

Go Forward

Grant Thornton 2019 sustainability report




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About this report

This is Grant Thornton LLP’s first sustainability report. It reflects our desire to begin our more formal journey of assessing, managing and disclosing our policies and performance regarding sustainability-related impacts, risks, issues and opportunities. We recognize that sustainability/environment, social and governance (ESG) issues are of increasing importance to our clients, personnel and other stakeholders. We also know that sustainability practices and reporting have become increasingly rigorous and, as a firm, we want to evolve to meet these expectations. Our goal for this report is to respond seriously and authentically to this imperative for engagement with sustainability, and to provide a high-level summary of where we are today, with the focus on ESG-related issues that are most material to our business.

This report has been prepared with reference to selected Global Reporting Initiative (GRI) standards. The report covers policies, operations and business practices of Grant Thornton in our fiscal year 2019, Aug. 1, 2018 to July 31, 2019, unless noted otherwise. We have not yet established an ESG reporting cycle. This report has not been externally assured, although every effort has been made internally to ensure the accuracy of content.



For inquiries about this report, please contact
[Laura Eilts](#)
Leader, Corporate Social Responsibility

About Grant Thornton

Grant Thornton LLP is the U.S. member firm of Grant Thornton International Ltd



57

Offices across 28 states

Services

Audit | Tax | Advisory



550

Partners

Headquarters

Chicago



7,400

Employees

Focus industries

Banking, construction, distribution, energy, financial services, food and beverage, healthcare, higher education, hospitality and restaurants, life sciences, insurance, manufacturing, not-for-profit, private equity, public sector, real estate, retail and technology



\$1.9+ billion

in annual revenue



Our strategy and approach to sustainability

A message from CEO Brad Preber

For nearly 100 years, since our founding in Chicago in 1924, through our expansion across the country and growth of our member-firm network around the world, the people of Grant Thornton have been dedicated servants to our clients and caring stewards in our communities. We have worked earnestly to provide confidence to the financial markets that underpin the broader economy, to help our clients succeed in their chosen fields, and to ensure our business has a positive impact on the people and communities around us.

As we look ahead to our second century, we are deeply mindful of the rising challenges and the need for higher standards in business sustainability. Change is accelerating across every part of our world, creating opportunity but also risks, and a responsibility to respond to those risks with positive action. The actions we choose to take — whether related to social equity, economic opportunity and growth, responsible business practices or protection of our environment — will define our legacy for generations to come.

In some areas of sustainability — such as data privacy and security, business ethics and audit quality — our firm has made great progress or is even a leader in our profession. In other areas, we are earlier in our sustainability journey, with a great deal to learn and do. We are, however, embracing this challenge and invite our stakeholders to join us as we move forward.

Grant Thornton has been a values-based firm from the beginning, embracing the role of stewards for all of our stakeholders. Our values must now serve as the springboard for a new, more vigorous approach to the sustainability challenges of our time. Our strategy for sustainability is to engage within our team and with other leaders and organizations throughout our communities with the same authenticity, collaborative approach and spirit of innovation that have guided us throughout our history.

My teammates and I are fully committed to making a meaningful impact for sustainability in all our communities and in the world. As we join with all our stakeholders in this critically important work, I look forward to all we'll accomplish together.



Brad Preber
CEO
Grant Thornton LLP

Our stakeholders

Our stakeholders include our clients, partners, employees, regulators, local communities, vendors and third-party service providers. While we have yet to develop a formalized stakeholder engagement process, we understand the ESG priorities of our stakeholders through a range of processes. Our clients, for example — especially our major global ones — talk with us directly about what they view as our most material ESG issues and are increasingly asking us to join them in meeting leading global ESG expectations. We have begun building ESG considerations into contracts with vendors and third-party service providers; as we do that we will increase our understanding of what is most material to them. Many of our partners, principals, senior leaders and employees are engaging closely with nonprofits in our communities and hearing firsthand which ESG issues matter to them.

Our most material ESG issues

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

- Business ethics
- Data security
- Employee engagement, diversity, inclusion

We address all three of these ESG issues in this report, and we 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.





Grant Thornton is a signatory to the Business Roundtable

Grant Thornton joins the Business Roundtable in asserting business's obligation to all stakeholders

In August 2019 the Business Roundtable (BRT), an organization of the largest companies in the United States that together generate a total revenue of \$6 trillion USD, issued a new Purpose Statement for corporations. Grant Thornton's CEO is one of the 181 CEO signatories.

