, and we have continued working on the measures and processes we described in the human rights due diligence report for fiscal year 2024. Based on this year’s due diligence assessment, we have identified new measures for the coming year that aim to further strengthen the work to help protect human rights in EY Sweden and for our suppliers¹.

¹See chapter: Status of measures planned in 2025 to reduce the risk of negative impact on human rights in supply chain.



About us and our dedication to respecting human rights



The EY network is a leading professional services organization. The work of EY teams covers assurance, tax, strategy and transactions, and consulting services, with over 400,000 people in more than 150 locations. EY Sweden has more than 3,300 professionals in 44 geographical locations. For more information on EY Sweden's legal structure, ownership and responsibilities, please read our Transparency Report for fiscal year 2024.

In Sweden, the audit and advisory industry is strictly regulated with several statutory controls and procedures. However, employees' rights may be compromised during recruitment or at work, as this risk is inherent in any workplace. As a global organization purchasing services from member firms across borders, we face varying levels of risk due to differences in public controls and procedures. However, the biggest risk for negative impact on fundamental human rights is in our external supply chain.

Respect for human rights is directly linked to the EY purpose, which is to build a better working world. EY Sweden's approach

to and compliance with human rights guided by the following international human rights conventions: the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, as well as the International Labour Organization's (ILO) 10 core conventions. Furthermore, we conduct our business in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

EY Sweden, in collaboration with EY member firms from the Nordics, has developed a process for performing human rights due diligence assessments of our own operations and external supply chain. We initiated the process as the Transparency Act came into force in Norway on 1 July 2022. In this report, we will outline the human rights due diligence process of EY in the Nordics, how EY in the Nordics work to identify potential risks related to human rights, and our measures to prevent negative impact on human rights.

Respecting human rights in our own operations

Anchoring responsibility – policies and processes

The “ethical compass” is the EY Global Code of Conduct – guiding principles that are the cornerstones of our culture. It reaffirms the dedication to safeguarding the integrity and ethical concerns of EY people. In addition, there are global and local governing documents that address EY’s dedication to respecting human rights and supporting them in operations.

Our policies and statements for human rights in EY operations include:

- [EY Global Code of Conduct](#)
- [EY Global Human Rights Statement](#)
- [EY Global Executive \(GE\) Diversity, Equity and Inclusiveness Statement](#)

The EY Global Code of Conduct has clear principles that guide EY Sweden in our actions and the way we do business. It must be adhered to by EY people around the world. All EY people must complete training and sign a commitment annually to adhere to the Code of Conduct. In the fiscal year 2024, close to all (98%) partners and employees of EY Sweden completed the training, and all (100%) partners and employees of EY Sweden signed an understanding and dedication to comply with the EY Code of Conduct. Any behavior that violates the EY Global Code of Conduct, such as discrimination or sexual harassment, is not tolerated and will have consequences.

In addition to the EY Code of Conduct, we have an EY Global Executive Diversity, Equity & Inclusion Statement. The work on diversity, equity and inclusiveness at EY Sweden is rooted in the management and the board, and incorporated into EY processes.

In the audit and consulting teams, there is a relatively high turnover of employees because our staff are attractive to other employers. Many recent graduates spend their early working years as auditors or consultants before taking that experience with them to new jobs. Given this characteristic, it is even more important to work systematically and repeatedly on equality and diversity, so that employees are always familiar with our practices, policies and ambitions. For new hires, there are monthly information meetings (“Welcome to EY”) where the EY Nordics leadership discusses strategy and values, including our work on diversity, equity and inclusion. This way, the “tone from the top” is set from the start.

Nordics Ethics Board

To maintain and enforce EY ethical guidelines in Sweden and the Nordics, a Nordics Ethics Board has been established with the mandate to investigate and follow up on reported ethical issues. The Nordics Ethics Board’s mandate is to investigate all alleged breaches, addressing concerns in or related to the Nordics, of EY Global Code of Conduct, global policies, global non-discrimination guidelines and other violations of the EY organization’s core values, and handle confirmed breaches appropriately with suitable sanctions.

EY Global Code of Conduct has strict guidelines and practices against retaliation to protect anyone who reports a problem. Reported breaches addressing concerns in or related to the Nordics are referred to the Nordics Ethics Board, which has the primary responsibility for investigating. For minor breaches, the Nordics Ethics Board may delegate the case to the relevant service area or function. The Nordics Ethics Board is also structured to enable the handling of cases at the national level as needed.

