

Making strides

Grant Thornton 2020 sustainability report



A message from CEO Brad Preber

At Grant Thornton, sustainability is central to our operating philosophy and fully integrated into our growth strategy and business objectives. In 2020, we intensified our focus on projects and initiatives aimed at strengthening our practices and policies in a broad range of key areas — employee engagement; diversity and inclusion; quality, ethics and risk; innovation, data security and infrastructure resilience; community support; the environment; and more. This report includes a recounting of much of this work that defined 2020 for our firm.

In any normal year, tackling a range of sustainability issues this broad and diverse would be more than enough challenge for even the most ambitious and energetic team. As it turned out, however, 2020 was no normal year.

By the end of January, COVID-19 was a regular feature in the daily news cycle. Through February, the world was trying to figure out just how pervasive and disruptive the spread of the virus would be. By the first week of March, the terrible reality was clear — and on Friday, March 13, Grant Thornton became the first national professional services firm to announce we were closing our offices and adopting a default work-from-home policy for all our people.

The ensuing weeks brought daily real-life lessons in sustainability, as we acted with unprecedented speed to respond to the urgent needs of our people, clients and communities, and to keep our firm strong so we could weather the COVID-19 storm. We developed new pandemic-related solutions for clients at lightning speed, including our Pandemic Rapid Risk Assessment Tool (providing initial consultations free of charge) and our CARES Act Planning tool. We expanded our remote technology capacity, shipped office equipment to our teammates' homes, developed new benefit programs for our colleagues and offered new partnerships with meal-planning and food delivery vendors to help ease some of the challenges of working from home.

This report includes a recounting of much of this work that defined 2020 for our firm.

The second key event that shaped our firm's work in 2020 — indeed, that shaped the life of the nation — was the killing of George Floyd on May 25 in Minneapolis. This set off an intense period of national reckoning on diversity, equity and inclusion (DE&I)-related issues. We knew we needed to respond with decisive action to make our firm a better place to work for all our teammates, and to stand together as a positive force for change in the country and the world.

In July, we launched a DE&I National Leadership Team Task Force to quickly vet ideas for change. After consulting with a diverse range of colleagues across the firm, the Task Force proposed, and our leadership team approved, a wide range of actions, policy changes and commitments that are covered fully in this report.

While these two defining events of 2020 — the COVID-19 global pandemic and the focus on social justice — were paramount in our work, we also continued our efforts aligned to our broader sustainability goals. Two, in particular, always receive intense focus from our team:

- Quality is at the core of how we do business and serve our clients. In our Audit practice, our PCAOB Part I inspection results were among the best in our profession for the third year in a row, and restatements again declined, setting a new and higher bar for quality at Grant Thornton.
- We are constantly working to strengthen the foundation of ethics on which any successful business must be built. In addition to our ongoing efforts to improve our ethics-related policies and protocols, we also consistently emphasize the importance of integrity and doing the right thing, and require annual training and policy certifications from all colleagues on our Code of Conduct.

As 2020 closes, I could not be prouder of our team for responding to unprecedented challenges with agility, resilience and grace. We pledged to take care of one another, to be there for our clients, and to keep our firm strong — and we succeeded.

As a leadership team, we understand and embrace our responsibility as stewards not only of our people and our firm, but also of the communities we serve in the world around us. As sustainability practices and reporting become more rigorous, we will work diligently to achieve our goals and better meet stakeholder expectations.

In closing, I thank you for your interest in our firm, and welcome your comments and questions.



Brad Preber
CEO
Grant Thornton LLP

A handwritten signature in black ink, appearing to read "Brad Preber".

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About Grant Thornton

Grant Thornton LLP (Grant Thornton) is the U.S. member firm of Grant Thornton International Ltd. We're not the professional services firm you think you know. We believe business should be more personal and that the strongest results start with trust. We're different. And that's a good thing.

Services

Audit | Tax | Advisory

Headquarters

Chicago



550

Partners/Principals



51

Offices



\$1.92 billion

in annual revenue

7,864

Employees

Our industries

Asset management, banking, energy, healthcare, hospitality and restaurants, insurance, life sciences, manufacturing, media and entertainment, not-for-profit, private equity, real estate and construction, retail and consumer products, services, technology and telecommunications, and transportation





CLEARRly1



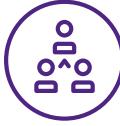
Collaboration

Work together;
act as one.



Agility

See with clarity;
act with purpose.



Leadership

Build trust;
make a difference.



Respect

Care deeply;
listen intently.



Excellence

Deliver quality;
pursue greatness.



Responsibility

Own your action;
be aware of your impact.

Our approach to sustainability

In 2020, we made significant strides to be more intentional about including environmental, social and governance (ESG) issues in our business strategy and goals, and taking them into consideration as part of business decisions. Achieving long-term success, adding value to our stakeholders, and making a positive impact on our communities and planet are core elements of our business. Our chief compliance officer, a member of our executive leadership team, is responsible for (a) setting general strategy relating to ESG matters, (b) developing and implementing initiatives and policies based on that strategy, (c) monitoring developments relating to the firm's material ESG risks and issues, and (d) reporting on the firm's performance on sustainability issues.

The sustainability strategy principles below will frame and guide our actions and priorities:

- Meet the needs of the present and prepare for the future
- Engage directly and deeply with our stakeholders and align efforts with the challenges that matter most
- Build mutual trust and a sense of shared responsibility with our clients and colleagues
- Emphasize quality over quantity in setting priorities and focus on impact
- Streamline efforts to maximize resources in areas fundamental to our business, while mitigating negative ESG impacts
- Be a steward for our firm and the global community



Our stakeholders

Because we are a purpose-driven firm — one that strives to make business more personal and build trust into every result — it is critical we build strong and lasting relationships with our stakeholders. This underlines our strategies, initiatives and reporting measures to address our most material ESG impacts and factors that influence stakeholders' decisions.

Our external stakeholders include our clients, regulators, suppliers and communities. While we work to expand and formalize our external stakeholder engagement process, we understand our stakeholders' ESG priorities and positions through various channels and outlets of communication. Our clients speak directly with us to voice their views on important ESG issues. In addition, many of our partners, principals and employees engage closely with nonprofits in our communities to hear firsthand which ESG issues matter most to them.

Our internal stakeholders include our owners, current colleagues, our alums, Grant Thornton International Limited Ltd (GTIL) and other member firms of the GTIL network. This report discusses various actions we have taken to make a positive impact on our colleagues in their professional lives and to support them in their work lives.

We feel a deep sense of responsibility to be good stewards of our firm to enable long-term growth and success for ourselves and the Grant Thornton network.

We will continue to more formally assess, manage and disclose policies connected to the sustainability impacts, risks, issues and opportunities most important to our internal and external stakeholders.



Our purpose is to make business more personal and build trust into every result.

Our most material ESG issues

The Sustainability Accounting Standards Board identified the three most material sustainability issues for professional services firms:

- Professional integrity
- Data security
- Workforce diversity and engagement

Grant Thornton prioritizes these three issues because they are critical areas for our clients and for our business. We interpret and act on them in a manner applicable to our firm to achieve the most impact.

For example, professional integrity includes satisfying both (i) the highest professional standards of our industry and doing high quality work, and (ii) all business ethics and integrity standards. We view business ethics as more than merely complying with laws and regulations and insist on meeting the highest ethical standards and doing business the right way. In addition, data security encompasses both information security and data privacy and the measures and safeguards we have in place for the protection of client information and personal information.

We also identified two other key areas that present risks and opportunities that are key to our firm's success, including:

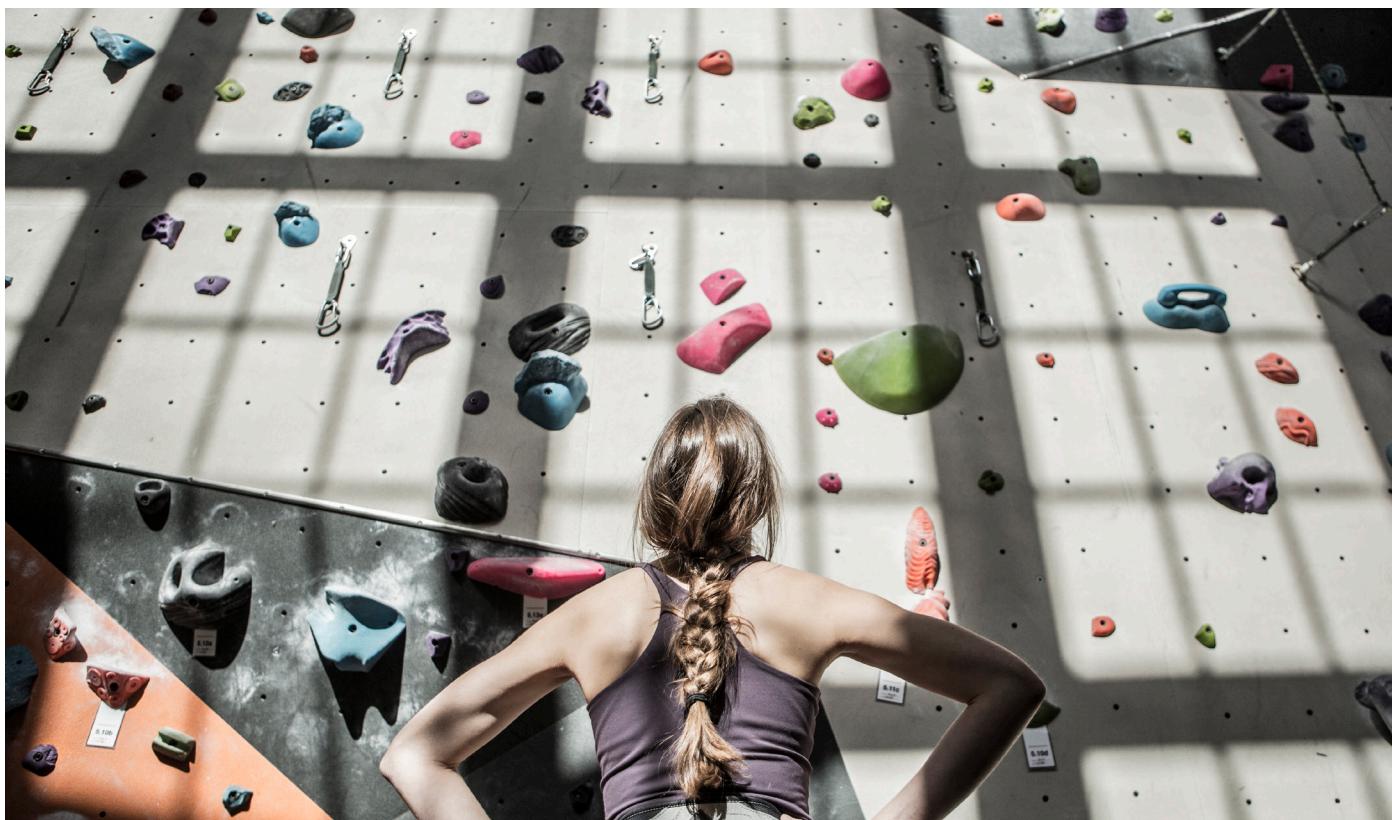
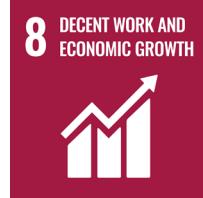
- Digital innovation and transformation
- Environmental policies

We address these material ESG issues in this report and look forward to continuing to engage directly and deeply with our stakeholders to understand their ESG priorities and align our sustainability efforts with the challenges that matter most.

United Nations Sustainable Development Goals

Grant Thornton recognizes our responsibility to make a positive contribution to society and the world at large. We identified six United Nations Sustainable Development Goals (UN SDGs) most relevant to our business and have committed to integrate these important issues with our business goals.

We chose these six UN SDGs because we believe our current and planned efforts can make the most impact in furtherance of these goals. Explanation of how Grant Thornton is integrating these UN SDGs is provided where relevant in the following pages. We will continue to look for opportunities to advance additional UN SDGs in the future.



Commitment to our colleagues

Facing challenges: our COVID-19 response

The health and safety of each of our colleagues, clients and communities is always of the utmost importance. Which is why when we became aware of the threat posed by the novel coronavirus in early 2020, we quickly took steps to prepare and act. This rapid response was directly aligned with our new mission to:

- Take care of our people
- Be there for our clients
- Keep our business strong

While we did not foresee a global pandemic, we were prepared to rise to the challenges. Because of our resilience and ongoing investments in technology, we seamlessly shifted our operations for our colleagues, and we continued to offer clients the differentiated and personalized experience they expect.

In the early days of the pandemic — and still today — we recognized the need to keep our internal communication even more open and transparent than usual through various channels, including staff surveys and firmwide virtual town hall meetings. The need to remain agile has never been more apparent than during the COVID-19 crisis, and we will continue to adjust to a new way of working and supporting our colleagues and clients.

A CLEARR choice to close our offices

Effective March 22, 2020, Grant Thornton halted all domestic and international business travel and fully closed our offices until further notice, making us the first professional services firm to fully transition to working from home for 100% of our workforce. After closing our offices, we made sure all our colleagues had updated instructions and capabilities to use our technology to deliver their best work, regardless of location.

As of late September, while we continued work-from-home as our default model, some offices were made available for critical business needs if they met certain standards. Colleagues who plan to visit an office must obtain a ticket in advance to manage capacity and facilitate appropriate social distancing standards for the safety of all our personnel. Among other safeguards in place, such as screenings that may be locally mandated, and thorough office sanitations, we invested more than \$200,000 in personal protective equipment.



Open lines of communication

Our benefits, policies, practices and work settings are essential components to creating a culture where everyone can be successful, especially as the COVID-19 pandemic continued to affect us in ways we have never experienced. In addition to closing our offices, we took steps that ensure our colleagues, clients and firm had the support and resources they needed. Among those actions, we:

- Formed a multi-disciplinary COVID-19 project management office to enable fact-based decision-making.
- Created a COVID-19 resource center to provide regular updates (weekly or more frequently, as needed) to keep our colleagues up to date on health and safety tips, travel restrictions, and more.
- Sent COVID-19 surveys to colleagues to gauge their comfort levels about going to a client site or traveling for business.
- Adopted guiding principles for working during COVID-19, including:
 - Regardless of an office's availability, there is no expectation that personnel return to offices until they are comfortable doing so.
- Established a support group communication channel and developed GT Connect, a conversation series to help support teammates through the impacts of the pandemic and working remotely.
- Launched firmwide virtual townhalls, virtual internship programs, remote orientation experiences, and advisory councils to support our local leaders in connecting with our colleagues and continuously evolving our offerings as the pandemic unfolded.
- Affirmed our commitment to communicating with transparency: We held more all-hands calls and established weekly updates from our CEO.

Expanding current benefits and offering new interim benefits

To help alleviate stress and navigate the crisis faced by our colleagues during the pandemic, we expanded some of our existing benefits and introduced new limited-time benefits to show our support and gratitude. In addition to our existing programs, we supplemented with other benefits required for such extraordinary times. These interim programs allowed us to offer more support for our colleagues' physical and mental health as well as caretaking responsibilities.

We listened to our people and:

- Focused on mental health and well-being by amplifying benefits available in our Medical Plan offerings and our existing Employee Assistance Program, which included virtual programming for mental and physical wellness.
- Expanded our backup child and elder care program to include reimbursement for chosen caregivers identified through a personal network and offered 15 additional care days (child or elder), which provides our people a total of 30 care days for the year.
- Added features to our home support program that provides personnel free access to Care.com, with ability to identify resources to help with home service needs such as house cleaning services, pet sitters and walkers, and full-time caregivers. This includes the ability to engage a Care.com representative to perform the search for them at no additional cost.
- Created GT Flex, an informal workplace flexibility program that encourages all colleagues, including working parents, to establish a work schedule best suited for them.
- Partnered with a digital mental health service to help colleagues manage stress and build resilience using various techniques, including science-backed gamification techniques.
- Offered a new free tutoring service for all personnel and members of their households.
- Started new interim dining support services, with plans for additional fitness and well-being support programs in the future. These interim perks included food stipends, free delivery services and meal planning.

Our culture

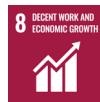
Our deep commitment to a caring, high-performance culture based on our Collaboration, Leadership, Excellence, Agility, Respect and Responsibility (CLEARR) values is the essence of our firm. We foster an environment where extraordinary diverse people come together to advance and nurture a culture of quality, innovation and collaboration in the service of our clients. Our culture empowers our people and allows each of our colleagues to bring meaning to their work and have a fulfilling career in a positive, safe and inclusive environment. We expect our people to live our values and positively contribute to our CLEARR culture because we believe it is the right thing to do and is critical to our success as a firm.

Grant Thornton is proud to be an award-winning employer. Over the years, we have received numerous recognitions, including awards for diversity, employee satisfaction and sustainability. Our most recent awards include:

-  Working Mother magazine “100 Best Companies for Working Mothers” (15 consecutive years)
-  Working Mother magazine “50 Best Companies for Dads” (two consecutive years)
-  National Association for Female Executives (NAFE) “2020 Top Companies for Executive Women” (nine consecutive years)
-  Perfect score on the Human Rights Campaign Corporate Equality Index (four consecutive years)
-  Disability Equality Index “2020 Best Places to Work for Disability Inclusion” with a 100% score (2nd year participating, scoring 100% this year — a 20% increase from 2019)
-  Brandon Hall Group Gold award for Excellence in Leadership Development
-  Top 20 in Vault’s 100 Best Internships

Well-being of our colleagues

Supporting UN SDGs



We recognize that well-being represents a state of balance, which is why we provide a suite of programs and benefits to help our colleagues achieve their professional, financial and well-being goals throughout their careers with our firm. Whether it's health benefits, retirement planning, emotional support, commuter spending accounts or our domestic partner policy, we are committed to fulfilling our purpose and helping our colleagues fulfill theirs. Grant Thornton works with a variety of vendors that provide services and tools to support well-being, including mindfulness and counseling, backup childcare, personalized meal planning, student tutoring and breast milk shipping for traveling mothers.