In what media called a dramatic shift, the Business Roundtable moved beyond the previous stance of "shareholder primacy" in corporations' purpose to now pledge obligations to additional stakeholders as well: *"to invest in employees, foster diversity and inclusion, deliver value to customers; to deal fairly and ethically with suppliers; to support communities in which they work and protect the environment; and to generate long-term value for shareholders."* This move reflects that BRT member companies officially recognize the basic principles of sustainability and acknowledge that ESG is important to the fundamental purpose of an organization.



Ethical/responsible business practices

At Grant Thornton, ethics and integrity are the cornerstone of everything we do. We are fundamentally guided by our values; then day-in and day-out, we are supported by a range of specific policies, practices and protocols that ensure our commitment to the highest standards of ethical behavior.

Grant Thornton is guided by our six “**CLEARR**” core values: **collaboration, leadership, excellence, agility, respect and responsibility.**

For us, our values are not simply lofty words; we live them in precise and pragmatic ways. Our performance management system and career development processes are based on these values, and we systematically track how well we are doing in each area. We train everyone in these values — what they mean for us, how they manifest behaviorally, and how they are directly tied to our goals and performance measurements. The Grant Thornton Code of Conduct provides detailed guidance for everyone at our firm on our values and all our ethics policies. All of these efforts are supervised by our Senior Leadership Team.

100%

of our employees are expected to be trained in our values, *Code of Conduct* and key ethics policies.



Grant Thornton's commitment to audit quality

At Grant Thornton, quality is the foundation of all we do across our entire firm, including each of our major service lines — Audit, Tax and Advisory Services. Our commitment to providing consistent, high-quality work and results for our clients informs our processes, protocols and operational procedures, as well as our client service philosophy. Given the importance of quality in enabling all organizations to sustainably deliver value to their stakeholders, we believe quality represents a critical aspect of an accounting firm's commitment to social responsibility and sustainable business practices.

More specifically, Grant Thornton is a leader in providing high-quality audits. For our capital markets to function effectively, the public must have confidence in the reliability of financial information presented by companies and in the methodology used to produce that information. Audits that are performed with independence, professional skepticism, a commitment to quality and in compliance with professional standards further this important public interest.



Quality control system

Grant Thornton has implemented policies and procedures, and put in place a system of quality control that provides the framework through which the firm complies with the standards of the profession and meets the expectations of its clients. Our people have both the latest training and the most effective tools to build, earn and maintain the trust of our clients and other stakeholders.

As a firm, we seek to provide exceptional support to our audit teams through 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.

Every well-run audit firm has a staff of experts available to support engagement teams when complex accounting and audit issues arise. At Grant Thornton, we take pride in our national office, which is available to consult with our teams and provide technical guidance when engagement teams are confronted with challenging issues. We average one national office professional for every 13 client-serving audit professionals. Other firms that publish similar statistics report significantly higher ratios.

Our approach to quality control is supported by the work of our National Professional Standards Group, which consists of specialists in accounting principles, auditing and other attest standards, SEC and other regulatory requirements, and ethics and independence.

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 consider how the current environment affects an entity's financial reporting, how the entity responded and how to develop an appropriate audit response.



Audit Quality Advisory Council

In 2019, Grant Thornton established the Grant Thornton Audit Quality Advisory Council, which comprises two independent council members and one Audit representative from our Partnership Board. The purposes of the Quality Council are to advise the Partnership Board on 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 Services practice.



Public Company Accounting Oversight Board

The Public Company Accounting Oversight Board (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 includes inspecting certain quality control elements and sampling SEC issuer engagements.

Inspection reports come in two parts. Part I is public and includes findings related to specific inspected engagements. Part II, which must remain private for at least 12 months after issuance, contains observations regarding a firm's overall quality control processes, and/or comments regarding issues the PCAOB identified in Part I that they believe may be pervasive and warrant specific attention.

In Part I, the PCAOB samples a number of audits performed by the accounting firm and includes notes on any engagement for which the PCAOB inspection staff identified audit deficiencies. All of Grant Thornton's PCAOB inspection reports are available on the [PCAOB website](#). Grant Thornton's Part I results have steadily improved over the past few years, and our most recent results (2017) were among the best in the profession.

Summary of the most recent inspection reports

Inspection year	Audits inspected	Included in Part I	Percentage in Part I	Avg. of other global firms
2015	34	14	41%	33%
2016	34	8	24%	36%
2017	34	6	18%	33%

Grant Thornton's Audit Quality and Transparency Report

At Grant Thornton, we recognize that the market needs robust, accurate and transparent information about the quality control systems of every audit firm. We published an [Audit Quality and Transparency Report](#) in 2019 to provide information on these topics. The report provides a detailed and thorough discussion of our commitment and approach to providing the highest possible audit quality to our clients and to the markets. The report includes in-depth discussion and data on the following topics:

- Quality control and external monitoring
 - Quality control system
 - Quality monitoring
- Risk management and independence practices
 - Independence and ethical guidelines
 - Client acceptance and continuance
 - Compliance with regulatory requirements
 - Recruitment and retention of talent
 - Data security
 - Availability controls
- Continuing professional education
 - Audit training and professional development
 - NASBA certification

We encourage all our stakeholders to visit our website and read the report in full for more information on these topics.