The members of the Nordic Ethics Board are:

- Andreas Fahlén, Sweden – Partner General Counsel Nordics and Nordic Risk Leader
- Line Sandnes, Norway – EY Nordic Talent Leader
- Lasse Laurio, Finland –Partner, EY Finland
- Carina Korsgaard, Denmark –Partner, EY Denmark



Uncovering negative impact on human rights

Employee dialog and engagement

The ground for all our measures to reduce the risk of negative impact on our employees is based on how we engage with our workforce about the things that concern them. In EY Sweden, we have several channels and methods to conduct healthy conversations between our employees and management, and between EY Sweden management and external stakeholders. EY Sweden engages and communicates with our employees in several ways –directly every day; using surveys; the work done in our firmwide fora with employee representatives; and through our communities of interest.

People Pulse Survey

In EY Sweden, we conduct the employee survey, called the “People Pulse Survey,” two times per fiscal year to examine and measure well-being, sense of belonging, autonomy, and other aspects of everyday work at EY Sweden. Our goal is to see a continuous increase in the Engagement Index and achieve 80% in terms of the Exceptional Experience Rating. The EY Sweden survey results from November 2024 show an Engagement Index of 77%, which is the same result as July 2023, and an Exceptional Experience Rating of 74% as compared to 75% last year. The results are followed up with analyses and improvement measures. EY Sweden’s Talent (HR) department is constantly working to help preserve employee welfare and employee feedback helps influence actions and priorities.

EY people networks

Several networks have been established in EY Sweden and in the EY Nordics Region to support belonging and inclusion. These groups are open to all EY people in the EY Nordics Region and aim to provide a sense of belonging while creating a communication

channel to management with a focus on inclusion. The groups include International @ EY, Nordic LGBT+ Unity Network, Nordic Culture & Ethnicity Employee Resource Group, Neurodiversity Resource Group (new in 2025), and a focus group to promote access for individuals with disabilities. The networks serve as valuable resources for EY Sweden and the EY Nordics Region leadership teams, providing insights into employee experiences and offering feedback on both discrimination risks and opportunities for initiatives.

EY Sweden provides the representatives from the networks with a common forum to discuss experiences, priorities and actions together with senior leadership, promoting dialogue and cohesive actions.

EY Sweden will continue its systematic work on equity, diversity and inclusion through our established processes. At the same time, we will regularly map and identify risks and implement appropriate activities at EY Sweden

Ethics Hotline - The EY whistleblowing channel

The EY organization has a whistleblowing mechanism called the “EY Ethics Hotline.” EY Ethics Hotline allows clients, partners, employees and other actors outside the organization to anonymously report activities that may be unethical, inappropriate, in violation of professional standards, or violate the EY Code of Conduct.

Reports, whether written or oral, submitted to the EY Ethics Hotline are reviewed by the EY Nordic Ethics Board. Each case is evaluated to determine the severity of breaches and appropriate consequences.



Regardless of the reporting channel, if a violation of the Code of Conduct is suspected, the case is handled by the Nordics Ethics Board. Through our work to drive compliance with the EY Code of Conduct and through frequent communication of the EY Code of Conduct, we strive to create an environment that encourages people at EY Sweden to behave responsibly - and to report any deviations without fear of reprisals.

Cases reported

In fiscal year 2024, EY Sweden registered three potential breaches of the Code of Conduct, which were reported to Nordic Ethics Board. All cases were addressed in accordance with internal procedures. Of the three reported cases, one was assessed as a breach or partial breach of EY Code of Conduct. None of the reported incidents were concluded to have a serious impact on human rights or were characterized as harassment or discrimination.

Identified areas of human rights risk in own operations

To identify EY Sweden’s risk of adverse human rights impacts in our own operations and supply chain, we regularly conduct due diligence in line with the OECD Guidelines and the UN Guiding Principles. In fiscal year 2023, we performed a risk assessment and gap analysis to assess risks within EY Sweden’s operations. This involved analyzing all internal governing documents and routines relevant to human rights to identify any gaps that could increase the risk of negative impacts on human rights. We regularly review this analysis to consider any updates in policies, routines or other circumstances that might affect human rights when evaluating EY Sweden’s risk prioritization.

The due diligence assessment identifies that the following human rights* are the ones where we have the highest risk of negative impact in own operations within EY Sweden:

- Right to fair and favorable working conditions (including rest, leisure and reasonable limitation of working hours)
- Right to health (addressing physical inactivity in the working day and mental health issues linked to high work intensity and stress levels)
- Right not to be subjected to discrimination and harassment

*The rights presented are based on the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the ILO Conventions.



Measures to reduce risk of negative impact on human rights in EY Sweden’s operations

Many of EY Sweden’s measures have a positive impact across several human rights risks identified. Below we have described EY Sweden’s measures that address the three identified risk areas, but the actions do have overlapping impacts. For example, measures to offer fair promotions and salaries may also help prevent discrimination.

