Grant Thornton

Beyond good business

Grant Thornton 2023 ESG Report

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A message from the CEO

To our Grant Thornton community,

At Grant Thornton, the purpose of our firm is to make business more personal and to build trust into every result. We make business more personal by listening and responding to the needs and priorities of people — our clients, our teammates and all those we serve across our communities. And we build trust into every result by reporting on our work with transparency and accountability. That's just good business. We believe setting and reporting on our environmental, social and governance (ESG) initiatives and goals is an opportunity to use our position and resources to not just do good business — but to go beyond it.

Over the past few years, the public discussion about ESG and diversity, equity and inclusion (DE&I) has intensified, with some calling into question the value of this work. For the record, our view has not changed. DE&I is core to who we are as a firm, and our efforts to create, assess and track toward our DE&I aspirations are just as imperative as our ESG and climate initiatives. Together, our commitments across these areas help us go beyond expectations and beyond the traditional definition of a good business. As I wrote last year, we continue to believe that the best businesses are those that provide quality and value to their clients; develop and care for their people; protect their natural environment; and do business the right way, with the right values.

We're once again pleased to share information about our aspirations, progress and key initiatives in this year's report. There are three areas in particular on which I'd like to comment.

DE&I

Our experience confirms that teams perform better and produce higher quality work when they include diversity of thought, background and perspective. This experience aligns perfectly with our core values — including respect — which support the inclusive and equitable culture we've built for all of our teammates. For these reasons, DE&I remains central to our ESG efforts and we're taking concrete steps to accelerate our progress.

We're broadening internal training and digital badging programs to focus on belonging and allyship, expanding our Unconscious Bias workshops, and continuing to enhance equitable policies and practices that benefit all teammates. We are further widening our recruiting focus to include more Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs). We've continued our work with the Center for Audit Quality's Accounting+ initiative and strengthened our partnerships with key organizations to advance equity and to connect with historically underrepresented populations in our profession. Additionally, we renewed our pledge of financial support to the Thurgood Marshall College Fund (TMCF). These efforts are all part of our firm's work to build a more diverse pipeline of talent for the future.

For more on our DE&I efforts, see page 24.

Developing and caring for our people

By increasing investments in our teammates' development and well-being, we also increase their ability to build trust — and quality — into every result for our clients. We're honored when outside organizations recognize our efforts to develop and care for our people. One accolade I'm especially pleased to note is that the Brandon Hall Group, a human capital management (HCM) research and advisory firm, honored our firm with two awards in 2023 — a gold award in the "Best Program for Upskilling Employees" category and a silver award in the "Best Use of Blended Learning Program" category — as part of the company's HCM Excellence Awards, which are known as the "Academy Awards of Human Capital Management."

For more on our colleague development and well-being efforts, see pages 33 and 36.

Taking care of our natural environment

Caring for the natural environment on which we all depend is everyone's business — and is clearly connected to our core value of responsibility. Through our ESG audit, tax and advisory services, we help our clients understand how the changing ESG landscape affects them. Together we have seen that an increased focus on sustainability and the related key performance indicators is not only good for the planet, but can lead to improved collaboration and greater opportunities for success.

As a firm, we also recognize our role in caring for the environment. In 2021, we signed on to the Science Based Targets initiative (SBTi) and committed to preparing our greenhouse gas (GHG) emission reduction targets for review by the end of calendar year 2023. We submitted our targets for validation this year and developed a roadmap to help us turn those goals into reality, achieving one of our firm's major sustainability objectives. We have set goals to achieve a 55% reduction in our absolute GHG emissions by 2030 and achieve net-zero emissions by 2050.

For more on our environmental efforts, see page 16.

In 2024, Grant Thornton will celebrate its 100th anniversary. That represents 100 years of helping our clients navigate complex challenges in an ever-changing world. We are continuing and accelerating this work by developing and caring for people and communities; protecting our natural environment; providing personalized, high-quality services and outcomes to all our clients; and acting with integrity in every facet of our business. Our goal is that through these efforts, our commitment to going beyond good business will ensure all of us are ready to succeed for the next 100 years.

Seth

Seth Siegel
CEO, Grant Thornton LLP

About this report

Grant Thornton LLP (Grant Thornton), the U.S. member firm of Grant Thornton International Ltd, (GTIL), reports annually on its ESG performance. This is the second year Grant Thornton is combining its formerly standalone DE&I and Sustainability reports into one, as well as including information related to our U.S. and India (INDUS) operations and colleagues. By combining our reports and including information on our INDUS operations, we continue our commitment to transparency, providing a more complete picture of our ESG progress.

Our 2023 ESG Report, published in December 2023, includes updates on our progress since our 2022 ESG Report. Data provided represents our progress and performance for fiscal year 2023, from August 1, 2022, through July 31, 2023, unless otherwise stated. This report also includes information about the firm's Public Sector Advisory practice, which was divested in October 2022. The divestiture impacted metrics in our environmental and social areas.

We've prepared this report with reference to the Global Reporting Initiative (GRI) Standards (including the revised GRI Universal Standards 2021) and the Sustainability Accounting Standards Board (SASB) Standards for the professional and commercial services industry; the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD); and the United Nations Sustainable Development Goals (U.N. SDGs). GRI, SASB and TCFD indexes are available in this report.

As a private limited liability partnership, Grant Thornton does not publicly disclose its financial statements; therefore, the scope of this report is limited to ESG performance. This report applies only to Grant Thornton, including its operations in the U.S. and India and does not include any other entities. The report refers to both the U.S. and India operations throughout the narrative but data for India operations is only included in metrics where explicitly stated.