Ethics-related policies

We have and enforce a range of important policies pertaining to ethics, including:

- *Code of Conduct*
- Confidentiality of Client and Firm Information Policy
- Conflict of Interest Policy
- Foreign Corrupt Practices Act Policy
- Government Contracting Ethics and Conduct Policy
- Independence Policy
- Political Activity Ethics and Conduct Policy
- Privacy Policy
- Prohibited Discrimination, Harassment and Retaliation Policy
- Technology Usage and Information Security Policy



Whistleblower procedure and speak-up culture

Grant Thornton is committed to doing business and serving our clients in an 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. The firm has adopted a number of policies setting out our expectations with respect to ethical conduct and business practices, including (but not limited to) our *Code of Conduct*, *Independence and Ethics Manual*, *Foreign Corrupt Practices Act Policy*, *Government Contracting Ethics & Conduct Policy*, and a *Political Activity & Ethics Policy*.

All firm personnel are responsible for asking questions about, seeking guidance on and reporting suspected violations of the law or firm policies governing business ethics and independence. Grant Thornton makes every effort to foster a work environment in which personnel feel safe to report unethical behavior without the 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:

- Their immediate supervisor
- A partner or principal of the firm
- A People & Culture Human Resources representative
- Any member of the firm's Risk Regulatory and Legal Affairs group
- The firm's Ethics Hotline (which may be done on an anonymous basis)

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 concerns regarding ethical, fraudulent or unlawful activity, and it is the policy of the firm to share information only on a need-to-know basis.

In addition, Grant Thornton operates a Professional Excellence Committee to review and consider alleged misconduct and policy violations by partners, principals and managing directors and, as necessary, hold those individuals accountable for any such violations.

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. Grant Thornton conducts investigations in a prompt, thorough and objective manner and in compliance with all applicable laws.



GRI Standards Disclosure

Two Global Reporting Initiative (GRI) standard disclosures specifically focus on ethics and anti-corruption. The material here refers to Disclosure 205-3 from GRI 205: Anti-corruption 2016, along with Disclosure 206-1 from GRI 206: Anti-competitive Behavior 2016.

GRI 205-3 – requires reporting on the number and nature of any confirmed incidents of corruption and actions taken

GRI 206-1 – requires reporting companies to disclose the number of legal actions pending or completed in the reporting period regarding anti-competitive behavior, as well as the number of violations of antitrust and monopoly legislation and the main outcomes of any completed legal actions

GRI 205-3 – In FY 2019, Grant Thornton was not involved in any confirmed incidents of corruption nor any legal actions regarding corruption.

GRI 206-1 – In FY 2019, Grant Thornton was not involved in any legal actions regarding anti-competitive behavior nor violations of any antitrust or monopoly legislation.¹

Firm governance

Grant Thornton LLP is an Illinois limited liability partnership led by the CEO and Senior Leadership Team (SLT) and governed with oversight by the Partnership Board. The roles and responsibilities of each of these leadership groups are described below.

- **CEO and SLT** – The CEO and SLT are responsible for setting and overseeing execution of the firm’s strategy and managing the professional practices and overall business of the firm. The CEO is appointed by the Partnership Board and ratified by the partners and principals.
- **Partnership Board** – The Partnership Board is the firm’s primary governance body, consisting of elected partners and principals including the CEO. The Partnership Board provides oversight of the firm’s management, including approval of the direction and strategy of the firm, and formulates governance policies.
- **Partners and principals** – Partners and principals focus on client service, execution of the firm’s strategic objectives, leading our culture and being stewards for a stronger firm for the future.

Other risk committees:

- **Business Risk Committee** – The Business Risk Committee assesses identified risks and collaborates with management to assign responsibility for risk management, prioritizes and monitors remediation activities to fill gaps in existing controls and clearly communicates enterprise risk management issues to firm leadership and the Partnership Board.
- **Compliance Committee** – The Compliance Committee develops and implements the firm’s strategic framework for managing enterprise compliance risks in order to prevent and detect legal violations and other misconduct, and promote ethical conduct and behavior. Members include leaders of various compliance risk areas across the firm, chaired by the chief compliance officer.