Safe working conditions

In Sweden, workers’ rights are protected through a combination of legislation, collective bargaining agreements and public welfare benefits. Sweden has a comprehensive welfare system that includes universal healthcare, childcare placement, free public education and various support schemes to ensure economic security for all citizens. Additionally, employers are required to protect employees’ rights.

EY Sweden’s employees also benefit from a collective agreement-regulated pension system with savings and disability insurance. Additionally, EY Sweden offers an extensive health insurance plan that covers employees both in the workplace and during their personal time. This insurance facilitates access to preventive care and medical treatments.

Work intensity

The market in which EY Sweden operates result in partners and employees having high job intensity, high pressure and short deadlines at times. This can lead to overtime work, which in turn can affect access to adequate rest and free time. EY Sweden has a legal obligation to prevent our employees from working excessively long hours and provide enough time off from work

to rest. We monitor average weekly working hours and actively follow up on overtime to promote work-life balance. We also utilize this information to wisely distribute work and staff projects in due time.

Health, environment and safety

EY Sweden’s work environment policy and plan outlines our dedication to fostering a healthy work environment and mitigating risks of work-related illnesses and injuries. This management approach is seamlessly integrated into our daily operations and the systematic handling of workplace issues.

EY Sweden’s hybrid work model

The hybrid work model at EY Sweden offers our employees flexibility in their workday and allows employees to shape their own lives to a greater extent than before. This flexibility can have a positive impact on both physical and mental health, by allowing employees to manage their own time as needed and desired and thus be more flexible to participate in both physical and social activities. At the same time, a hybrid work model changes how managers follow up and see their employees, and each employee also has a greater responsibility to set limits for working hours and leisure time. Talent (HR) and management follow the effect of the hybrid work model closely, both for employees and the organization. Overall, flexibility and trust are highly valued by our employees.

Ergonomics and promotion of movement

EY Sweden’s employees’ work tasks are often sedentary in nature. To prevent illness related to inactivity and static work, EY Sweden promotes breaks, varied activities during the day and ergonomic office setups. Our largest offices are designed with diverse work zones to suit various tasks demanding either concentration or collaboration. To support physical health and a positive work environment, especially with our hybrid work model, we have equipped employees with ergonomic home office gear for remote workspaces. Most larger offices have different corporate sports initiatives or discounted work-out opportunities. Our headquarter office is in the city center close to public transportation and equipped with good facilities for parking bikes.

Mental health

We prioritize mental health at EY Sweden by fostering a healthy work environment and promoting work-life balance. We provide access to insurance-covered psychological support for challenging life events and services for managing stress and daily life skills. Each year, we host themed weeks featuring webinars on mental, social, physical and financial well-being.



Diversity, equity and inclusiveness

EY Sweden and the EY Nordics Region are actively working to promote gender equality at all levels of the organization. We strive for a gender balance where no gender represents less than 40% or more than 60% – whether in entry-level roles, leadership positions, or across our total workforce. The challenge for EY Sweden lies in achieving gender balance at the Director and Partner levels. To address this, we have implemented several measures to investigate the reasons behind the lower number of female partners in certain service lines and to facilitate gender balance in leadership roles as well.

In addition to gender balance, EY Nordics Region and EY Sweden have increased focus on diversity, equity and inclusion in a broader sense, including persons with disabilities and people from a range of cultural and professional backgrounds. An example of such initiative is the Neurodiversity Center of Excellence we launched in Sweden during 2024 to promote innovation, diversity and inclusion. In 2025, we will release a new strategy for our work up until 2028 focusing on promoting inclusive leadership behaviors, diverse teams and mental health awareness, with clear methods and actions to accelerate progress.

EY Sweden’s activities to help prevent discrimination and promote fair working conditions are a combination of annual recurring processes and one-off initiatives in areas where we have identified a higher risk of potential discrimination or opportunities for improvement. Below, we have grouped initiatives into EY Sweden’s Talent (HR) processes and work situations where risks of unfair treatment and discrimination may potentially arise.

Recruitment

We believe that EY Sweden will attract the best candidates for a role by having the broadest possible recruitment base. Our analysis of the EY Sweden recruitment process has shown that we can do more to attract a wider segment of talent and further strengthen the interview and selection process through standardization. This work aims to promote equality of opportunity for all.

The following are two examples of activities that EY Sweden has undertaken in addition to or as part of established recruitment processes:

- We utilize reports that highlight the current gender balance at various rank levels within departments.
- We promote gold-standard interview training to conduct effective interviews. Through an updated course, employees gain access to training and high-quality questions that support a robust process. The course also addresses unconscious bias and is mandatory for interviewers in EY Sweden to promote unbiased selection.