We take responsibility for the completeness, accuracy and validity of the metrics contained in this report and for the conformity of the metrics with our reporting criteria. We obtained limited assurance from a third party for our calendar year 2019 and calendar year 2022 GHG emissions data. No external assurance has been obtained for other metrics presented in this report.

Please reach out to sustainability@us.gt.com with any questions on the content of our 2023 ESG Report and appendix.

Our fiscal year 2023 highlights

Contributing to a better planet

- Submitted our emissions reduction targets to the SBTi for validation
- Obtained limited assurance of our GHG emissions inventories for calendar years 2019 and 2022
- Awarded Gold Medal rating from EcoVadis for the second year in a row
- Established 10 Local Green Teams in offices across the U.S.

Doing business responsibly

- 9.3 (out of 10) achieved in our client satisfaction score
- More than 97% of colleagues completed mandatory trainings

Our people and our communities

DE&I

- Met our aspiration of having 40% of our partners, principals and managing directors be women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses by the end of fiscal year 2025
- Met our aspiration of having 50% of our hot-skills training opportunities include participants who are women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses by the end of fiscal year 2025
- Recorded more than 19,000 hours of colleague participation in business resource group (BRG) activities, community service and/or volunteer engagements

Learning and development

- More than 50 hours of learning completed, on average, per professional
- Colleagues furthered their learning and professional development through our digital badge program. More than 6,150 digital badges were awarded in fiscal year 2023

Awards

- Named to the 2023 "Best Places to Work for Disability Inclusion" for the fourth year in a row, receiving a top score of 100%, by Disability Equality Index®
- Named one of Seramount's 2023 "100 Best Companies" for the 18th year in a row
- Earned 100% on the Human Rights Campaign Foundation's Corporate Equality Index for the sixth year in a row
- Awarded Brandon Hall Group Gold in the "Best Program for Upskilling Employees" category for digital badging and Career Compass
- Awarded Brandon Hall Group Silver in the "Best Blended Learning Program" category for the Manager Development Program

About Grant Thornton

Grant Thornton is the U.S. member firm of GTIL, one of the world's leading organizations of independent audit and assurance, tax and advisory services. As a community of more than 9,000 problem solvers across more than 40 offices nationwide, we help public and private organizations of all sizes and industries. With fiscal year 2023 revenues of $2.36 billion, Grant Thornton is the largest member firm in the GTIL network. In 2024, Grant Thornton will celebrate its 100th anniversary.

At Grant Thornton, every professional plays a pivotal role in the firm's success, and how we work matters as much as what we do. We're collaborators who understand the value of strong relationships. By pursuing a strategy of high-value service tailored to our clients' unique needs, we have seen our firm's growth steadily accelerate in recent years.

Our clients include dynamic publicly and privately held companies, financial institutions and not-for-profit organizations. The core industries we serve include asset management, technology, media and telecommunications, healthcare, private equity, manufacturing and distribution, energy, hospitality, construction and real estate, insurance, life sciences, retail, not-for-profit and services.

Headquarters

Chicago, IL

Our firm at a glance*

595
partners/principals

6,747
U.S.-based employees

2,014
employees based in India

$2.36 billion
in annual revenue

47
offices (including two in India)

* The information presented here is as of July 31, 2023 (our fiscal year-end). Interns are excluded from the headcounts noted above.

Our commitment to culture

We are a community that is defined by the values that unite us and reflect our commitment to culture. Individually and as a team, we uphold our CLEARR values and are intentional about how we collaborate, lead, demonstrate excellence, practice agility, show respect and take responsibility.

Our CLEARR values are strengthened through the resources, benefits and opportunities we offer our colleagues — from our DE&I initiatives and BRGs, to our hybrid work model, comprehensive benefits and well-being support and community involvement. We're committed to creating an environment where everyone is welcomed, supported and empowered to go beyond expectations for our clients, communities and each other.

Collaboration
Work together,
act as one

Excellence
Deliver quality,
pursue greatness

Respect
Care deeply,
listen intently

CLEARR

Leadership
Build trust,
make a difference

Agility
See with clarity,
act with purpose

Responsibility
Own your action,
be aware of your impact

Listening to our colleagues to strengthen our culture

A core commitment of our firm's culture is to ensure that all voices at our firm are heard. That's why our colleagues have the opportunity to regularly provide open and honest feedback. To help us understand what matters most, everyone is invited to share their experiences through our annual GTShape Engagement Survey, semi-annual GTPulse Surveys and other locally hosted listening activities. By participating in these surveys, our colleagues help contribute to our firm's culture and shape our firm's people-focused strategies and initiatives by identifying priorities they want to see strengthened.

Seventy percent of our colleagues took the fiscal year 2023 GTShape Engagement Survey, conducted in late 2022, and we saw favorable feedback in a number of areas:

89% of respondents said people at the firm treat each other respectfully

85% feel accepted by the people they work with

81% are proud to work at the firm

81% believe we provide opportunities to learn new skills that will help them succeed

76% feel like they belong at Grant Thornton

In early 2023, we continued to deepen our understanding of what matters to our people across locations, diverse backgrounds and industries. Six themes continually surfaced:

- **Trusted relationships:** Honest and open lines of feedback
- **Care and support:** Caring about people holistically
- **Appreciation:** Valuing people's contributions and capabilities
- **Meaningful growth opportunities:** Developing new skills, contributing to meaningful work, feeling challenged and giving others room to grow
- **Purposeful impact:** Experiencing the difference we make
- **Future success:** Finding personal and team success by furthering innovation and building winning teams

In May 2023, we invited our colleagues to validate these areas of importance. More than 90% of those who responded agreed the areas above matter most to their experience at Grant Thornton. In September 2023, we examined where our greatest strengths lie and where we have opportunities to strengthen our colleagues' experience. Our greatest strength remains the trusted relationships we cultivate — 76% of our teammates agreed we're strong in this area.