Grant Thornton is a signatory to the U.S. Chamber of Commerce Foundation’s “Prioritize Mental Health and Emotional Well-being in the Workplace” pledge. This past year we added new benefits to support mental health, as described above. Grant Thornton’s Employee Assistance Program also provides confidential and free access to counselors and referral services, as well as printed materials related to social/work-related issues.

289 employees took parental leave in FY 2020: 140 women and 149 men (GRI 401-3b).

100% of our full-time and part-time personnel at all our U.S. locations have access to these benefits (GRI 401-2):

- Health, dental, vision and well-being benefits, including coverage for eligible domestic partners and dependents
- Employee Assistance Program
- 401(k) savings and retirement plans
- Educational assistance
- Insurance options, including life insurance
- Reimbursement plans
- Disability coverage
- Parental benefits
- Gender transition benefits
- Adoption & surrogacy reimbursement benefits
- Innovative flexible time-off policy

In addition, same and opposite sex domestic partners and their dependents are eligible for:

- Health, dental, vision and well-being benefits
- Employee Assistance Program
- Gender transition benefits through our health plan

Labor and human rights

Supporting UN SDGs



Grant Thornton complies with all applicable laws as they relate to employment practices, equal employment, nondiscrimination, wages and safe working conditions. We stand firmly against child and forced labor and exploitative labor practices of any kind. For four years running, Grant Thornton has achieved a perfect score on the Human Rights Campaign's Corporate Equality Index for its inclusive policies, practices and benefits for the LGBTQ+ community.

Grant Thornton's National Managing Principal - People & Community serves as general equal opportunity administrator with overall responsibility for monitoring the effectiveness of the equal employment opportunity program and ensuring compliance. The firm maintains affirmative action plans covering minorities, women, individuals with disabilities and veterans.

While Grant Thornton is not a unionized workplace, we comply with applicable labor and employment regulations. We seek our colleagues' feedback about their concerns and needs, and our policies support a retaliation-free culture of reporting.



Grant Thornton has specific policies and programs to ensure a healthy and safe workplace and to support our colleagues in their personal lives (GRI 403-6b):

- Alcohol- and drug-free workplace
- Equal employment opportunity
- Reasonable accommodations for disability, religion and lactation
- Overtime pay for nonexempt employees
- Prohibited discrimination, harassment and retaliation
- Workplace violence policies and procedures
- Paid time off, including sick time to care for themselves or a family member, voting time off, and holidays
- Leaves of absence, including paid parental leave, jury and witness duty leave, military leave, and domestic violence leave
- Workers compensation

Employee engagement

Supporting UN SDGs



We periodically take the pulse of our colleagues' perception of the firm. On an annual basis, we look to send a full engagement survey that dives into important topics to give us key insights that impact employee experiences at Grant Thornton. Topics include career growth and development, key individual needs, local engagement, communication approaches, team dynamics, confidence in leadership, and the future of the firm.

Based on this feedback, we create programs that provide opportunities to pursue professional and personal aspirations and policies that allow for better work-life integration. This comprehensive approach to career growth ensures our employees feel like they can be authentic and contribute fully at work.

Diversity, equity and inclusion

Supporting UN SDGs



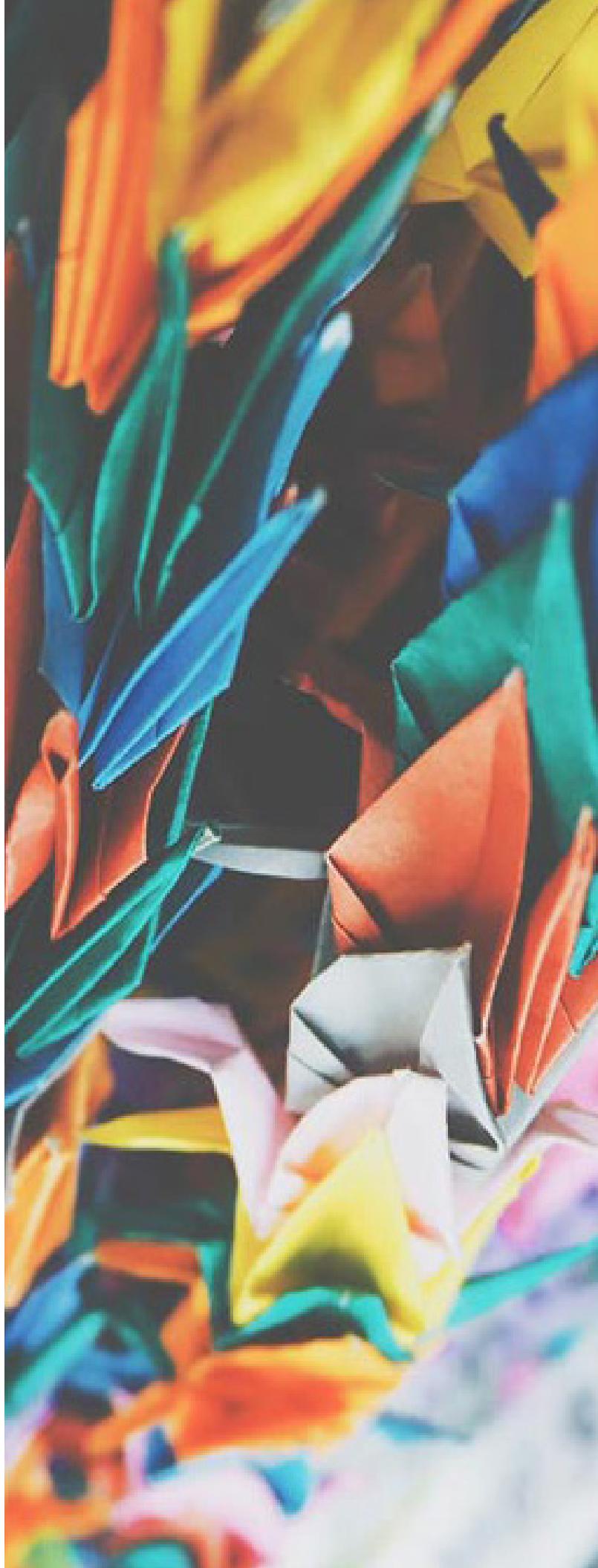
At Grant Thornton, we not only want to be transparent, we want to create real, lasting change at our firm and in society. While we have taken significant actions over the years to incorporate diversity, equity and inclusion (DE&I) at our firm, we know we need to do more.

We are in the process of establishing accountable and aspirational goals that we aim to accomplish in the coming five years and beyond. As we go forward together — to expand our recruiting programs, advance career development opportunities, promote and adopt new skills and mindsets, and foster a spirit of belonging and community at Grant Thornton — we will address our obstacles and work collaboratively to reach our goals. We will share our progress in subsequent internal and external reports.

Actions speak louder than words

The fiscal year started with our CEO signing the CEO Action for Diversity & Inclusion™ pledge, an effort that aims to rally the business community to advance diversity and inclusion within the workplace. It outlines a specific set of actions to create a more inclusive culture. This pledge reinforced our firm's overall commitment to DE&I and outlined four important initiatives:

- Share DE&I strategies with the leadership team and the firm
- Continue to have complex, and sometimes difficult conversations, about diversity and inclusion
- Provide firmwide unconscious bias training
- Share best practices with our clients, competitors and communities



These commitments set the stage for us to collaborate and create more ways to engage with our colleagues through our Business Resource Groups and other means. We listened to concerns, explored different options and established new programs and policies. We also enhanced existing practices to foster a more inclusive community at Grant Thornton.

They included:

- Hosting the Day of Understanding in partnership with our African Americans & Allies Business Resource Group's annual Black History Month celebration in Denver, Colorado.
- Establishing two additional Business Resource Groups for Working Parents & Allies and Future Leaders & Allies.
- Launching required firmwide unconscious bias training and discussion pods.
- Including DE&I-focused content in firmwide training, conferences and new-hire onboarding.
- Planning the firm's first Unified Inclusion Conference, focused on intersectionality to further align all nine Business Resource Groups.

Our nine Business Resource Groups work to fulfill our firm's mission, and each group is a team of colleagues from various service lines, career levels and job functions. These groups, which operate at the national and local levels, are employee-driven and supported by the Diversity, Equity & Inclusion Team to cultivate an inclusive culture and bring diverse perspectives to the table. They are:

Working Parents & Allies

Our Working Parents & Allies Business Resource Group was formed during the pandemic. Many of our colleagues are parents, and as work from home continued and a new school year approached, this group was established to offer support and build community. We understand how working from home can come with a number of challenges, whether related to technology, finding physical space to work or simultaneously helping children navigate online learning. This Business Resource Group hosts webinars and offers resources and support for handling competing responsibilities for our working parents.

We also have begun work on the following priorities:

- Promoting retention and advancement of diverse candidates through more formalized succession planning and a new self-nomination process for firm leadership positions.
- Supporting anti-discrimination and social justice legislation through our Public Policy team.
- Enabling the firm's political action committee to also provide contributions in support of anti-discrimination and racial-justice legislation.
- Upgrading our experienced hire recruiting process to ensure that we are incorporating a more diverse candidate pool.