Promotion

Overall, EY Sweden has a good gender balance; however, at the upper levels (referred to as ranks in EY) of the organization and within the partner group, there is a predominance of men in EY Sweden. EY Sweden aims for a gender distribution of 40-60% for both genders across its organization and continuously works to provide equal opportunity for the promotion of female leaders and partners. In the promotion process at EY Sweden, we review the current gender balance and the development of employees with promotion potential. This provides a foundation for removing

potential barriers and creating an environment where we can foster equal opportunities so that we can progress towards gender balance in the leadership segment this year and in the years to come.

An initiative that commenced in 2024 is coaching and support for new Senior Managers and Associate Directors. This is an extension of EY Sweden’s focus on executive onboarding for newly hired Directors and Partners. Maintaining a balanced pool of candidates in the direct recruitment of experienced hires is a priority for promoting equity and gender balance in EY Sweden’s leadership. Additionally, successful onboarding is crucial for the long-term success of new hires at EY Sweden. Dedicated teams with defined roles have been assembled to support new hires in succeeding at EY Sweden.





Equal pay

EY Sweden is dedicated to equal pay for equal work and actively works to eliminate pay disparities between genders. EY Sweden's compensation policy including guidelines for equal pay. To maintain gender balance, EY Sweden conducts analysis of salary levels annually. Any identified pay gaps are assessed, and if necessary, justifications for the gaps must be provided, or the gaps must be closed. In the last two fiscal years, additional preparations and analyses have been conducted to prepare the organization for the EU's Pay and Transparency Directive, which will come into effect in 2026. The status of equal pay at EY Sweden is detailed in our annual report every year, with the latest information available on page 67 of the [Annual and Sustainability Report 2023/2024](#).

Work-life balance

Our surveys have revealed that returning from parental leave and balancing family life with work can be challenging. We want EY Sweden's employees to have the time to find a balance with new daily routines. We believe that the flexibility offered through our hybrid work model, combined with Family Transition Coaching, helps ease the challenge of balancing work and family life.

Accommodation

EY Sweden operates on a highly flexible, trust-based work model. Each employee, in consultation with their team and immediate supervisor, determines whether it is most appropriate to work from the client's office, EY offices, home or elsewhere. We have digital platforms that support a high degree of flexibility. We've designed our workspaces around activity-based principles, with fully adjustable workstations to support different work styles. The goal is for as many as possible to find a workspace that suits the work they perform, with the "standard" solution being a broad selection of sitting areas. Several meeting rooms are equipped with hearing loops, and we have digital tools to assist in creating presentations and documents that are more accessible for individuals with visual impairments or those who require aid to read documents.

At the same time, EY Sweden is a workplace with over 3 300 employees, and many may require accommodations, whether for their workspace or work hours, either permanently or temporarily. The need for accommodations is addressed with the manager for the individual concerned, and Talent, along with the necessary functions. They collaborate to find a solution for employees with disability or other accommodation needs.

Development opportunities

EY Sweden continuously views investment in our employees' knowledge and development as essential to our business. We consider this necessary to provide the best assistance with updated expertise and offerings to EY Sweden's clients.

There is ongoing knowledge development for our employees through work experience, mentoring and responsibility on projects. Continuous learning and development occur in accordance with established programs and are tailored to the individual's area of expertise and job level. Initiatives for employee skill development are governed by the EY Global Learning Policy and supplemented with local requirements where necessary. Processes and activities are tailored for EY Sweden employees, for example, through universal design of e-learning programs. Regarding internal courses, trainings and webinars, we continuously work on improvements to make these arenas accessible and accommodating for all our employees, including colleagues with hearing or visual impairments.

All EY Sweden's employees and partners have access to the same training opportunities. To promote more female leaders at EY Sweden, we have an EY Nordics Region sponsorship program. Sponsorship programs are provided for a select group of promising young talent. The role of the sponsor is to support the career journey of the younger talent by providing assistance, being a conversation partner, and motivating and nominating them for important and developmental leadership tasks.

Measures against violence and harassment in the workplace

At EY Sweden, we have a zero-tolerance policy for unethical behavior, including discrimination and harassment of any kind. Our culture and core values are built on our shared principles of respect, courtesy and professionalism. We systematically work against discrimination, bullying and harassment. To encourage reporting of potential cases of discrimination and harassment, we regularly communicate our policies both in writing and verbally.