To support these national areas of focus, our local market leaders and teams are empowered to activate viable change for our local offices. This is being done through local office advisory councils, comprised of colleagues, selected by market leaders, who represent all levels and service lines and who work with peer groups to devise meaningful action plans.

As a result of our commitment to designing meaningful programs and experiences for our colleagues nationally and locally, our employee net promoter scores (eNPS) — a measure that asks colleagues to rate the likelihood that they would recommend our firm — have remained at high levels. We not only want people to choose to work at Grant Thornton and to stay, we also want them to love it here. To do that requires listening, learning and activating in ways that fully demonstrate our CLEARR values.

"Advisory councils help us, as office leaders, make the experience for our people — and therefore our clients — even better. Advisory councils provide valuable insights that we may not otherwise receive and empower these future leaders to be solution seekers."

John Barnes, Partner, Advisory Services

Advancing ESG at our firm

We know ESG excellence is a business imperative. But we're committed to setting goals, developing initiatives and reporting on progress in ways that take us beyond good business. In fact, ESG is at the heart of our strategy to lower risk, drive new growth opportunities and help create healthier futures for all of us. We believe we have an obligation to our stakeholders, including our clients, colleagues and communities, to be an engaged corporate citizen and to do our part to build a better future for all.

Our obligation as an engaged corporate citizen requires effective communication to all our stakeholders — to hold ourselves accountable for our actions and clarify the need for future improvements. To be fully transparent about our ESG initiatives, we regularly report on our commitments and provide updates on our progress through our annual ESG Report, CDP Supply Chain program response (formerly the Carbon Disclosure Project) and EcoVadis assessment.

We understand that the interests of our stakeholders propel us to be a high-quality organization that creates value in the broadest sense, beyond revenues and profit. Through our extensive ESG initiatives, we strive to create value and have a positive impact on all our stakeholders and our planet.

Our ESG governance

Our ESG management and governance practices provide the accountability and support necessary for the successful execution of our ESG strategy. Leading this effort is the National Leadership Team (NLT), comprised of members of our Senior Leadership Team (SLT) and Executive Leadership Team (ELT), all appointed by our CEO.

Specifically, the firm's chief risk and compliance officer (CRCO) and national managing principal for culture, immersion and inclusion are members of the NLT. These leaders are responsible for setting and guiding our business strategy, plans and performance objectives related to sustainability and DE&I, respectively, and ensuring these ESG issues are fully integrated and addressed in our operating plans.

Firm governance is the responsibility of the Grant Thornton Partnership Board, consisting of elected members and the CEO, who is appointed by the Partnership Board and ratified by the firm's partners and principals. The Partnership Board approves the firm's direction, formulates governance policies and reviews and oversees the firm's actions, business plans and budgets. This oversight includes receiving reports on the ESG program at least annually, including segments on initiatives related to sustainability and our climate goals; DE&I; colleague engagement and well-being; cybersecurity; and privacy. The Partnership Board also oversees the firm's progress and approves relevant strategies and plans on DE&I aspirations and climate-related goals.

In 2023, the NLT and Partnership Board were involved in the approval of the updated science-based targets to reduce Grant Thornton's GHG emissions.

Awarded Gold Medal rating from EcoVadis for the second year in a row

"Through our ESG strategy, we have the framework and tools to go beyond good business — to do our share for the good of society and the environment — for a future that's inclusive, equitable and sustainable and with the means and determination to do our part in addressing the climate crisis. That's the essence of ESG."

Jim Peko, Chief Operating Officer

Kelli Knoble elected Partnership Board Chair

This year, the Grant Thornton Partnership Board elected Kelli Knoble to chair of the board, the first woman in the firm's history to be appointed to this role. Kelli joined Grant Thornton in 2002, was admitted as a partner in 2007, has served on the board since 2021 and is a member of the board's CEO Succession, Governance, Finance and IT subcommittees. Kelli is based in the firm's Charlotte office.

This election to the top of our board represents a significant advancement in the firm's ongoing efforts to achieve greater diversity at the highest levels, which we believe will spur even greater opportunities for women and our firm.

Our ESG strategy and commitments

The following strategic principles frame and guide our overall ESG actions and priorities, all with the intent to go beyond expectations for the people we serve and support:

- Engaging directly with our stakeholders to make sure we address the most significant issues in our business
- Building mutual trust and a sense of shared responsibility with our clients and colleagues
- Maximizing the efficient use of resources in fundamental areas of our business, while mitigating negative impacts
- Playing a substantive role in advancing DE&I and sustainability in partnership with our communities
- Being a high-performing employer for diverse, talented professionals in our field

Over the past few years, we've introduced annual, short-term and long-term goals and aspirations designed to advance our progress in key ESG areas, including DE&I and sustainability. Each year, we strive to report additional metrics and hold ourselves accountable against our priorities and actions.