¹Note: Clarification on litigation and regulatory matters

In the normal course of Grant Thornton LLP’s business as a national accounting firm, Grant Thornton LLP may be made a party to litigation alleging various common law and statutory violations. While Grant Thornton LLP expects to resolve all pending matters without any material detrimental impact to the firm, like most accounting firms of any size, Grant Thornton LLP does not disclose or discuss its litigation. Litigation is generally disposed of in the normal course of business.

Data privacy and security

Data privacy and security are top priorities for Grant Thornton. Over the last several years we have built a robust system of integrated policies, processes and practices that assure rigorous data security and protect the privacy and confidentiality of client and firm information. Every year since 2016 we have achieved ISO 27001 certification, the leading global information security standard.

Our data privacy and security programs are composed of a wide range of comprehensive approaches including:

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

In FY 2019 we had no significant data breaches. Looking forward, we remain vigorously committed to continuing our disciplined, world-class approach to security.





Our Cyber Security Program: Our program is designed and managed using recognized security standards and other applicable regulations to ensure that risk to information confidentiality, integrity and availability is properly addressed throughout the firm's business practices and Technology and Transformation infrastructure. Our utilization of these frameworks ensures we comply with a wide spectrum of state and federal legislation, industry best practices and international compliance drivers.

Data Security & Governance: Client data is stored within a separate environment that transparently stores, references and retrieves client files. The data is stored as binary large objects and is encrypted during file submission and retrieval using AES256 keys. Session state integrity and transmission confidentiality are maintained via TLS utilizing RSA 2048 bit asymmetric encryption, with certificates issued by Corporate Service Company (<http://www.csctrustedsecure.com/cps>).

Identity and Access Management: Access to any given data site is limited to the engagement team providing the service and to others on a need-to-know basis only. We use role-based access control, and clients are unable to access sites other than their own.

Unique domain credentials are generated for each employee. Authentication is performed through passwords that are sufficiently complex, with complexity being enforced centrally. Complexity requirements include three-out-of-four character sets, minimum of eight characters for end user accounts and 12 characters for system administrators, and 90-day password expiration for end users and 60 days for administrators.

Personnel: All new Grant Thornton personnel undergo background checks that include criminal and employment history. Upon being hired, all new personnel are trained on security and privacy matters, and receive periodic retraining on these matters. A cybersecurity awareness program is also in place to regularly remind the firm personnel about cybersecurity matters. Grant Thornton has internal policies related to client confidentiality, privacy, information security and acceptable use of the firm's systems and devices, among other topics. All personnel are required to read these policies and be familiar with their terms.

Endpoint protection: All Grant Thornton laptops are fully encrypted to ensure the stored data is unrecoverable in the event of loss or theft. Encryption is executed and monitored centrally, and any attempt to remove or disable the encryption results in notification to our business technology staff and automatic re-installation.

Additionally, all Grant Thornton laptops have continually-updated anti-virus software, and their access to the public internet is routed through a threat protection system that automatically denies access to high-risk internet sites with either inappropriate or malicious content.

Mobile devices are managed by an industry-leading mobile device management solution that employs policies around data access and security controls including encryption and remote-wipe capabilities.



Business Continuity Processes and Disaster Recovery: Continuity processes such as data backup and recovery employ additional encryption when the data is written to the backup media. Encryption keys are not shared beyond the team managing those environments. For resiliency environments not employing tape media, synchronization transfers are performed via secured sessions over dedicated circuits between primary and alternate data centers.

Systems recovery is tested twice annually as a part of disaster recovery, and an after-action assessment performed to ensure that any process not performing as expected has a remediation or mitigation plan and proper firm support. The firm's Business Continuity and Disaster Recovery Plans include application prioritization and dependencies lists to ensure systems are adequately reconstituted. Tapes are stored off-site with a leading information management vendor, and this vendor provides Grant Thornton with media manifests and locked transfer containers.

Databases utilized within business technology environments are ACID compliant to ensure files are not corrupted and can be effectively restored if required.

Data centers: Our architecture design and implementation process requires that Grant Thornton environments are built to achieve high availability and redundancy. Consequently, we operate two enterprise-class data centers that provide a highly resilient environment for the operation of client-serving systems. While recovery strategies for the facilities are situationally dependent, a 24/7 on-site team of professionals within our primary site ensures rapid response and continued system uptime. The data centers utilize a complement of environmental control systems that provide resiliency from power

outages and rapid response to environmental events. Additionally, our data center network infrastructure is protected by a variety of "best-of-breed" network security detective, protective and corrective controls including but not limited to IDS (intrusion/detection) systems, SIEM (security incident and event management) systems, email anti-spam technologies, network content threat mitigation systems and other equivalent network security tools. These are maintained and monitored on a 24/7/365 basis to ensure immediate identification and elimination of potential compromises.