Status of planned measures for EY Sweden’s operations in 2025

Measure	Goal 2023/2024	Status 2025
Raise awareness about "unconscious bias" throughout the recruitment process	EY Sweden and the Nordics will follow up on established routines for interview training to confirm that they are being followed. The purpose is to confirm that people interviewing candidates have taken courses in interview techniques, including “unconscious bias.”	EY Sweden has focused on following established routines, such as interview training, and deem these as functioning. This will continue to be in focus going forward.
Assessment of whistleblowing channel	To make everyone aware of and feel safe using EY whistleblowing channels, EY Nordics included a follow-up of the EY Ethics Hotline in the People Pulse survey in spring 2024. Employees were asked how likely they are to use the Ethics Hotline, and whether they feel reporting is safe - specifically if cases are handled impartially without risk of reprisals. Based on the responses, necessary measures will be taken during financial year 2025 to enhance knowledge about the tool.	The result of the survey showed similar results across Nordics, with minor local differences. Overall, EY employees in Sweden feel safe to report incidents of discrimination, harassment or other concerns related to EY Code of Conduct. But we also saw that we should increase awareness about the EY Ethics Hotline and the established process to handle reported cases. Following this result, EY Nordic Talent has published a news article to EY Nordics employees on this topic and enhanced this information in EY Nordics and EY Sweden onboarding materials
Routines for better documentation and assessment of established activities and routines	EY Talent has implemented numerous effective measures to safeguard the working environment, well-being, development and safety of employees. As part of EY Sweden's due diligence assessment, we aim to strengthen the documentation of these measures and evaluate their impact. The goal is to focus our efforts on the most effective actions that yield positive results and minimize the risk of negative outcomes.	EY Sweden has an established process to review activities and their status with the help of a responsible Talent (HR) team. We have strengthened documentation of the work we do.



Respecting human rights in EY Swedens's supply chain

Anchoring responsibility – policies and processes

The EY Global Supplier Code of Conduct sets forth the minimum standards of business conduct that we expect from all our suppliers, including commitments to respect human rights. Paragraphs 3.1 to 3.12 describe the human rights requirements by EY Global and we expect suppliers to have policies in place to confirm their commitment to points 3.1–3.12. Where applicable, improvement programs should be implemented. By signing the EY Global general terms and conditions, the supplier agrees to abide by the EY Supplier Code of Conduct in their deliveries to EY. As part of our efforts to comply with the requirements of the Norwegian Transparency Act, the due diligence process in the supply chain is strengthened within the EY Nordics Region and in EY Sweden, in collaboration with EY Global teams.

- Our general policies and dedication to protect human rights in EY supply chain include:
- [EY Global Supplier Code of Conduct](#)
 - [EY's general terms and conditions \(Nordic version\)](#)
 - Global Procurement and Supply Chain Policy (internal policy)

All EY people must follow the "Global Procurement and Supply Chain Policy" for any purchase, regardless of size. Contracts with suppliers must include compliance with the EY Supplier Code of Conduct or equivalent policy. For technology, travel, HR, brand marketing and communication purchases, EY Global Supply Chain Services (SCS) must be involved, regardless of price. For workplace services, the price threshold is USD50,000.

EY Global Supply Chain Services

SCS is organized at EY Global level with dedicated regional contacts for primary procurement areas. EY supply contracts may be negotiated at different, levels, depending on the product or service sourced. The EY Procurement Environment, Social and Governance Services (ESGS) teams is responsible for ESG matters throughout SCS. Sourcing managers are regularly provided with training sessions to facilitate responsible sourcing. In fiscal year 2024, all supply chain professionals were required to complete online Sustainable Procurement training, which includes concepts related to human rights such as supplier due diligence. 94% of all EY SCS staff have completed this training.

As part of the procurement process involving SCS, due diligence is conducted on potential suppliers when they are registered in our vendor system. Through the supplier assessment survey, they are asked for goals, programs and policies. This initial assessment also acts as a screening process to shortlist suppliers for a deeper dive assessment conducted by ESGS team.



Risk assessment and identified areas of human rights risk in the supply chain

EY Sweden and the EY Nordics Region carry out due diligence assessments based on the OECD Guidelines for Responsible Business Conduct. As part of the EY Nordics Region due diligence process, we conduct risk assessments on our suppliers.

Methodology for risk assessment of human rights risk in the supply chain

Our methodology for conducting supplier risk assessments is grounded in the recommendations of the OECD Guidelines. These risk assessments focus on risks associated with various factors, including country, sector, product and raw materials. We also prioritize suppliers where our expenditure is high and thus our potential impact may be significant.

Further, EY Sweden utilized internal information to review EY companies from which we purchase services. Within the EY Global network, we have better access to contacts and detailed information on policies and controls in place to uphold worker rights and conditions for EY member firm employees.

External suppliers identified as having a higher risk of negatively affecting human rights based on the initial assessment, are also assessed based on the maturity of their human rights practices. This evaluation involves reviewing publicly available documents, such as those on their websites and conducting media searches.