Our environmental goals

Our goals	Target date
Report our GHG emissions data through the CDP Supply Chain program	Annually
Submit our near-term and net-zero GHG emissions targets for validation by the SBTi	By the end of calendar year 2023
Reduce our absolute GHG emissions by 55% from our 2019 baseline	By 2030
Achieve net-zero GHG emissions across Scopes 1, 2 and 3 from our 2019 baseline	By 2050

For details on our progress, see "Our actions to better our planet," page 17.

Our colleague goals

Our goals	Target date
Achieve 100% personnel training on applicable ethics and compliance topics	Annually
Educate Grant Thornton colleagues on environmental and sustainability topics, including climate change and the firm's goals	Revised target date: end of calendar year 2024

For details on our progress, see "Maintaining the highest standard of ethical conduct," page 43 and "Equipping our people with foundational knowledge," page 21.

Our DE&I aspirations

Our aspirations		Target date
30%	of our new hires will be Black and African American or Hispanic and Latinx (also recognizing opportunities for increased hiring of Pan-Asians, Native Americans, Hawaiians and Pacific Islanders)	By the end of fiscal year 2025
35%	of our NLT and market-focused leaders will be women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses	
40%	of our partners, principals and managing directors will be women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses	
50%	of our hot-skills training opportunities (including firm-sponsored certifications, advanced technology skills and leader-sponsored training and development initiatives) will include women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses	
50%	increase in our representation of veterans, military spouses and individuals with disabilities across the firm, from fiscal year 2020	

For details on our progress, see "Our commitment to diversity, equity and inclusion," page 24.

Aspirations are not intended to be quotas, targets or limitations; they are ideals that Grant Thornton hopes materialize as a result of our efforts to attract diverse talent. Grant Thornton will always operate in accordance with its Equal Employment Opportunity policy to make all personnel decisions without regard to an individual's color, race, religion, national origin, age, sex, sexual orientation, gender identity, disability or any other characteristic protected by law.

Contributing to the United Nations Sustainable Development Goals

The U.N. SDGs are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere.

To support and help advance these critical goals, we have identified seven SDGs that are most relevant to and aligned with our own ESG goals. They include:

Our actions to advance these U.N. SDGs are referenced in the following pages.

Our approach to materiality

In 2023, we conducted a limited materiality assessment aligned with the methodology from the revised GRI Standards, following the full third-party materiality assessment that we commissioned in 2021.

The overall objectives of the assessment were to reengage our stakeholders, keep our finger on the pulse of important topics and confirm that our areas of focus are aligned with stakeholder views. Internal and external stakeholders who participated in the assessment included our colleagues, clients, select suppliers, partners and leadership members of our firm and GTIL.

Our survey participants were asked to rank the importance of each ESG issue and then select the top five in each category that they believed Grant Thornton should focus on, as they relate to the firm's success (business leaders), as a service provider (clients), as a customer (suppliers) and as a responsible employer (colleagues). Our leaders were also asked to rate the overall risk and opportunity presented by each topic.

The process included:

- Conducting desk research: evaluating industry peers, standards and guidelines
- Developing a categorized list of ESG issues to rank
- Conducting surveys with internal and external stakeholders to understand their views on the issues
- Conducting an internal assessment of the positive and negative and actual and potential impacts of each material topic on the environment, society, economy and human rights
- Analyzing all results to determine the priority topics — including calculating weighted averages per material topic, based on stakeholder views and impact scores
- Determining the implications for the report and future strategy
- Validating findings and insights

As ranked by our stakeholders, top issues included talent attraction, retention and development; ethics and integrity; data privacy and cybersecurity; employee health and well-being; technology and innovation; DE&I; and community involvement. While environmental issues did not score as high as the social and governance issues in our stakeholder engagement surveys, climate change and the environment are key issues for the firm, as well as among our key clients. The impacts of climate change are significant and to achieve our goals, it is essential that we continue to focus on these issues and make progress every year.

The highest-ranked topics in the materiality assessment addressed in this report include:

Environmental	Social	Governance
Climate change and GHG emissions	Community involvement	Data privacy and cybersecurity
Waste and recycling	DE&I	Ethics and integrity
	Employee health and well-being	Technology and innovation
	Talent attraction, retention and development	

For a full list of the material topics included in our assessment and their definitions, see "Definitions of material topics" on page 49 of the appendix.

Engaging our stakeholders

We take pride in building strong and lasting relationships with our stakeholders, as these relationships inform our ESG strategies, initiatives and reporting measures.

Grant Thornton partners, principals and leadership teams
Our partners, principals and leadership teams are enlisted to help set the firm's strategies, implement initiatives and provide feedback to support progress in multiple areas of ESG.

Grant Thornton colleagues
Our colleagues provide input on our ESG efforts in a variety of ways, including periodic surveys. Annually, colleagues share their thoughts through our GTShape Engagement and Pulse Surveys and through our Colleague Sustainability Survey. We also conduct periodic focus groups to collect feedback on particular firm initiatives.

Colleagues are informed about our ESG progress through internal communications, all-hands calls and through our reporting channels, including our annual ESG Report. Additionally, our recruiting teams engage regularly with recruits, including interns, new college graduates and experienced hires to understand their feedback and concerns.

GTIL and other member firms
As a member firm of GTIL, our firm's colleagues communicate regularly with GTIL and leaders of the other member firms to discuss important matters. ESG subject matter experts regularly connect to discuss matters important to the firms and the network. Our CRCO, who leads the firm's sustainability program, also serves as a member of GTIL's internal sustainability working group which was formed to advance the network's ESG efforts.