In August 2020 we announced new measures to respond to racism and social injustice. Beyond our internal operations, it was important to act as a positive force for racial and social justice in our communities. These measures included:

- Announcing our [firm's actionable response to racism and social injustice](#)
- Making three-year financial commitments of \$600,000 total (\$300,000 each) to the Southern Poverty Law Center and Thurgood Marshall College Fund via the Grant Thornton Foundation
- Setting aside 40 annual chargeable hours for each employee to give back to external charitable and community organizations, and to participate in our internal Business Resource Groups
- Adding 27 additional colleges and universities to our recruitment roster to expand the diversity of our candidate pool, including 11 historically Black colleges and universities

Unified Inclusion Conference

To build upon the success of our 2019 Inclusive Leadership Conference, Grant Thornton hosted a virtual Unified Inclusion Conference in October 2020 for 500 employees from all nine of our Business Resource Groups. The three-day conference focused on intersectionality and featured external speakers, as well as Grant Thornton leaders. The wide range of sessions included discussions on inclusive leadership and active allyship, plus diversity, equity and inclusion strategies, as well as how to build upon the training from our unconscious-bias workshops provided during the summer.

Business Resource Groups

Our nine Business Resource Groups work to fulfill our firm's mission, and each group is a team of colleagues from various service lines, career levels and job functions. These groups, which operate at the national and local levels, are employee-driven and supported by the Diversity, Equity & Inclusion Team to cultivate an inclusive culture and bring diverse perspectives to the table. They are:

-  African-Americans & Allies
-  Diverse Abilities & Allies
-  Equality GT
-  Future Leaders & Allies
-  Hispanics/Latinxs & Allies
-  Pan-Asians & Allies
-  Women & Allies
-  Working Parents & Allies
-  Veterans & Allies

DE&I-driven community partnerships

Grant Thornton has long-standing partnerships with National Association of Black Accountants, the Association of Latino Professionals for America and Ascend, the organization for Pan-Asian business professionals. These groups serve an important role to bring diverse students into the accounting industry and provide an essential platform to create career connections.

In the summer of 2020, Grant Thornton sponsored each of the organization's virtual national conventions, which allowed our colleagues to participate in their members' professional development and networking sessions. It also provided opportunities for Grant Thornton to join the different career fairs, which helped attract and hire strong candidates from across the country.

Hiring military heroes

We are grateful to the people who have served our country, and we are working to increase opportunities for military veterans, whether they are retired veterans looking to find their second career or junior personnel seeking to build a new path.

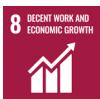
To further support our veteran colleagues and their families, we have updated our mobility policies, making it easier for military spouses to transfer to a different Grant Thornton location or office if their spouse must move due to service obligations. We have also identified roles within the community of Grant Thornton professionals where military experience can be substituted for a 4-year degree without affecting a colleague's ability to progress in her/his career at Grant Thornton.

Regardless of a person's military experience, Grant Thornton offers veterans a sense of community and shared purpose.



Developing transformational leaders

Supporting UN SDGs



We put our people first, and strongly believe in fostering an environment where our people can come together and be endlessly curious. We give those who want to see, say and solve problems the experience and skills to do so. This all starts with our culture and developing the next generation of transformational leaders — leaders who “know the way, show the way and go the way.”

Professional development

At Grant Thornton, we are committed to helping our colleagues grow professionally. That starts with providing our people a wide range of lifelong career development opportunities. We believe in the power of education — the benefits of training and upskilling pay dividends for our firm. Professional development opportunities reflect our high-performance culture and ensure we give our people the tools they need to deliver the smart, innovative solutions our clients expect.

Investing in the continuous growth and development of our people is essential to enabling our firm’s vision to be the most admired professional services firm. We do this by equipping Grant Thornton colleagues with the real-time coaching, feedback, and distinctive learning modules and programs necessary to elevate professional excellence and quality.

We offer a wide range of technical and professional skills training as part of our GTUniversity platform. There are more than 2,000 courses available and many award CPE credits. We develop firm-specific training programs in-house and offer courses designed by our educational partners, including LinkedIn Learning, Practicing Law Institute and Becker.

We also support our colleagues with:

- Technical and professional skills training
- Leadership academies to help set up our people for success at all levels
- Coaching capability development
- Performance assessments
- Upward feedback assessment
- Succession planning and career pathing
- Job level-specific training
- Growth and industry training

Assessing our talent

Every year, the firm engages in year-end talent reviews to calibrate performance and have one-on-one performance conversations that focus on strengths and development plans. All career coaches (supervisors) complete a performance review for their people in advance of representing them in the talent review.

We also value mentorship as an integral part of our work culture. By providing our employees access to leaders and varied opportunities, we help them establish the goals and pursuits that allow them different ways to contribute and collaborate. These opportunities set them on the professional path that is right for them.

98.5% of our employees received performance reviews in FY 2020 (GRI 404-3). Our goal is always 100%.

Gold standards of leadership

In August 2020, Grant Thornton was presented with the Brandon Hall Group Gold award for Excellence in Leadership Development for our Senior Manager Academy (SMA). This award celebrates exceptional programs and initiatives focused on learning and development, talent management, leadership development, talent acquisition, workforce management and HR, sales performance, and corporate initiatives. Our academy won for its blended learning experience that focuses on so much more than just formal classroom and virtual learning — emphasizing the criticality of sponsorship, network building and focused readiness for the partner/principal role.

This award-winning program is a three-year career development academy that builds leadership skills by providing deliberate development experiences, exposure to senior leaders and executive-level responsibilities, and provides insight into one's personal attributes and abilities. SMA launched its first class in October of 2015 and, since then, has reached more than 350 Grant Thornton professionals. Award entries were evaluated by a panel of veteran, independent senior industry experts, Brandon Hall Group analysts and executives, based upon the following criteria: fit the need, design of the program, functionality, innovation and overall measurable benefits.

Commitment to responsible business practices

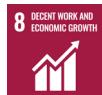
Grant Thornton is committed to doing business and serving our clients in the utmost ethical manner, and in compliance with all applicable laws, regulations and professional standards. The firm expects all personnel to follow the law, act with integrity, and adhere to the firm's Code of Conduct and policies governing business ethics when performing their job duties and interacting with clients, vendors, third-party service providers and one another.

Every action we take must demonstrate to our clients, colleagues, regulators and the community that we do business with an unquestioned commitment to integrity, quality and the highest ethical standards. We regularly reinforce the message that Grant Thornton's exacting ethical culture is a collective asset and a shared responsibility for everyone to maintain.

100% of personnel completed their Code of Conduct policy certification requirement in FY 2020.

95% of personnel completed Code of Conduct training in FY 2020. Our goal is always 100%.

Our policies Supporting UN SDGs



At Grant Thornton, we pride ourselves on our commitment to our CLEARR values. Our values are the foundation of our Code of Conduct, which provides ethical direction for our actions as we perform our work — including how we behave with each other and with our clients. Our Code of Conduct serves as our inner compass to ensure that we are always acting with fairness and integrity and doing business the right way.

0 confirmed incidents of corruption, or legal actions regarding corruption, in FY 2020 (GRI 205-3).

0 legal actions regarding anti-competitive behavior, or violations of any antitrust or monopoly legislation, in FY 2020 (GRI 206-1).

We have a wide range of important policies and procedures that set our standards for ethical business practices at Grant Thornton and guide our people to always strive do the right thing at the right time. For example, we have policies and train our colleagues on these topics, among others:

- Antifraud, bribery and corruption
- Confidentiality of client and firm information
- Conflict-of-interest prevention, including mitigating potential or perceived threats
- Data privacy and proper collection, usage and retention of, and access to, personal data
- Government-contracting ethics and conduct, including protection of classified information
- Independence requirements
- Information security, incident response, and identification of risks and threats
- Personnel clearance policies and protocols in accordance with federal security regulations
- Prohibited discrimination, harassment and retaliation
- Political activity and lobbying
- Security clearance policies and protocols

Speak-up culture and whistleblower procedures

Supporting UN SDGs



Our employees are responsible for asking questions, seeking guidance, and reporting suspected violations of the law or firm policies involving business ethics, government contracting and independence. We make every effort to foster a work environment where our employees feel safe to report unethical behavior without fear of retaliation or retribution.

The firm offers multiple channels for personnel to report concerns related to unethical, illegal, fraudulent or other dishonest conduct, including speaking directly with:

- Immediate supervisor(s)
- Partners, principals or managing directors
- People & Community human resources representative
- Chief compliance officer
- Any member of the firm's Risk, Regulatory and Legal Affairs group
- Firm's Ethics Hotline (employees may remain anonymous)

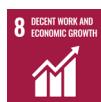
Regardless of the reporting mechanism used, when Grant Thornton receives a complaint or any other information indicating a possible violation of law or firm policy, the firm investigates the reported allegations in accordance with our investigation policy. Grant Thornton conducts investigations in a prompt, thorough and objective manner and in compliance with all applicable laws.

To protect whistleblowers, the firm expressly prohibits retaliation against personnel who raise good faith concerns of ethics violations, including violations of policy or law, or who participate in an internal or external investigation. The firm makes all efforts to protect the confidentiality of those who raise such concerns and it is the policy of the firm to share information only on a need-to-know basis to preserve the integrity of an investigation.