EY Nordics Region vendors in sectors with higher human rights risks are divided into two groups based on spend. External suppliers with expenditures above USD500,000 are assessed and followed up by SCS and the ESGS team, with information shared with the EY Nordics Region sustainability team. Suppliers

identified as higher risk with spends below USD500,000 are followed up by the EY Nordics Region teams or by individual countries in the EY Nordics Region where the agreement is country-based.

EY Sweden’s suppliers in sectors with higher human rights risks have remained consistent due to no significant changes in purchased services or products. This year’s updated supplier risk assessment for the EY Nordics Region focuses on hospitality sector suppliers, as detailed below. Hospitality sector suppliers typically have expenditures under USD500,000, making them a key area for local due diligence, unlike larger technology and IT suppliers monitored by EY Global Procurement teams.

EY Global Procurement ESG due diligence program
EY Global Procurement ESG due diligence program with suppliers is managed by the ESGS team. The EY Nordic human rights due diligence of suppliers is an addition to and in collaboration with the EY Global program to properly detect and address risks that concern EY Sweden and the EY Nordics Region. The global program falls into the following five areas:

- To map potential risks of our suppliers – overall and per product or service – EY Global Procurement teams have used the EY ESG Risk Tool. Based on this, they developed the **Sustainable Sourcing Framework** – a practical guide for sourcing managers on how to approach ESG, including supplier selection and request for proposal (RFP) questions. There is a core set of RFP questions noted which should be asked regardless of the product or service, along with additional questions that can be asked for specific products or services (based on the risks identified in the ESG Risk Tool).

- Just as the EY Global Code of Conduct outlines ethical standards for EY people, the **Supplier Code of Conduct** establishes similar expectations for EY suppliers. To monitor the adherence to the EY Supplier Code of Conduct, the ESGS team has previously tracked strategic contracts and are still exploring ways to enhance this process. It has not yet detected any serious violations against the EY Supplier Code, nor incidents related to corruption or bribery. If any issues are identified, SCS will collaborate with the supplier to address these and develop an effective remediation plan.
- SCS survey suppliers while they are being **onboarded** to understand their goals, programs and policies. This acts as a screening process to shortlist suppliers for a deeper dive assessment.
- ESGS use **deep dive due diligence** to have a more accurate understanding of the ESG impacts of our suppliers and to verify if they are adhering to the Supplier Code of Conduct. ESGS are targeting high risk suppliers and the selection of Swedish suppliers are aligned with EY Sweden. Suppliers responded to questions about their policies, programs and impacts across ESG, human rights and diversity, equity and inclusion, and we will work with them to encourage improvements.
- Based on local supplier responses in the ESG assessment, **follow-up** is coordinated with local corporate sustainability teams and any follow up of EY Swedish or EY Nordic suppliers will take place through close vendor relationships and dialogue. EY Global Procurement will follow up with other vendors as needed.



Identified areas of risk in EY Sweden’s supply chain

EY Sweden’s suppliers are mainly located in Sweden or in the Nordic region, thus the risk of human rights violations is generally lower². However, the risk of human rights violations increases when examining suppliers’ industries and the raw materials included in their products. Based on risk assessments and follow-ups conducted over the past three years, the sectors with the highest inherent risks concerning human and labor rights for EY in the Nordics are:

- Technology and IT
- Facility services (e.g., office facilities, cleaning, canteen or catering)
- Construction industry
- Event and entertainment industry
- Hospitality sector

In the Nordic context, we have put additional focus on the hospitality sector this year, due to the inherent risk of negative impact on the labor rights of workers.

Purchasing products: technology and IT products

For suppliers of IT products (mobile phones, computers, and other types of IT equipment and hardware) in general, there is a high risk of negative impact on human rights, particularly related to assembly of products and production of components. The factories where IT products are assembled and manufactured are largely located in Asian countries where human rights violations occur more frequently. Risks are particularly related to right to living wage violations, forced overtime, short-term contracts, and restrictions on the right to form and join trade unions.

Furthermore, there are significant risks related to health and safety, as the production of electronics requires the handling of many hazardous chemicals. The lack of personal protective

equipment and inadequate health and safety training further increases the risk of rights violations. The raw materials used in IT products and mobile phones include metals and minerals. The extraction of raw materials takes place globally and often in countries associated with weakened governance and human rights violations. The risks related to the extraction of raw materials in several countries include violations of the rights to fair and favorable working conditions, the right to health and safety, and the right not to be subjected to child labor and forced labor.

Procurement of services: cleaning & services, construction, event & entertainment and hospitality sector

We have suppliers who provide services such as the operating canteens, cleaning offices, organizing events and working in the construction industry. The latter is associated with the development of new EY offices in Sweden. These industries are known for potentially having a large proportion of workers representing more vulnerable groups (e.g., young, unskilled, temporary or foreign workers). These groups are at risk of having less knowledge about the rights to which they are entitled, making them more vulnerable to exploitation.