Grant Thornton clients
We interact frequently with our clients through our engagements and solicit feedback through follow-up surveys about Grant Thornton's service. We evaluate client requests for proposals and other outreach to identify trends on issues most important to them. Our firm regularly conducts surveys and research with business and industry leaders to understand trends and uncover relevant insights, which we share through webcasts and published articles.

Our communities
Colleagues across our 40-plus offices represent Grant Thornton in their communities. They stay involved in community organizations, volunteer their time and give back in a variety of ways. By engaging our colleagues, we are able to learn about unique challenges facing our communities and respond by donating funds, engaging in hands-on and skills-based volunteering and using our platform to raise awareness about relevant issues. Through our national Purple Paladin program, moreover, we leverage our resources to support emerging nonprofit organizations.

Our suppliers
We engage our suppliers and manage supplier relationships through our procurement team. Through these relationships and supplier engagement opportunities, we gain insights into current issues.

Regulators, governments, ESG standard setters, professional bodies and trade associations
All of the following groups help inform and shape our reporting practices and how we address ESG issues internally: external groups, including regulators and governmental agencies; ESG standard setters like the GRI, the International Sustainability Standards Board (ISSB) and the TCFD; professional bodies; accounting industry organizations, including the American Institute of Certified Public Accountants (AICPA); the Center for Audit Quality (CAQ); professional coalitions like the Glasgow Financial Alliance for Net Zero (GFANZ); and others.

Supporting our clients with ESG services

Many of our clients today are seeking a deeper understanding of how ESG fits into their business strategy, risk assessments and required reporting. Our customized ESG services — managed by a team of ESG and industry experts — support organizations as they determine their response to increasing demands for sustainability information and, as a result, establish their own ESG commitments and plans.

In addition to being asked to play a pivotal role in tackling climate change, companies must also respond to and comply with evolving climate regulations, international sustainability standards and corporate sustainability reporting requirements. While most of our engagements focus initially on disclosure requirements and sustainability reporting, the dialogue around the reporting process — for regulators and stakeholders — is bringing the topic of ESG front and center for more companies. This is driving our clients to think more deeply about ESG topics beyond their GHG footprint and to consider how ESG may impact their brand, market positioning and overall value.

As Grant Thornton approaches its 100th anniversary as an authoritative resource for navigating complex regulatory reporting and other stakeholder requirements, the proliferation of ESG has become another significant aspect of the work we do on behalf of clients. And rather than address clients' ESG needs separately, we have worked with our audit and assurance, tax and advisory service lines to integrate ESG directly into existing engagements — providing ESG knowledge and hands-on experience to an increasing number of people at our firm and improving our overall capabilities.

Client spotlight: ESG support for a global healthcare company

A publicly-traded, global healthcare company with multibillion-dollar revenue was facing pressure from key investors to align its reporting with recommendations from the TCFD. Investors also wanted to strengthen the company's ESG credentials by demonstrating its commitment to all components of the TCFD framework in future reports.

Grant Thornton conducted an in-depth review of the company's latest corporate responsibility report, assessed public views of key investors on disclosure expectations, and analyzed its CDP report to assess current reporting against TCFD guidelines and best practices. We also worked with the client's key stakeholders in three countries to score material ESG topics in their global operations.

As a result, we were able to assess and recommend how the company could address gaps, providing a roadmap and clear, actionable steps to achieve its objectives.

"We have seen a real shift in attention among companies of all types to report sustainability information. While many of these reporting actions are driven initially by a contractual or regulatory requirement, we find that the process to gather key data and metrics helps to better promote businesses' successes externally and enhance collaboration and communication internally. We have also seen that sustainability data provides a roadmap for companies to make meaningful progress on existing key business initiatives unrelated to sustainability measurements."

Jim Burton, Partner, ESG & Sustainability Services

Contributing to a better planet

Supporting U.N. SDGs:

The impacts of climate change are everywhere — from severe storms and flooding, to unprecedented heatwaves, to long droughts. We see and read about these stories almost every day in the media. Such devastation is disrupting livelihoods and economies.

These risks underscore the urgent need for the business community, governments and citizen groups to work together to accelerate the decarbonization of our economies if we are to avoid the worst impacts of climate change.

Our stakeholders understand that our business is linked to the environment we live in and the global community in which we operate. Effective environmental stewardship is not only sensible for our business but also necessary for our world. We are judged today by how we act in our complex world and how we invest in the future.

Our actions to better our planet

Climate action is vital for the planet — and we recognize our role in protecting it. That is why we pursue our climate goals as a strategic priority. As a professional services firm focused on reducing our GHG emissions, we understand it's important to verify what we're doing so we can hold ourselves accountable and continue to learn and build confidence in our approach to achieving meaningful reductions.

In line with this ambition, in 2021, Grant Thornton set a near-term goal to reduce our absolute GHG emissions 55% by 2030 (from our 2019 baseline) and long-term, to achieve net-zero GHG emissions by 2030. To ensure our goals are in line with what the latest climate science has deemed necessary to address climate change, we signed on to the SBTi and committed to submitting our goals for validation by the end of calendar year 2023.

Throughout 2022, in preparation for our submission to the SBTi, we refined our goals to bring them into alignment with the SBTi's Net-Zero Standard, which will require us to reduce our absolute emissions by 90%. High-quality carbon removals can be used to neutralize the remaining 10% of emissions.