Data privacy and security

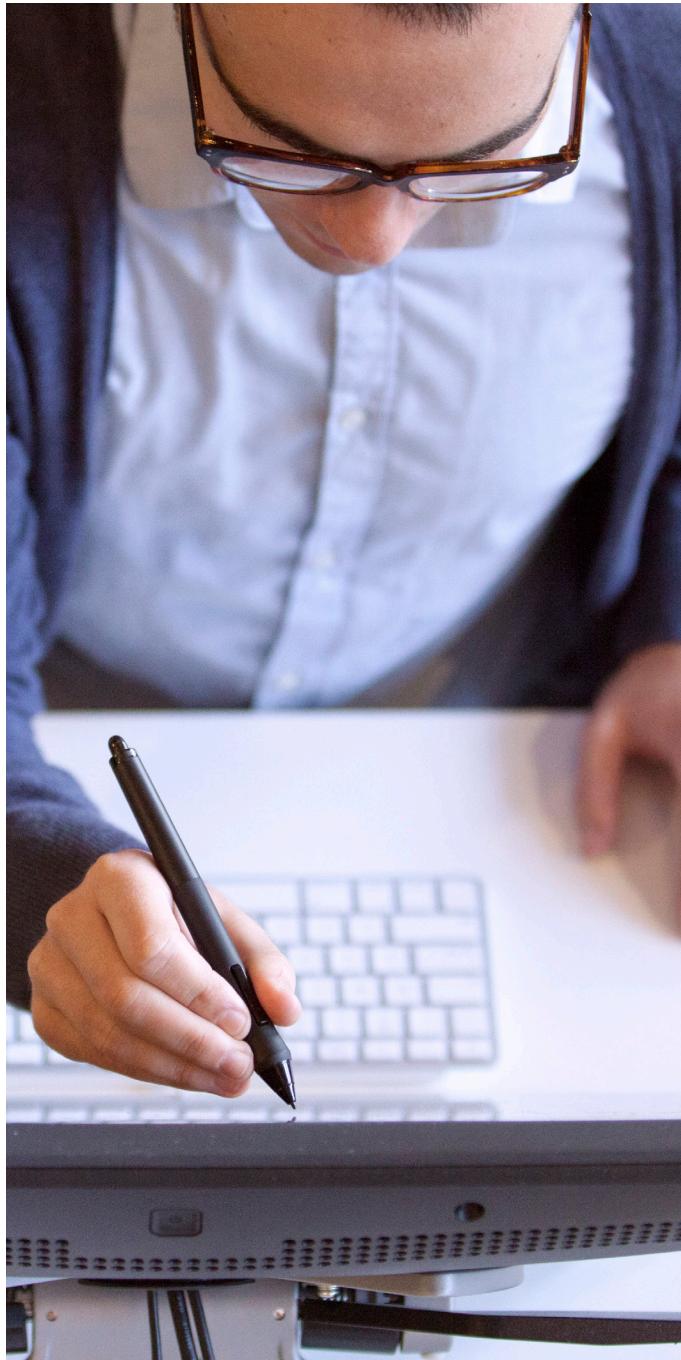
Supporting UN SDGs



As a professional services firm, we manage a significant amount of confidential and personal data of our clients and personnel. Safeguarding such data is always a top priority for us. Earning and preserving the trust of our clients and personnel is key to our success, and that certainly holds true when it comes to data privacy and security, which is a material ESG issue for Grant Thornton. Indeed, the threat of a data breach is one of the biggest risks for our firm.

We comply with all applicable data privacy laws and strive to meet the highest standards for the protection of data. We continuously monitor and assess our information security and data management procedures for effectiveness and make changes as needed in the face of new or emerging threats. In addition, our integrated policies, practices and training ensure that data protection is a key concern for our personnel. Grant Thornton has internal policies related to client confidentiality, proper handling of personal data and acceptable use of the firm's systems and devices, among other topics. All personnel must read these policies and be familiar with their terms.

In FY 2020, we experienced no significant data breaches. We will continue to vigilantly protect our data with the combination of diligence, discipline and technology.



Upholding information security

We use recognized security standards and applicable regulations to properly address the risk to information confidentiality, integrity and availability throughout the firm's business practices and IT infrastructure. Using such frameworks ensures we comply with the expansive range of federal and state laws, industry best practices and other compliance drivers.

Grant Thornton's IT services are ISO/IEC 27001:2013-certified, a widely adopted global security standard that sets out requirements and best practices for an Information Security Management System, or ISMS. An ISMS is a systematic approach for establishing, implementing, operating, monitoring, reviewing, maintaining and improving an organization's information security to achieve business objectives. It includes people, processes and IT systems by applying a risk management process. In order to achieve and maintain the certification, Grant Thornton demonstrated a systematic and ongoing approach to managing information security risks that affect the confidentiality, integrity, and availability of firm and client information within the IT environment. In the pursuit of continually maintaining and improving the implementation, Grant Thornton's IT services conduct numerous internal reviews and undergo an annual surveillance audit for ISO 27001. This certification reinforces Grant Thornton's commitment to security controls and practices.

Our information security program is composed of a wide range of comprehensive approaches, including:

- Information security risk assessments
- Information management and data security policies
- Hardware, software and physical controls
- Awareness trainings to prevent information security breaches
- Identity and access management
- Audits of control procedures
- Whistleblower procedures for stakeholders to report information security concerns
- Incident response procedures to manage breaches of confidential information
- Practices to protect against unauthorized access or disclosure

96% of our personnel completed Privacy & Information Security training in FY 2020. Our goal is always 100%.

Upholding data privacy

The right to privacy is an important societal concern, and a key issue for Grant Thornton. We collect and use personal data only for legitimate business purposes and consistent with the intent for which it was collected. We maintain appropriate access controls and organizational controls around data usage, and regularly assess the effectiveness of these controls. Privacy-by-design has also been incorporated into our personal data processing activities and our innovation efforts. We work closely with our architects to ensure that appropriate privacy protection measures are built into the design of products and solutions.

Our [privacy statement](#) outlines our commitment to protecting personal information and describes the rights that individuals have and how they can exercise those rights. We investigate incidents and customer privacy complaints thoroughly in accordance with applicable law such as the California Consumer Privacy Act and others.

Third-party relationships

Supporting UN SDGs



Our CLEARR values extend to Grant Thornton suppliers and subcontractors, who must agree in our contractual arrangements to abide by our standards. Just as we require integrity, ethical conduct, fairness, transparency and mutual trust within our organization, we expect the same from the third parties with whom we do business. We expect every supplier and subcontractor to embrace these values as well, with established policies and procedures in place that reflect our standards.

Our suppliers agree to our Supplier Code of Conduct and must meet our expectations in many areas, including but not limited to:

- Business integrity
- Compliance with laws
- Conflicts-of-interest prevention
- Confidentiality protection
- Data security
- Diversity and inclusion
- Environmentally responsible business practices
- Fair competition
- Human rights
- Reporting and nonretaliation

We also expect our third-party technology suppliers (that store, transmit or process any firm or client data) to design and implement their controls to meet or exceed ISO 27001 and other relevant standards, including data privacy safeguards. We assess third parties on their compliance to Grant Thornton security and privacy policies and applicable standards. Also, third parties with access to client engagement data are required to contractually commit to implementing and maintaining appropriate security and privacy safeguards.

Small business relationships in Public Sector

Supporting UN SDGs



As a federal government mentor to small businesses with a dedicated small business staff, we have a strong commitment to helping small businesses succeed. We continually build relationships with small businesses and look forward to fostering and developing those relationships.

Grant Thornton's Public Sector practice has expanded its network of small and minority-owned business firms to leverage their talents on projects. We believe that the opportunities we provide to our small-business teammates is vital to the needs of the small-business community; the American economy; and to the benefit of the federal, state and local governments. Each teaming partner is selected for its respective capabilities and service area expertise, allowing us to leverage various capabilities to offer a full range of audit, advisory and tax services to our clients.

Grant Thornton teams with small businesses in one of four ways:

- 1 Opportunity-Based Teaming Arrangement — Ad hoc partnering on a deal-by-deal basis
- 2 Preferred Vendor — Vetted list of partners with agreements in place; considered for teaming before external searches
- 3 Mentor-Protégé — Agency-sponsored mentorship programs encouraging large businesses to provide developmental assistance to small businesses
- 4 Strategic Teaming Partner — Long-term partnership between a large and small company across multiple opportunities

Grant Thornton also participates in several industry associations, most of which have a special focus on the small-business community, including the Armed Forces Communications and Electronics Association, Association of Government Accountants, National Contract Management Association and CompTIA, to name a few.

Over the past five years, our Public Sector practice has directed 67% of our subcontracts to small businesses valued at over \$102M to include the following categories: 20% to Women-Owned Small Businesses (WOSB), 20% to Small Disadvantaged Businesses (SDB), 10% to Veteran-Owned Small Businesses (VOSB), 6% to Small Disadvantaged Veteran-Owned Businesses (SDVOSB), 3% to Historically Underutilized Business Zones (HUBZone) and 12% to Minority-Owned Business firms.

Commitment to quality

For our capital markets to function effectively, the public must have confidence in the reliability of companies' financial information, as well as the methodology used to audit such information. It is critical that audits are performed with independence, professional skepticism, a commitment to quality and in compliance with professional standards to further this important public interest. We recognize that the market also needs robust, accurate and transparent information about the quality control systems of every audit firm.