Grant Thornton offices: Grant Thornton local office systems and processes have been designed to allow for continued communications, collaboration and service delivery during a moderate systems outage. This design includes the use of only limited IT infrastructure housed on-site, strong integration of mobility solutions and a secure remotely-managed disaster recovery infrastructure for local technology services.

Third-party security requirements: We expect our third-party technology vendors to design and implement their controls to meet or exceed ISO 27001 and other relevant standards. Third parties are assessed for their compliance to Grant Thornton security policies and applicable standards. In addition, third parties with access to client engagement data are required to contractually commit to implementing and maintaining appropriate security and privacy safeguards.



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Inspiring our people

Many companies note the importance of people as an important asset. At Grant Thornton, we live this conviction every day. As a professional services firm helping clients shape the future of their organizations and their industries, we recognize that our business is dependent on the knowledge, competencies, professionalism and ethical integrity of our personnel. The disruptive forces in our industry and the ever-changing needs of our clients make our performance as an agile, collaborative and innovative team a strategic imperative.

In this section, we describe core elements of our unique work culture. We outline our policies and practices for professional development, safety, health and wellness, nondiscrimination, and diversity and inclusion; and summarize the benefits we provide for employees and their families.

The numerous awards and recognition Grant Thornton has received over recent years reflect our efforts to build a positive, safe and supportive work environment. Grant Thornton has been listed for 13 consecutive years on Working Mother's 100 Best Companies list and six times as a Top Company for Executive Women by the National Association for Female Executives. In 2018, we were listed as 24th on Forbes first-ever Best Employer for Diversity list.





Caring for our people — awards and recognition

2019

- "Excellence in Knowledge Management" by APQC
- Recognized for promoting and developing Asian Pacific talent by Asia Society
- Perfect score on the Human Rights Campaign Corporate Equality Index
- National Association of Female Executives (NAFE) Top Companies for Executive Women
- *Working Mother* magazine "100 Best Companies for Working Mothers"
- *Working Mother* magazine "50 Best Companies for Dads"
- Top 50 Employers by *Equal Opportunity Magazine*
- Disability Equality Index: Best Place to Work for Disability Inclusion

2016

- "Most Innovative Accountancy Firm of 2016, the USA" by Acquisition International
- "Top 10 Best Places to Work" in Crain's Chicago Business
- Top 50 "World's Most Attractive Employers" by Universum
- *Working Mother* magazine "100 Best Companies for Working Mothers"
- NAFE Top Companies for Executive Women

2014

- "Employer of the Year" by International Accounting Bulletin
- *Working Mother* magazine "100 Best Companies for Working Mothers"

2018

- "Leading Company for Sustainability" in Business Roundtable Report on Sustainability
- "Best Place to Work" by Crain's Chicago Business
- Perfect score on the Human Rights Campaign Corporate Equality Index
- NAFE Top Companies for Executive Women
- *Working Mother* magazine "100 Best Companies for Working Mothers"

2017

- *Working Mother* magazine "100 Best Companies for Working Mothers"
- "Top 100 Most Attractive Employers" by Universum
- NAFE Top Companies for Executive Women
- Perfect score on the Human Rights Campaign Corporate Equality Index

2015

- "Employer of the Year" by International Accounting Bulletin
- "Best Leadership Development Program" at Managing Partners Forum awards
- NAFE Top Companies for Executive Women
- *Working Mother* magazine "100 Best Companies for Working Mothers"

Culture and values

At Grant Thornton, we characterize our culture as “People Focused. Purpose Driven.” We are working together to create a “people-focused” unified culture where every employee brings their whole self to work. This includes bringing their creative insights to serving our clients and making Grant Thornton a better firm. Living our “**CLEARR**” values — **collaboration, leadership, excellence, agility, respect and responsibility** — every day, in every interaction and project, is central to this effort. These values are the foundation for how we conduct business both internally and externally.

We have also built a “purpose-driven” culture focused on strategic innovation and constant improvement, which helps us find and implement solutions to meet our clients’ challenges and get results. Innovation is the key to survival and, while innovation might have involved technological advances like AI, blockchain and robotics, we know it is only achievable on a foundation of exceptional culture, people development, collaboration and engagement. For our innovation platform to be a continual source of new solutions for serving our clients, we need an internal culture that encourages careful listening, creativity, open-mindedness, new ideas, fresh insights and effective collaboration. We offer our insights and culture to our clients as a new way to work.

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.