Our goals were submitted to the SBTi for review and validation in early 2023. As part of our near-term commitment to reduce our absolute GHG emissions 55% by 2030 from our 2019 baseline, we will work to reduce our absolute Scope 1 and 2 GHG emissions by 90% and reduce our Scope 3 GHG emissions by more than 50% from 2019 levels.

To meet the requirements of the Net-Zero Standard, we extended our timeline to achieve our long-term net-zero goal to 2050. Our net-zero commitment will require us to maintain at least a 90% reduction in our absolute Scope 1 and 2 GHG emissions from 2030 to 2050, as well as reduce our absolute Scope 3 emissions 90% by 2050, from our 2019 baseline.

On many fronts, we are working to minimize the firm's impact on the environment and make positive contributions to our communities and the planet. We do this by:

- Setting clear targets, including our emissions reduction goals
- Adhering to, updating and establishing new policies and procedures to ensure we progress toward our goals
- Creating practical plans to achieve real results, including implementing new strategies to reduce our environmental impacts
- Educating and engaging our colleagues so they understand how to support our efforts

Our goals	Fiscal year 2023 progress	Target date
Report our GHG emissions data through the CDP Supply Chain program	Completed	Annually
Submit our near-term and net-zero GHG emissions targets for validation by the SBTi	Completed submission; review by SBTi in process	By the end of calendar year 2023
Reduce our absolute GHG emissions by 55% from our 2019 baseline	68% progress towards goal	By 2030
Achieve net-zero GHG emissions across Scopes 1, 2 and 3 from our 2019 baseline	42% progress towards goal	By 2050
Educate Grant Thornton colleagues on environmental and sustainability topics, including climate change and the firm's goals	Firmwide training covering climate change and the firm's goals to be launched in the spring of 2024	Revised target date: end of calendar year 2024

Our Environmental Policy Statement

Our Environmental Policy Statement outlines our Environmental Management Program, which helps to guide our strategies, actions and decisions for reducing our GHG emissions and promoting environmentally responsible business practices. The four pillars of our program include:

- **Governance:** Establishing and maintaining environmental governance and accountability procedures and integrating these with other firm governance functions
- **Responsible business practices:** Integrating environmentally responsible strategies and considerations into policies and procedures
- **Environmental impact reduction:** Reducing the firm's impact on the environment through the development and deployment of initiatives that reduce emissions from our business operations
- **Environmental awareness and engagement:** Engaging with stakeholders, including our colleagues, clients and others, to promote environmental awareness and stewardship; supporting clients with their own environmental goals; and supporting our colleague-led sustainability efforts at Grant Thornton, including the National Green Advisory Council (NGAC) and Local Green Teams

"We want to take clear action and be part of the global effort to limit the planet's temperature rise. By submitting our GHG reduction goals for validation by the SBTi and implementing strategies to reduce our emissions, we are demonstrating that sustainability is a business priority — but there is much more work to be done."

Beatrix Bernauer, Chief Risk & Compliance Officer

Our emissions reduction progress and ongoing initiatives

Reducing GHG emissions is a global imperative that every organization must be committed to achieving. Grant Thornton takes this responsibility seriously.

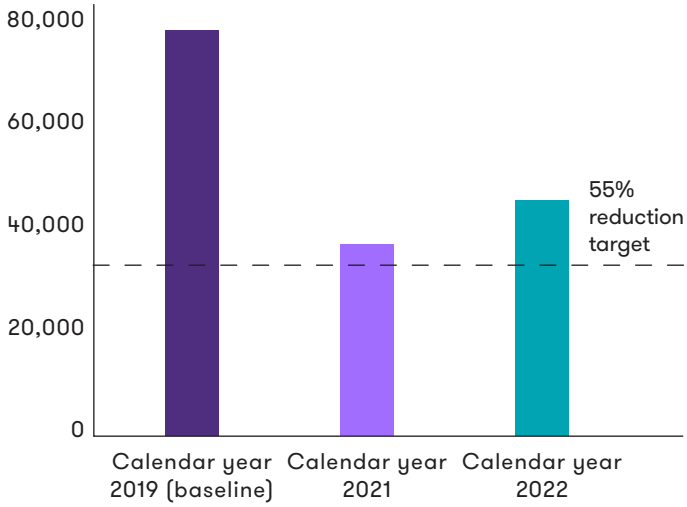
In calendar year 2022, our GHG emissions were 37% lower than in 2019. This was primarily achieved by maintaining reductions stemming from the COVID-19 pandemic in our business travel, purchased goods and services and colleague commuting categories, among other emissions categories.

Approximately 13% of our annual GHG emissions footprint is generated from our Scope 1 and 2 emissions, which stem from our office operations. The use of natural gas and refrigerants contributes to our Scope 1 emissions, while the use of steam and electricity contributes to our Scope 2 emissions. From 2019 to 2022, we realized a reduction of more than 32% in our combined Scope 1 and 2 emissions, driven in part by the optimization of our office square footage.