For suppliers of cleaning services, catering or canteen, events or entertainment, and the construction industry, we collectively find a potential risk of negative impact on rights related to fair and good working conditions, including low wages, withholding of wages, illegal work, short-term contracts, lack of overtime pay, high work pressure and social dumping. Other risks include discrimination and sexual harassment, as well as the right to health and safety concerns related to stressful physical work, work at heights and lack of health, safety and environment measures.

Furthermore, we find additional risks of negative human rights impacts when examining the raw materials included in the

products of our service providers. For example, for some food products such as coffee, tea, cocoa and sugar, there is a very high risk of human rights violations further down in the supply chain. There is also potential health risks associated with chemicals used in the production of cleaning products. Moreover, there are significant risks related to raw materials such as metal and wood (medium-risk) which are used by our suppliers’ subcontractors in the construction industry.

In the context of EY Sweden’s operations, employees frequently engage with the hospitality sector for a variety of services. The hospitality sector encompasses a wide range of services, including accommodation, catering, event management and travel arrangements, all of which are integral to facilitating business travel, client meetings and corporate events. As EY Sweden’s personell travel for work, they rely on hotels, restaurants and other hospitality providers.

The hospitality sector is inherently at risk of negative impacts on human rights and labor rights such as exploitation of vulnerable groups like young or migrant workers, wage disparities and inadequate working conditions. Additionally, the fast-paced nature of the industry often results in high turnover rates and precarious employment, further complicating the protection of workers’ rights.

The risk mapping reveals a range of rights where there is a potential risk of negative impact in the EY Sweden’s supply chain, from industry risk to raw material extraction which is the final link in the EY Sweden supply chain.

The risk assessment as part of our due diligence routines in EY in the Nordics, identifies the following human rights to have the highest inherent risk of negative impact in EY Sweden’s supply chain:

- Right to fair and favorable working conditions (fair wages, decent living wage, safe and healthy working conditions, rest, leisure and reasonable limitation of working hours, holidays, etc.)
- Right not to be subjected to discrimination and sexual harassment
- Right to freedom of association with others, and to form and join trade unions
- Right to assembly and freedom of association
- Right to an adequate standard of living
- Right to health and safety
- Minorities and indigenous peoples’ rights
- Right to clean drinking water and sanitation
- Right not to be subjected to forced labor
- Right not to be trafficked
- Right to freedom of movement
- Right not to be subjected to child labor
- Rights of all migrant workers and members of their families

EY Sweden has performed human rights risk assessments this year, with a special attention to our largest suppliers in the hospitality sector. The assessment has been based on the logic and principles of the OECD Guidelines. In addition to analyzing the publicly available information regarding human rights and decent working conditions from our 24 largest suppliers, we also performed media scans to identify any existing media scrutiny. No major findings have emerged, but we will continue the due diligence process by following up with relevant suppliers to support their alignment with the human rights and ethical standards of EY.

²[Human Rights Index 2025: Best and Worst Countries Ranked - WORLDSTATS](#)

Identified risks and status of human rights with EY service providers

EY Sweden collaborates with and purchases services from the global EY member firm network, including EY service centers. A significant portion of EY Sweden’s services are supported by EY Global teams who combine broad technical knowledge with a focus on innovation, automation and process improvement.

EY Sweden has assessed human rights risks relevant to our industry and local country context to determine whether EY Sweden and EY Nordics have sufficient information, governance structures, and mitigation measures in place to support fair working conditions within our own operations and projects. This internal assessment also seeks to identify opportunities for strengthening our contribution to safeguarding the rights of EY people who are engaged in delivering services on behalf of EY Sweden and EY Nordics. The due diligence assessments identify that the following human rights* are the ones where we have the highest inherent risk of negative impact through our service collaboration with EY member firms:

- The right to fair and good working conditions (fair wages, a decent living wage, safe and healthy working conditions, rest, leisure time and reasonable limitation of working hours, holidays, etc.)
- The right to health (physical inactivity in the working day, mental health related to high work intensity and stress levels)
- The right not to be subjected to discrimination and harassment
- Right to assembly and freedom of association

The identified risks are based on established country and industry risks, media attention and stakeholder feedback. It is assessed that there is a greater inherent risk of human rights violations in countries with weaker worker rights and anti-discrimination regulations. For these countries, EY Global ethical guidelines and internal policies and processes (as referenced below) play an even more important role to safeguard worker rights of EY people.

All EY member firms, share the same global strategy, set of values and a dedication to perform work according to the [EY Global Code of Conduct](#). EY member firms also utilize the same whistleblower system – the EY Ethics Hotline – with a dedication to protecting whistleblowers and helping prevent any form of retaliation. The Nordics Ethics board is notified and involved in cases that concern the Nordics operations or any of the Nordic member firms.