Creating a positive, safe and inclusive work environment

At Grant Thornton, we are known as a sought-after employer and a leading place to work. Our reputation stems from our concerted focus on creating culture, policies, practices, benefits and physical work spaces that are positive and dynamic.

Grant Thornton offers many benefits — health, dental and vision care; a 401k plan with a firm match and an employer-funded cash balance pension plan; flexible time off; paid sick time off; family medical leave; co-paid back-up care for both child and elder care; parental leave; remote work; flexible work arrangements; healthy lifestyle credits; and health savings accounts, to name but a few. Our strong employee-centered compensation and benefits package, industry-leading working conditions, progressive and affirming work culture, and emphasis on professional development demonstrate that we see employee well-being as directly aligned with our business needs and quality of service to our clients.

Human rights

Grant Thornton is compliant with all applicable laws related to human rights, child and forced labor, wages, working conditions and safety, equal employment, nondiscrimination, labor rights and employment practices. In addition, we have specific policies related to:

- Alcohol- and drug-free workplace
- *Code of Conduct*
- Equal employment opportunity
- Overtime pay for nonexempt employees
- Prohibited discrimination, harassment and retaliation
- Safe driving
- Time off and leave of absence
- Workers compensation
- Health and safety in the workplace

Labor management

Although Grant Thornton is not a unionized organization, we comply with applicable labor and employment regulations. We make every effort to listen and respond to the concerns and needs of our employees, and our policies support a reporting culture that is free of retaliation.



Diversity and inclusion

At Grant Thornton, our culture and practice of diversity and inclusion are viewed as one of our core strategic advantages.

We have seen firsthand the power of bringing one's whole self to work — including different races, ethnicities, gender identities, disabilities (visible and invisible), nationalities, religions, generations, sexual orientations, backgrounds and experiences, and the benefits of the dynamic and innovative environment that results. Our people thrive personally and professionally because all perspectives are valued and heard. In turn, our inclusive culture enables us to craft creative solutions for both ourselves and the clients we serve.

Diverse perspectives aligned under a unified vision translate to our people contributing their best in the office, with our clients and within our communities. Simply put, at Grant Thornton inclusion is a way of life. It permeates our culture, is embedded in our values and behaviors, attracts diverse talent and is a key enabler as we become the firm of the future.

In keeping with our culture of diversity and inclusion, Grant Thornton's National Diversity & Inclusion team develops strategies, programs and tools to unlock the power of difference.

Our business resource groups (BRGs) work to fulfill our mission. Each of our BRGs is a team of employees from various service lines, career levels and job functions. BRGs are employee-driven and supported by the National Diversity & Inclusion team to cultivate an inclusive culture, which ultimately benefits our clients and drives our business. They operate at both the national and local levels. Each BRG is aligned with a member of the firm's SLT. This SLT member serves as an advocate for the BRG internally and externally to ensure the voice of the BRG's membership is reaching the highest levels of the firm.

Grant Thornton also has an explicit Equal Opportunity Policy, supported by training for recruiters and hiring managers. It is the expectation that 100% of personnel attend discrimination and harassment training.



Grant Thornton business resource groups

African-Americans at Grant Thornton & Allies promotes the recruitment, development, advancement and retention of African-American professionals through collaboration with allies and firm leadership.

Diverse Abilities at Grant Thornton & Allies drives greater awareness of the abilities and potential contributions of people with disabilities within our firm, and with our clients and strategic partners.

Equality GT (LGBTQ+ & Allies) creates an inclusive environment that attracts and retains lesbian, gay, bisexual, transgender and queer employees, and inspires and empowers them to bring their whole selves to work.

Hispanics/Latinxs at Grant Thornton & Allies drives firm business by attracting, developing and leveraging the contributions of Hispanic/Latinx practitioners.

Millennials at Grant Thornton & Allies provides a collaborative forum for millennials and other generations to utilize their respective skill sets and experiences to enhance firm profitability and provide a high-performing culture.

Pan-Asians at Grant Thornton & Allies empowers Pan-Asian professionals to join with colleagues to build stronger teams across the firm.

Veterans at Grant Thornton & Allies drives firm success by attracting, developing and leveraging the leadership experience and skills of veterans.

Women at Grant Thornton & Allies enhances the recruitment, retention and advancement of women into leadership positions.

Further, our National Diversity & Inclusion team and firm leaders sponsor employee attendance at annual professional development conferences. This investment facilitates skill-building, networking and technical growth for our people, enabling them to grow their whole selves and better deliver on our promise of distinct client service. Examples of these external and internal conferences are listed here.