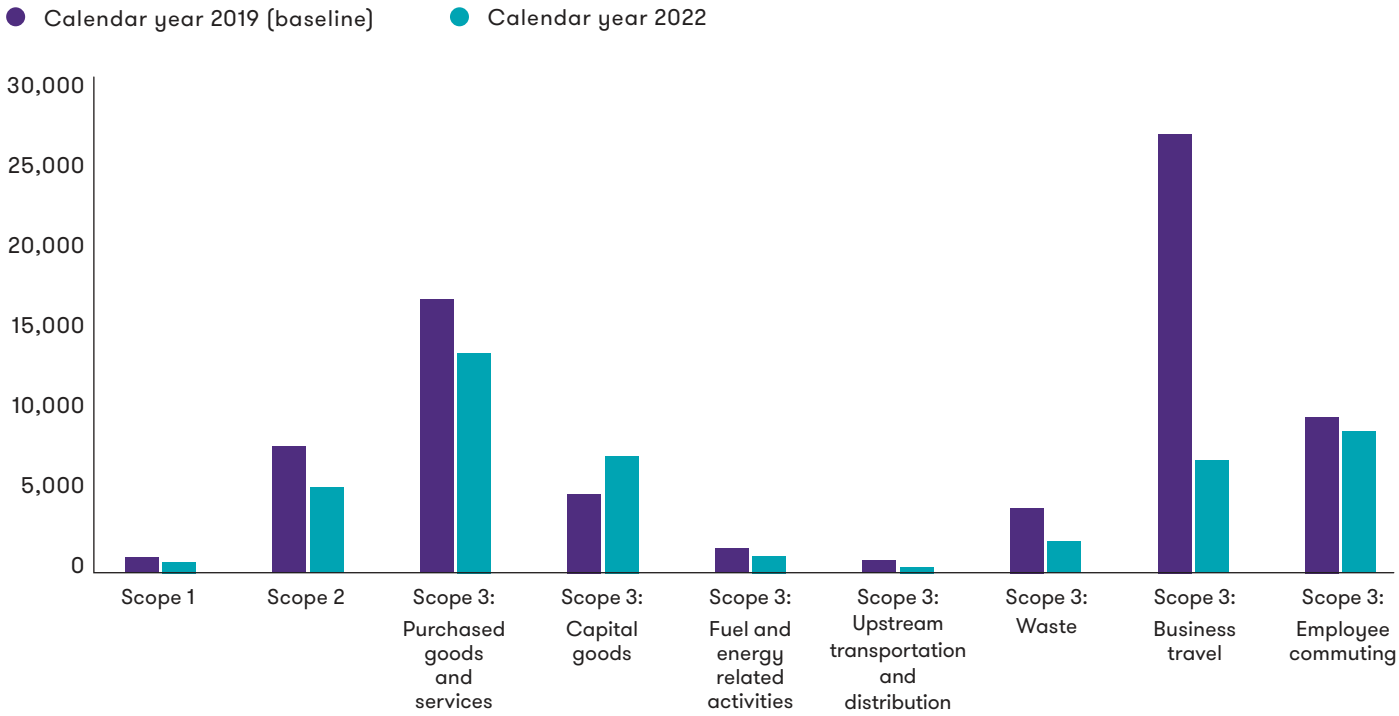
Indirect Scope 3 emissions, our largest source of emissions, represent around 87% of our annual emissions footprint, with purchased goods and services and business travel contributing to over 51% of our Scope 3 emissions.

The remaining emissions are generated by colleague commuting, waste, fuel and energy-related activities, the purchase of capital goods and upstream transportation and distribution. In 2022, our Scope 3 emissions were 38% less than in 2019.

Total GHG emissions by year in $MTCO_2e$



GHG emissions by year in $MTCO_2e$



While we are making good progress, there is more we can do to contribute to the global effort to reduce rising temperatures around the world. We have been developing operational processes to help us achieve the GHG reductions needed to meet our climate goals, including:

- **Maintaining reduced business travel:** We revised our travel policy in 2022 to encourage colleagues to be stewards of our GHG reduction commitments and actively participate in helping to lower our emissions by managing their travel responsibly and with an appreciation for the adverse environmental impacts of unnecessary travel.

  While our travel has increased since the pandemic — but is still below our pre-pandemic levels — we will continue to educate and encourage colleagues to collaborate virtually whenever possible and, when travel is required, to make environmentally conscious travel decisions — including choosing to travel by rail instead of by plane, carpooling and using public transit when feasible.
- **Reducing our square footage:** As a firm, we've continued to reduce our energy consumption and GHG emissions by reducing our office footprint and continuing to support our hybrid work model. From the beginning of calendar year 2019 through 2022, we've reduced our office square footage by more than 430,000 square feet and our associated energy use by more than 33%.
- **Prioritizing sustainability in our offices:** Beginning in 2022, our Sustainability and Real Estate teams have worked together to establish a site selection policy for future office space that includes criteria to prioritize high-performing buildings and integrate sustainability criteria into our build-out, renovation and daily operations processes.

To further reduce our emissions, we will also begin implementing additional strategies throughout fiscal year 2024 and beyond, including:

- Adding criteria to our site selection policy for future office spaces to prioritize all-electric buildings using low-carbon refrigerants, to help reduce our Scope 1 emissions
- Procuring renewable electricity to reduce our Scope 2 emissions
- Working with suppliers to better understand the GHG emissions and environmental impacts associated with our purchased goods and services and minimizing those over time

Reporting on our emissions

Accurately assessing our GHG emissions and reporting the data to authoritative organizations, as we do annually through the CDP Supply Chain program, demonstrates our commitment and transparency on this critical climate-related topic. In doing so, we have significantly improved our data collection and reporting capabilities to support our goals and strategies.

In 2023, we more formally evaluated all emissions categories to determine materiality and reported on our most complete emissions datasets to date. These datasets included new emissions inputs from Scope 1 refrigerants, Scope 2 district heating and indirect emissions from additional Scope 3 categories, including Capital Goods, Upstream Transportation & Distribution and Waste.