Importantly, our commitment to quality is firmwide. Each of our service lines (Audit, Tax and Advisory, including Public Sector) have quality standards, control systems and supporting quality groups to ensure that our services meet or exceed our quality expectations.

Audit quality and control system

For nearly 100 years, Grant Thornton has focused on delivering high-quality audits with exceptional client service in an ever-changing environment. Through our efforts to drive audit innovation and our focus on delivering a continually improving product, audit quality at Grant Thornton is the highest ever. Our internal inspection results show steady improvement year over year. Our Public Company Accounting Oversight Board (PCAOB) inspection results have been in the top one or two of all global auditing firms for the past three years; and the rate of restatement of audit client financial statements has declined steadily over the past decade — all while maintaining a superior level of service and personal attention.

Grant Thornton has achieved these results by putting in place a system of quality control that provides the framework through which the firm complies with the standards of the auditing profession, meets the expectations of its clients, and secures the public trust. Our audit quality control begins with our efforts to:

- 1 Verify that we are working with clients who share our commitment to excellence (client acceptance)
- 2 Confirm that we have the independence, skills and capabilities to audit the client's financial statements (engagement acceptance)
- 3 Plan and execute each engagement to meet or exceed the relevant auditing standards (engagement performance)

At each stage, we provide support to our audit teams through training, the technical guidance of our national office, an audit methodology that complies with applicable auditing standards, and technology that provides effective and efficient service delivery.

National office support

Our national office — which consists of specialists in accounting principles, auditing and other attest standards, SEC and other regulatory requirements, and ethics and independence — provides consultation and support to our audit teams when they encounter complex issues. This culture of consultation and support resulted in nearly 2,000 formal consultations during FY 2020.

Audit methodology

Our audit methodology provides audit teams with a clear and direct link between identified financial reporting risks and internal controls that address the risk and audit procedures. This approach enables audit teams to judge how the current environment affects an entity's financial reporting, how the entity responded, and how to develop an appropriate audit response. The methodology contains integrated quality control processes — for example, policies and procedures on conducting an engagement quality control review.

Innovating the audit

Supporting UN SDGs



We have embraced the spirit of innovation to create an advanced analytics approach for our audits. Innovation sits at the intersection of empowering people, reimagining and streamlining processes, and harnessing world-class technology. This is how we have enhanced our precision and tailored our audit process to deliver quality, speed and better insights.

Our forward-thinking, resourceful approach redefines our dedication to transparency and action, but it goes further. We can accelerate our ability to use predictive modeling and whole ledger analytics to provide stronger and more valuable results backed by data-driven decision-making. Here's how:

Advanced analytics

We drive better audit quality by digging deeper to identify high-risk transactions, get real-time insights and data visualizations, and deliver peer benchmarking to help us make better decisions. Lumen is an advanced analytics approach that drives superior independent audits. We use predictive modeling and whole ledger analytics to bring all of a company's financial data into clear focus.

Artificial intelligence

Our new process incorporates linguistic analysis, machine learning and text analytics that allow us to streamline data acquisition and eliminate repetitive manual tasks. This drives efficiency through increased processing speed.

Automation

Our focus on automation streamlines data acquisition and eliminates manual processes. This improves audit quality by giving our audit professionals more time for complex analysis.

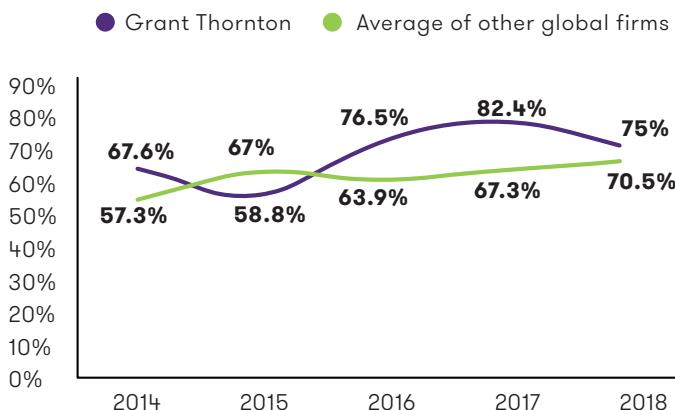
PCAOB inspections

The PCAOB conducts periodic inspections of all registered public accounting firms, including annual inspections of firms such as Grant Thornton that audit 100 or more issuers. The PCAOB's process focuses on our system of quality control and inspections of a sampling of SEC issuer engagements.

The inspection reports for the large network firms are typically issued approximately 18-24 months after commencing an inspection. Our most recent PCAOB public inspection report was the 2018 report issued in April 2020 and covered audits of companies with fiscal years generally ended on or around Dec. 31, 2017. The chart below shows the percentage of Grant Thornton's PCAOB-inspected audits that were deemed to be compliant with the PCAOB's standards in comparison to the average inspection results for the other five global auditing firms.

All of Grant Thornton's PCAOB inspection reports are available on the [PCAOB site](#).

Percentage of PCAOB inspected audits deemed compliant with standards



Audit quality and transparency report

As part of our ongoing commitment to continuously improve our audit quality, in 2019 we published our first Audit Quality and Transparency Report and established the Grant Thornton Audit Quality Advisory Council.

Please refer to our latest [Audit Quality and Transparency Report](#) for more information about how we drive quality through the structure of our quality control system, including:

- Processes for initiating audit engagements
- Professional experience, staffing and turnover
- Infrastructure designed to support high-quality audit delivery
- Accountability and linkage of quality to compensation
- Interaction with Grant Thornton International Ltd quality control procedures

Audit Quality Advisory Council

Grant Thornton's Audit Quality Advisory Council (the Quality Council) is composed of two independent council members and one audit representative from our Partnership Board. The purposes of the Quality Council are to advise the board regarding ways to maintain and improve the firm's system of quality control in accordance with applicable professional standards, and to champion the public-interest nature of the Audit practice.

Quality commitment across service lines

In our industry, the term “quality” is often used synonymously with “audit quality.” At Grant Thornton, “quality” means quality. Each of our service lines are equally committed to ensuring quality services for our clients and have national office groups to manage the quality control systems for their practices.

Tax quality

Grant Thornton’s Tax Services Quality group is dedicated to supporting the firm and our tax clients by driving the creation, development and implementation of policies and programs for ensuring appropriate risk management and compliance with statutory, regulatory and professional standards related to tax matters.

Our Tax Services Quality group maintains deep technical and procedural knowledge of professional standards and substantive risk-related issues bearing on the delivery of tax services. It is also responsible for educating tax services professionals on tax risk management issues through the release of guidance and development of training programs.

Advisory quality

Grant Thornton’s Advisory Services Quality & Risk group is responsible for coordinating with our Advisory business line leaders to identify, assess, prioritize, and rank quality and risk management matters. Covering a variety of client solutions catering to differing levels of risk and quality needs, this team is directly responsible for quality and risk monitoring as well as oversight of client service engagement delivery across all Advisory business lines.

The Advisory Services Quality & Risk group also manages the firm’s Advisory client-acceptance process and develops and delivers annual quality risk training programs. The group also works to continuously identify emerging risks while issuing real-time policy guidance to our Advisory practitioners, ensuring pragmatism, agility and risk awareness throughout our organization.



Commitment to innovation

Our commitment to embracing emerging technologies will prepare our firm for the future and find new innovative ways to serve and provide value to our clients. We also leverage technology to improve internal operations by streamlining processes and using data-driven tools for better decision-making.

When we needed to adapt to the disruptions wrought by COVID-19, we responded with agility and care, leveraging technology to enable new modes of working and collaborating. We were the first major public accounting firms to close our offices and send our colleagues home because of the pandemic. Our ongoing investment in technology allowed us to seamlessly transition our operations to a remote workforce. Over a single weekend, as many states went under quarantine, we:

- Bolstered our network to support fully remote access
- Shored up security to support our new way of working
- Provided new collaboration methods for our people and clients
- Ramped up critical communications and access to on-demand learning

When we return to a post-COVID 19 working environment, we expect many of our people and clients will prefer the flexibility that remote work and virtual meetings offer. Regardless of whether our people and clients are in their offices or working remotely, we will continue to adopt and develop new technology solutions to collaborate and serve our clients in any environment.

alyx™ — connecting people with TECH

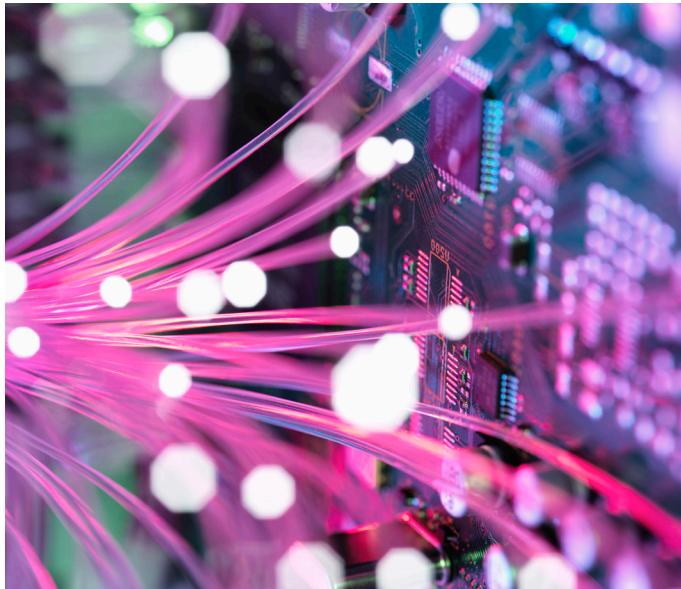
In January 2020, we began a pilot program of our new alyx™ platform, which uses an automated “concierge-enabled” system to share business problems with teams of subject-matter specialists and technologists. These teams develop solutions rooted in Grant Thornton’s core service areas — accounting, tax and consulting. We then incorporate such technologies as intelligent automation, data extraction, data cleansing, analytics and blockchain with our professionals’ deep subject matter knowledge. We launched the alyx™ platform broadly in September 2020.