National external conferences

Ascend National Convention
Association of Latino Professionals For America National Convention
National Association of Black Accountants Annual Convention
US Business Leadership Network Annual National Conference

National internal Grant Thornton conferences

Diverse Abilities Leadership
Inclusive Leadership
LGBTQ+ Leadership
Veterans Leadership
Women's Leadership



Grant Thornton's first Inclusive Leadership Conference

To expand on our diversity- and inclusion-focused conference offerings, in May 2019 we hosted our first Inclusive Leadership Conference. The purpose of this conference was to focus on the inclusive leadership skills that our leaders need to be successful.

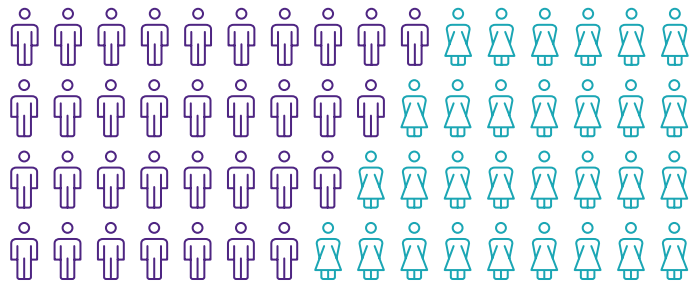
Individuals from across the firm, service lines and job levels attended the two-and-a-half-day conference in our New York Manhattan office. The conference included training sessions focused on inclusive leadership, implicit bias, active allyship, client engagement and advancing our diversity and inclusion strategy.



In 2019, Grant Thornton's total employee population was

56% men **44%** women

Minorities made up 25% of all personnel. We have explicit programs focused on recruitment, retention and development of underrepresented populations from staff to leadership.



Safety, health and wellness

Our approach to health and safety as well as alcohol, tobacco and drug use is outlined in our *Code of Conduct*. The safety of our people and of our clients' and vendors' personnel is of the utmost importance, and it is imperative that we provide a safe workplace that complies with applicable laws and regulations, and that we protect our people and visitors from foreseeable work hazards. We recognize and provide guidelines regarding responsible and safe alcohol, tobacco and drug use.

Supporting the health and well-being of our personnel and assisting personnel with stress prevention and management are also important objectives of our firm. Our Employee Benefits Handbook describes the many benefits and programs Grant Thornton has adopted as part of our Healthy Lifestyles Initiative. These include a health assessment, Healthy Lifestyles credits; support of office walks, runs and sports teams; firm-paid stress management/resilience program; firm-paid Employee Assistance Program and voluntary commitments to actions supporting injury prevention, health and disease management. Tools, services, programs and discounts are offered as part of our health insurance program.

Grant Thornton subsidizes health benefits premiums for employees and offers choices for a selection of flexible spending accounts for healthcare, transportation and/or dependent care, as well as health service accounts that can be used in conjunction with our high-deductible health plans. We also have short-term and long-term disability, life insurance, accident insurance and other services for benefits-eligible employees.

New employees sign an acknowledgement form regarding Grant Thornton's alcohol- and drug-free workplace policy, possession of handguns or other weapons policy, incident response policy and safe driving policy (among others).

Professional development

At Grant Thornton we understand that professional development of all employees is critical to our success and to the quality and effectiveness of the services we provide our clients. Given that, we take a different approach from the traditional smorgasbord of training and leadership development courses. Instead, we focus on employee-led development of the core competencies required for success in our business, specified by job-level.

Grant Thornton provides a detailed career continuum aligned with key strategic drivers of our business, defining core responsibilities and specific knowledge, skills, behaviors and technical expectations relevant to each job level. We encourage employees to become "captains of their career" — supported by their managers and career coach. Developmental experiences to facilitate growth that are important for performance at each job level are outlined as a foundation for career planning. These are incorporated into on-the-job developmental experiences and inform more formal learning plans, all aligned with our strategic business drivers.

Employees are encouraged to take a career continuum self-assessment and incorporate the results into their annual goals and development plans, and to prepare an annual performance portfolio. The roles and responsibilities of career coaches at Grant Thornton are clearly defined.

Giving back to our communities

Grant Thornton's commitment to giving back to our communities is more than aspiration. It is action and purpose rooted in the values we have lived by as a firm for nearly 100 years. These values of collaboration, leadership, excellence, agility, respect and responsibility infuse our work and culture. This enables us to see endless possibilities when we collaborate together, and with our clients and communities, to help make our communities more inclusive and prosperous for all.

Grant Thornton personnel are doing their part to transform their communities through our GTUnited national volunteer program, which empowers everyone at our firm to achieve impact by taking action both together and individually in their own communities. We are also actively involved in helping our people share their skills and leadership through nonprofit board service. Currently, we serve on nearly 900 nonprofit boards and committees, and our commitment to this vital governance role and other forms of community leadership is growing.