Over the past year, EY Nordics has received valuable feedback emphasizing the importance of cultural awareness and the need to clarify expectations and scopes more effectively. This feedback has highlighted how leadership messages may be interpreted differently across cultural contexts. The feedback is leveraged to improve communication going forward.

To work with continuous improvements handling human rights risks in the supply chain and to respond to evolving expectations, EY Sweden have done local actions in 2025 to complement the global routines already in place.



*The rights presented are based on the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights and the ILO Conventions



Status of measures planned in 2024 to reduce the risk of negative impact on human rights in supply chain

Measure	Goal 2023/2024	Status 2025
Control system for EY Supplier Code of Conduct	Continue the work to maintain local control of the EY Supplier Code of Conduct, including the signing and follow-up of compliance for risk industries.	EY Global Procurement has improved control measures and reporting requirements for all purchases above USD50,000 - with contracts. EY Nordics will continue efforts to get better information of these measures.
Follow up of local suppliers	EY Sweden and EY Nordics will continue to implement regular risk assessments and follow up on our largest suppliers who score medium or high in risk based on country, industry and maturity in working with human rights. This work will take place in collaboration with EY Global SCS and established supplier contacts.	At the Nordic level, the focus of this year's updated supplier risk assessment has been on suppliers from the hospitality sector due to industry risks and the frequent use of these services by EY.
Supplier selection courses	EY Sweden and EY Nordics will continue to communicate the EY Global Procurement Policy internally and provide guidance on the requirements for purchases made on behalf of EY. The purpose is to help employees of EY Nordics comply with procurement requirements and prevent the risk of violating laws and guidelines, including those related to human rights.	At a Nordic level, we have communicated to guide our employees to the right information and policies when purchasing on behalf of EY. EY Global conducted a week of ESG in procurement training, equipping procurement personnel with knowledge on ESG and their responsibilities.
EY member firms	EY Sweden has set a goal to more closely follow up on the Nordic management of agreements with EY service centers to better identify local initiatives that protect human rights in the teams we work with	The last year, we have been in dialogue with relevant stakeholders of the EY member firms we collaborate most with. The purpose was to confirm that EY policies and processes are complied with and to understand if the member firms have any concerns from their point of view. Their responses confirm our assessment that EY policies and processes reduce risks of human rights violations.

Further work and measures to safeguard human rights

In EY Sweden together with EY Nordics, we will continue with the practice we have in place and maintain a mindset of continuous improvement to safeguard human rights in EY Sweden’s operations and supply chain. We will join efforts with the global team and other EY member firms to inspire responsibility and accountability for human rights

Initiatives in Own Operations

Action	Description
Accredited stress-coaching	Upskill EY coaches as accredited stress coaches. Across Nordics, nine coaches will be certified in 2025.
Nordic neurodiversity group	Resource group for neurodiversity to be established in the EY Nordics Region to strengthen awareness and improve inclusion.
Time reporting tool	Gather insights from the roll-out of TimEY, a new tool designed to give supervisors a better opportunity to monitor the team's workload and need for time off. Use these insights to form an action plan.
Information on sick leave routines	Roll-out improved communication of routines in connection to employee sick leave for supervisors and counselors, thereby strengthening employee support.
Mental health focus	Drive the campaign “It’s ok not to be ok” and introduce mental health ambassadors via the Green Ribbon initiative to build awareness.
Inclusive leadership behaviors	Host leadership trainings through the year to boost inclusive behaviors.
Evaluate effect from corporate responsibility initiatives	EY Sweden will host more student events targeted toward priority demographic groups from a diversity perspective. An initial evaluation will be conducted in 2025 to evaluate the effectiveness.

Initiatives toward the EY Sweden supply chain

Action	Description
Follow-up of identified risk suppliers	We will further follow up with selected suppliers identified as medium or high risk in targeted sectors. The goal of the follow-up is to learn how our closest vendors work to safeguard human rights and align our expectations regarding human and labor rights.
Better access to data on supplier contracts and Code of Conduct commitments	Improve accessibility to reports and status of EY Sweden supplier relationships.
Human rights in real estate projects	Relocation projects and office rent are a big investment for EY Sweden. Thus, EY Nordics Region want to align expectations regarding human rights in initial conversations and agreements with potential or future landlords.
Improve dialogue and clarify expectations with EY member firm teams from other countries.	Review service agreements to clarify the EY Nordics Region expectations for service delivery, scope and deadlines. Support EY member firms in establishing clear and consistent routines to ensure awareness of and respect for employees’ local public holidays and time-off.

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