The alyx™ platform gives Grant Thornton more robust capabilities to help clients’ business needs through technology solutions. We used alyx™ to complement our Pandemic Risk Assessment tool that launched in the spring to help companies benchmark operations against factors critical to business resilience during the coronavirus pandemic.

Within Grant Thornton, alyx™ also enables our professionals to enhance, rethink and restructure our operations. Whether our personnel need standardized materials or technical audit and tax resources, alyx™ serves as a concierge to help Grant Thornton colleagues do more and solve more, more quickly. In addition, technology solutions built by alyx™ for our internal use free our people from manual, repetitive tasks and advance our operations.



alyx



Digital transformation

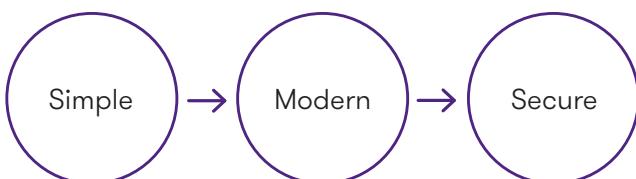
Supporting UN SDGs



At Grant Thornton, digital transformation means continuously modernizing our business operations with new and enhanced technology infrastructure and capabilities, as well as applying digital technologies across our enterprise. We make sure our people have the right technology to provide the differentiated experience our clients expect from us.

Over the past three years, we have focused on streamlining our digital operations and reducing our environmental impact by:

- Moving many of our applications to the cloud.
- Retiring dozens of servers.
- Decommissioning 75% of our local office printers across nearly 60 locations.



Talent and digital upskilling

Supporting UN SDGs



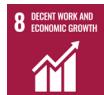
Grant Thornton has made a concerted effort to share the benefits of digital transformation with our colleagues. We recognize that our increasing use of advanced technologies helps to attract new types of professionals who want meaningful work and opportunities to grow. Accordingly, Grant Thornton developed a digital badging program that offers training and certifications on certain technology tools, such as Alteryx and Power Automate.

Using third-party tools licensed by Grant Thornton, our personnel can earn certifications in everything from data analytics, to robotics process automation, to workflow automation when they complete their training and pass proficiency exams. These modern, relevant skills also help build more agile and effective teams and help us provide more value for our clients.

We're always in learning and training mode, working to ensure our colleagues and our business keep up with the ever-changing demands and new skills required to lead and succeed, all while leaving a smaller carbon footprint. As technology continues to advance and create new opportunities, so will we.

Responsible innovation and digitalization

Supporting UN SDGs



Trust is paramount in everything we do. Accordingly, we understand that innovation and new technologies create a new set of risks and ethical considerations. We also recognize the risks and ethical issues that accompany our internal digital transformation efforts. We have addressed these issues through (i) appropriate governance structures, (ii) regular testing of tools and technologies, and (iii) investing in developing new skills for employees, including training on technology and data-related risks. Our data privacy policies and standards are embedded into the design and development phases of our technology solutions. We are also committed to helping our clients embrace new technologies in ethical ways. We do not believe in making trade-offs for privacy or security.

Commitment to our communities

“Community isn’t about place, it’s what we do for one another.”

Brad Preber, CEO, Grant Thornton

For nearly 100 years, the people of Grant Thornton have been caring stewards and worked to have a positive impact on the people and communities we serve. At Grant Thornton, we encourage our colleagues to be good citizens, to support causes that help our clients and communities, and to participate in our democratic process.

Our purpose — to make business more personal and build trust into every result — guides our unique approach to volunteerism, community outreach and philanthropy. And it helped us establish a new nationwide program to transform our traditional approach to service.

Get out the vote

We know a healthy democracy depends on everyone's voice being heard. For the 2020 election, the firm's Public Policy practice and the African American and Allies and Women and Allies Business Resource groups came together to sponsor the Get out the Vote initiative.

The Grant Thornton Vote 411 site, powered by and in partnership with the League of Women Voters, provided detailed information about national and local issues, candidates and various initiatives, as well as shared definitive resources to help prepare employees to make informed decisions and vote in the 2020 election.



Empowering everyday heroes

Supporting UN SDGs



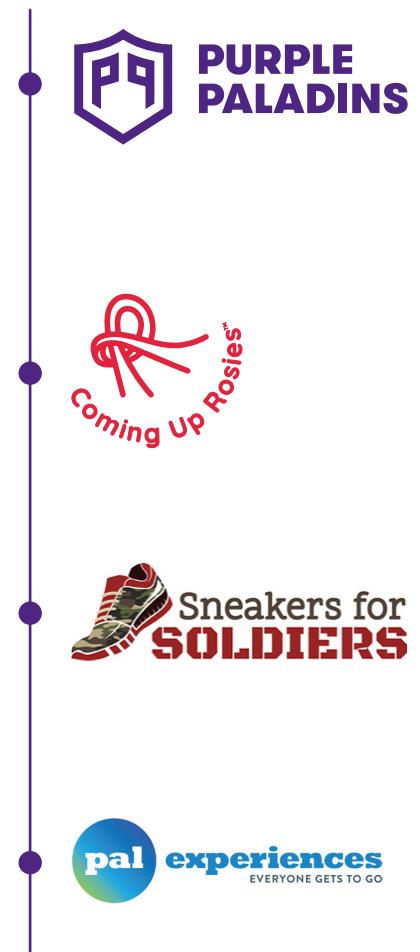
Grant Thornton's Purple Paladin program invests in, recognizes and celebrates early-stage nonprofit social entrepreneurs who tackle challenges like disease, hunger, poverty and inequality. Our firm supports these innovators and the nonprofits they lead by providing funding, volunteerism and business guidance, and by leveraging our platform and relationships to accelerate their work — helping take these emerging organizations from startup to unstoppable.

Meet our Purple Paladins:

Coming Up Rosie's helps hospitalized children, especially those who have lost their hair, restore their self-esteem during their medical journeys. Founded by 9-year-old Rosie Quinn, the organization provides "smile kits" for children to create personal artwork that is turned into head scarves, neck scarves or superhero capes that kids can wear with confidence. In less than a year, our people rallied together to help the organization more than double its impact, bringing smiles to more young people across the country.

A phone call from their son asking for new athletic shoes inspired John and Deborah Hausladen to start **Sneakers for Soldiers**, an organization that sends new athletic shoes to active military men and women serving in dangerous areas and combat zones. It's critical to the health of our troops that their feet spend time out of boots and in athletic shoes that fit properly. Extreme temperatures, rugged terrain and daily exercise wreak havoc on their sneakers, and we are proud to provide support that has translated into new athletic shoes for hundreds of soldiers far from home.

Pal Experiences helps build more-inclusive communities by creating digital tools to make spaces, events and experiences more accessible for children with developmental disabilities. An autistic child's wish to visit an aquarium inspired Melanie Isaacs to find a way to make it come true, especially when it seemed out of reach for the family. Grant Thornton is mobilizing our people to help Pal Experiences scale its operations and make sure everyone knows how important it is that "everyone gets to go."



A trio of young New Yorkers — Healy Chait, Liam Elkind and Simone Policano — created **Invisible Hands Deliver** in response to the COVID-19 pandemic. They organized more than 10,000 volunteers to deliver groceries, prescriptions and essential supplies to those most vulnerable so they can stay home and stay safe. These brave everyday heroes won our hearts and minds, and we are committed to investing our resources to help Invisible Hands reach more communities, diversify their efforts and strengthen their organization.

Weird Enough Productions creates comics and curriculums designed to combat media misrepresentations of minority communities. The organization's mission inspires kids to embrace a new cast of superheroes based on the idea that being yourself is powerful. Founder Tony Weaver Jr.'s innovative approach to education is empowering youth to see themselves as the heroes of their own stories. By using our platform to share his content, we are helping him reach more readers and supporters who discover superheroes that better reflect our diverse society and our best characteristics.

Hope in a Box seeks to help every student feel safe, welcome and included at school— regardless of their sexual orientation or gender identity. The organization gives schools books and curriculum that feature LGBTQ+ protagonists, and it coaches educators on themes of inclusivity. With these materials, educators can cultivate empathy, dispel stereotypes, build allies and inspire pride. Founder Joe English has effectively leveraged the power of literature to help youth feel included in school hallways. We are committed to working alongside him to fill boxes that give students hope and educators the tools they need to build more inclusive classrooms.