Grant Thornton is also proud to be a founding partner of [IMPACT 2030](#), a business-led initiative designed to harness the power of corporate volunteers to advance the United Nations Sustainable Development Goals designed to address the world's most pressing problems in our own communities and around the globe.

This year we created a new program, [Purple Paladins](#), focused on supporting emerging nonprofits with funding, hands-on and skills-based volunteer support and a platform to share their story. We look forward to helping these organizations and their leaders go from start-up to sustainable by wrapping our arms around them with resources needed to become unstoppable.



In August 2019 Grant Thornton launched Purple Paladins, our national program to support emerging nonprofits in accelerating their efforts, helping them go from start-up to sustainable. We provide funding, skills-based and hands-on volunteer support and a platform to raise awareness about their good works. The first Purple Paladin recipient was Chicago-based nonprofit Coming Up Rosies, an up-and-coming organization that provides therapeutic art activities, "Smile Kits," to children's hospitals across the country.



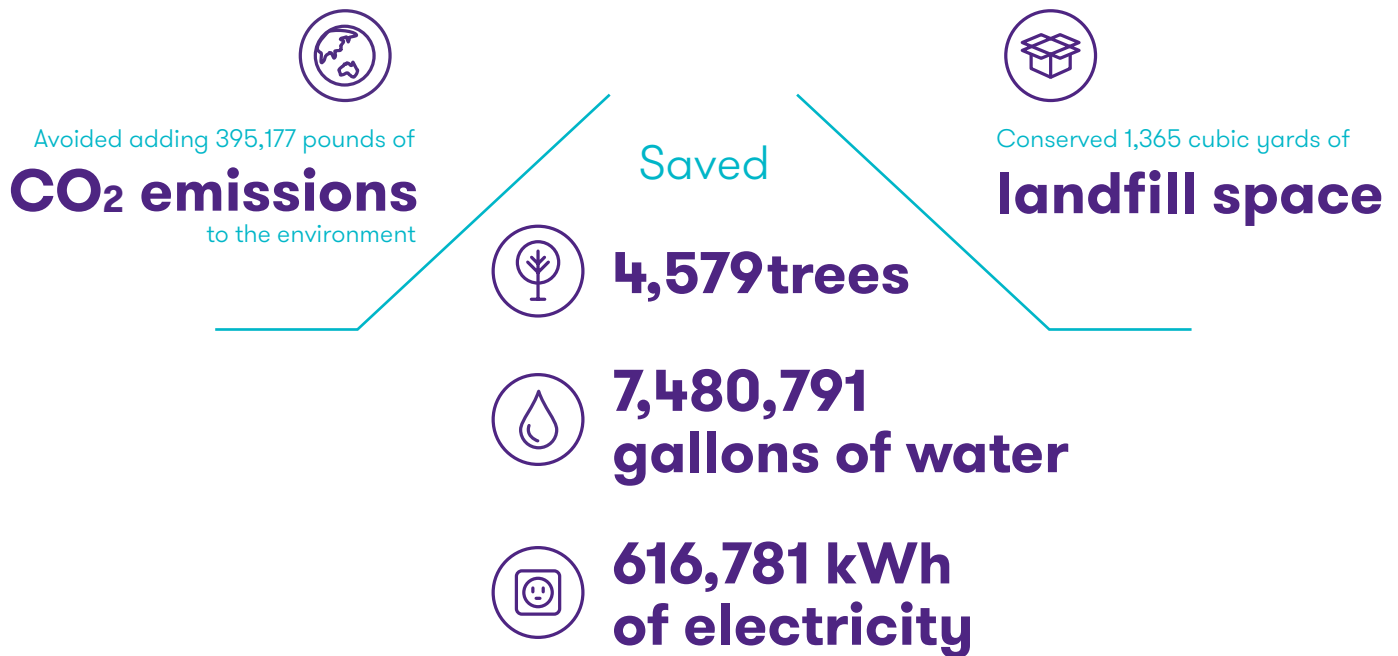
Environmental impact

Grant Thornton has always had, and continues to have today, a pragmatic commitment to considering the environment and acting responsibly. In practical terms, that commitment includes driving environmentally friendly behavior in our offices, encouraging office and individual volunteer participation in environmental causes and activities, and observing environmentally friendly best practices in our operations.



Environmental impact

Grant Thornton securely shreds and recycles paper across all of its 57 offices, resulting in substantial reductions in our carbon footprint and landfill usage, and saving trees, energy and water. During FY 2019, the firm recycled 273 tons of paper and realized the following reductions and savings.¹



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





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About Grant Thornton LLP

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