What's a Paladin?

Grant Thornton's Purple Paladin program derives its name from the word paladin, a heroic champion of a cause. Today's heroes are everyday people who take on real issues. We call them Purple Paladins and are proud to champion their causes.

By supporting up-and-coming nonprofit organizations — groups that traditionally have limited access to corporate donations — we are propelling these organizations and their innovative solutions forward.



Financial commitment to social justice

In August 2020, the Grant Thornton Foundation — in partnership with our national Diversity, Equity & Inclusion task force and our African Americans & Allies Business Resource Group — committed to donate \$300,000 over a three-year period to both the Southern Poverty Law Center and the Thurgood Marshall College Fund, for a total of \$600,000.

While these donations were made in response to moments of national reckoning over racial injustice that occurred in the summer of 2020, the firm sees this financial commitment as part of our ongoing effort to make more measurable strides toward equity and inclusion.

Volunteering

Grant Thornton actively helps our colleagues transform their communities through volunteering their time and talent. This year we refined our firm's commitment to community service by making it easier for our people to create change. We now provide 40 hours of chargeable time annually to help our colleagues give back to external charitable and community organizations devoted to social causes, and to participate in the firm's internal Business Resource Groups.

Our people also give back by sharing their talents and leadership skills by serving on advisory and leadership boards. Our Grant Thornton colleagues currently sit on hundreds of nonprofit boards and committees, which helps fulfill our purpose. Our commitment to this vital governance role and other forms of community leadership continues to grow.

Commitment to the environment

This past year we took significant steps in our commitment to environmentally responsible business practices by establishing a formal environmental management program to integrate environmental sustainability efforts into our business and operations. In the coming years, we will publish objectives and targets to ensure transparency with stakeholder groups. For each objective, we will establish benchmarks, set key performance indicators and monitor performance. The steps taken this year are only the first steps on a much longer journey.

As a critical initial step, our new [Environmental Policy Statement](#) outlines four pillars of our environmental management program to guide our strategies, actions and decisions on reducing greenhouse gas emissions and promoting environmentally sustainable business practices. They are:

Environmental governance: Establish and maintain environmental governance and accountability procedures, integrated with other C-suite corporate governance, to commit to and sustain adherence with environmental best practices.

Social responsibility enablement: Provide employees with opportunities to get involved in promoting environmental awareness and stewardship through education, volunteerism and community partnerships.

Environmental impact reduction: Reduce the firm's impact on the environment through the development and deployment of policies, practices and initiatives, focused on environmental criteria material to our business operations.

Environmentally responsible business practices: Integrate environmentally conscious strategies and considerations into existing business practices, accounting for and actively managing the environmental impact of our business operations.

Supporting UN SDGs



We have identified five priorities focused on the environmental criteria most material to our business:

- 1 Minimizing greenhouse gas emissions related to business travel and office operations
- 2 Purchasing renewable energy, where feasible
Reducing physical footprint through reductions in rentable square footage of office space
- 3 Reducing consumption and promoting recycling of consumables, including paper
- 4 Reducing consumption and promoting recycling of electronic equipment

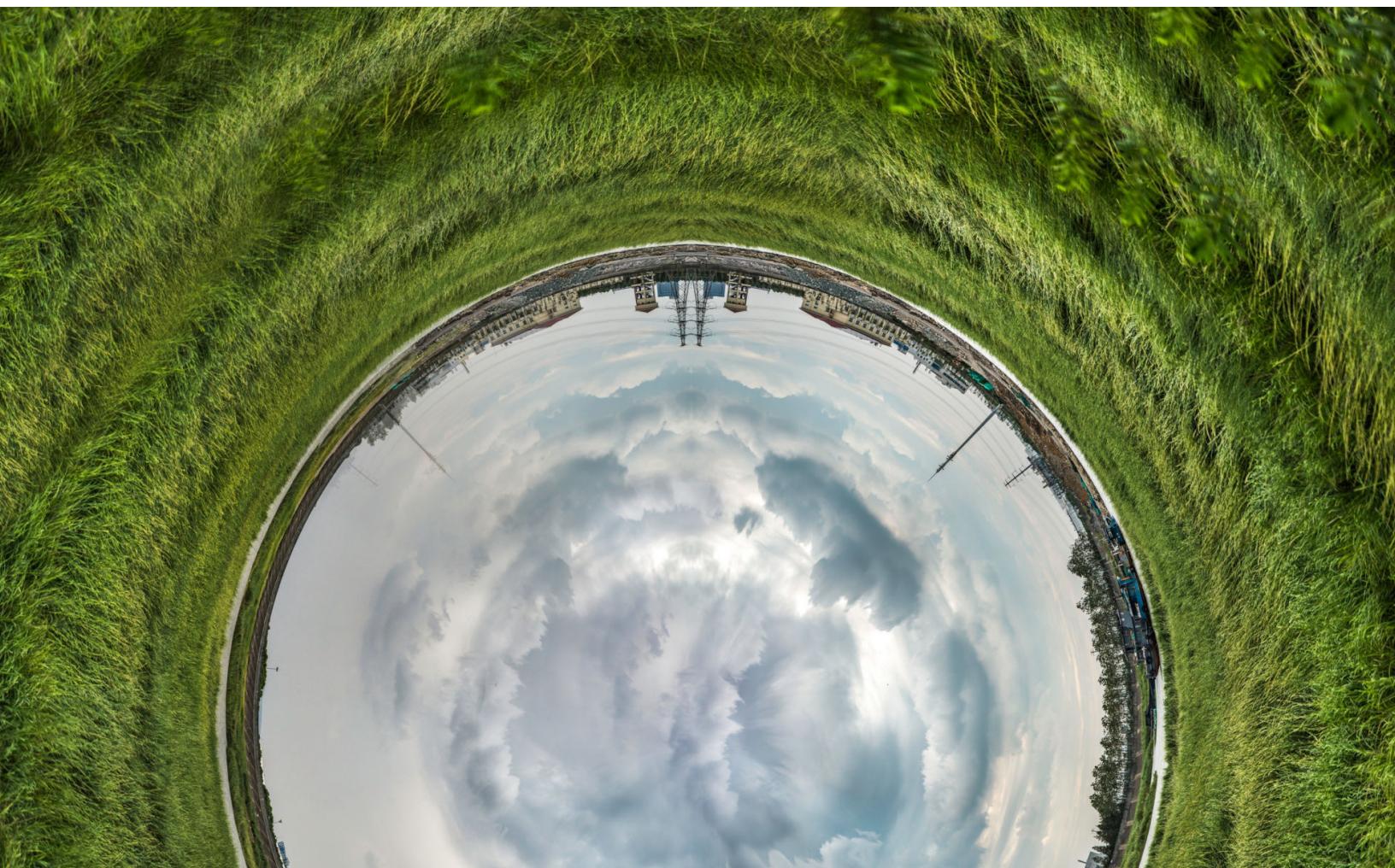
Updated CDP reporting

As part of our commitment to becoming more transparent about our impact on the environment, we have improved certain internal data collection and processing procedures for material environmental criteria. This will allow us to report more comprehensive data to the CDP (formerly Carbon Disclosure Project), an international nonprofit that helps companies and cities disclose their greenhouse gas emissions, as well as reduction strategies and progress. The outcome will be a more robust accounting framework for our environmental concerns, allowing us to establish baselines and set more ambitious goals.

We also worked closely with our colleagues at Grant Thornton Sweden AB to assess our material greenhouse gas emissions, develop meaningful reduction targets and identify strategic initiatives to help us reach those targets. We were inspired by their recommendations and are developing a three-year plan to guide our efforts.

Environmental impact: greenhouse gas outputs

We have identified business travel and energy consumption from our real estate office spaces as the primary sources of our carbon output. In FY 2019 (pre-COVID), we flew approximately 106.8 million air miles for business travel, resulting in approximately 16,595 metric tons of carbon dioxide equivalent emissions. We will use this data as our baseline to set our reduction targets for the future.





Responsible consumption/recycling

Grant Thornton securely shreds and recycles paper across all our offices, resulting in reductions in our carbon footprint and landfill usage, and preserving trees, energy and water. This year, we also integrated DocuSign eSignature technology to further reduce our paper waste.

Like many companies, the COVID-19 pandemic forced us to change our working environment and other approaches to business. Our switch to working remotely necessarily reduced our office paper, electricity and water usage, but makes measuring overall usage difficult. Therefore, we provide this FY 2020 data for informational purposes but not as a comparison to our prior fiscal year, when the firm recycled 273 tons of office paper.^{1,2,3}

FY 2020

Saved



3,340 trees



5,456,927 gallons of water



449,916 kWh of electricity



995 cubic yards of landfill space

Recycled



199 tons



Avoided

288,264 pounds of CO₂ emissions

¹Note: These are general estimates of the effects of paper recycling.

²Note: Grant Thornton offices closed March 22, 2020, due to the COVID-19 pandemic and work-from-home policies remained in effect through the end of our FY 2020, and beyond.

³Compiled from August 2019 through July 2020, Environmental Benefit Reports provided by Iron Mountain® Secure Shredding.



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