As part of this reporting process, we also share emissions data with clients who request it, including the allocation of value chain emissions (based on hours worked) — information our clients need for their own climate reporting.

Obtaining limited assurance

Most companies that engage an assurance provider to review their ESG data seek limited assurance, which is the most common level of assurance for ESG data and reporting.

In 2023, Grant Thornton obtained limited assurance over our GHG inventories for the first time. Scope 1, Scope 2 and Scope 3 categories 1 - 7 emissions data for our calendar year 2019 baseline and calendar year 2022 were reviewed by an external Certified Public Accounting firm in accordance with applicable AICPA standards.

While GHG emissions quantification can be subject to inherent measurement uncertainty, pursuing limited assurance over our data has helped us improve our processes to ensure they are repeatable and reliable and has ultimately helped us mature our GHG emissions program.

As part of the limited assurance process, our calendar year 2019 baseline emissions were adjusted. The revised data can be found in the appendix of this report on page 52. The Independent Accountant's Review Report is available to view here.

Equipping our people with foundational knowledge

We all must play a role to ensure the future of our planet. Educating our workforce on the firm's goals and the impacts of our individual choices on our environment is necessary to drive change to meet our climate goals. Accordingly, our firm's Sustainability team has developed, and in early 2024 will launch, a firmwide training on Sustainability and Climate Change, focused on helping colleagues understand the firm's approach to sustainability and ESG, our climate goals and strategies and the role we each play to be responsible stewards of the environment.

Our client-facing ESG team launched a training focused on Scope 1, 2 and 3 GHG emissions to help our client-serving professionals — as well as our clients — build their foundational knowledge on this topic. In addition, the firm's learning platform offers an array of other courses focused on climate, ESG, sustainability and other environmental topics provided by external educational partners.

In 2023, colleagues participated in more than 2,400 hours of training focused on foundational ESG and environmental and sustainability topics, helping us become collectively more knowledgeable and informed on these topics.

Reducing waste and enhancing recycling

We encourage our colleagues to reduce waste in our offices by minimizing the production of waste and enhancing the practice of recycling materials such as paper, aluminum and plastic.

We have a detailed policy on the disposal of electronic waste (e-waste) covering end-of-life servers, network switches, cords, printers, copiers, monitors, personal computers and other PC peripherals. At their end-of-use, these items are evaluated for refurbishment, reuse or resale, or are sent for salvage recycling via material recovery or disposal.

In fiscal year 2023, more than 7,300 pieces, amounting to over 26 tons of e-waste, were recycled through our program. This was a significant increase over 2022, due to the decommissioning of several offices, LCD monitor replacements and a scheduled network router upgrade.

The National Green Advisory Council

The NGAC was formed in August 2021 to collaborate with firm leadership on environmental sustainability efforts, providing support and advice on behalf of our colleagues and communities. Council members serve as environmental knowledge ambassadors and represent each region, service line and level of the firm.

The goals of the NGAC are:

- Create sustainable offices by developing methods to improve environmental sustainability practices, developing sustainability scorecards, measuring progress and helping our offices share best practices
- Educate and encourage our colleagues to act in an environmentally sustainable manner, both at work and at home
- Champion local action through our offices and in partnership with our communities to support sustainability initiatives year-round, culminating in an Earth Day event

This year, to further promote sustainable practices in our offices, our Sustainability team and the NGAC kicked off the Sustainable Offices pilot program, which aims to advance sustainable practices in our offices across the country. Key actions range from procuring products with sustainable attributes and reducing single-use plastics, to educating colleagues on how to properly recycle and making recycling bins more prominent.

Local Green Teams

Throughout fiscal year 2023, the NGAC also supported the formation of 10 Local Green Teams at offices across the U.S. to help spread awareness and engage colleagues in sustainability initiatives that are vital to local communities. Many of the Local Green Teams hosted in-person Earth Day 2023 activities, primarily focused on local park or beach cleanups, while others updated their in-office recycling programs by promoting educational recycling information and increasing awareness of recycling bin locations.

We are grateful that our colleague-led efforts have helped to raise awareness about sustainability at Grant Thornton. With a number of ways for colleagues to become involved and with more people contributing, we expect to make further progress in achieving our environmental goals in our offices and around the firm.

INDUS Corporate Social Responsibility (CSR) Initiative

Our INDUS team commemorated the 50th annual World Environment Day in June with a month-long celebration. Activities included:

Adopting a sustainable lifestyle. INDUS colleagues individually pledged to reduce plastic pollution and adopt a sustainable lifestyle. Colleagues were invited to attend an educational webinar highlighting the importance of transitioning to a plastic-free, sustainable lifestyle, while encouraging employees to take conscious steps to adopt environmentally responsible practices in their own daily lives.

Recycling. An e-waste collection and recycling drive was organized for the month to reduce e-waste's harmful impact on health and the environment. More than 315 pounds of e-waste was collected and recycled.

Reducing and reusing. To conclude the month, our two INDUS office locations made a commitment to eliminate all single-use plastic and paper cups from their operations, beginning August 1, 2023. While on average, 40,000 single-use cups were used and disposed of monthly, INDUS colleagues are now encouraged to bring their own reusable bottles and cups to the office to help reduce this waste.

Our people and our communities

Supporting U.N. SDGs:

As our firm grows, we never lose sight of our commitment to our people and our communities. We offer a continuously growing number of programs to uplift and empower our colleagues, including impactful DE&I initiatives, comprehensive health and well-being benefits and a range of talent attraction, retention and development initiatives. In addition, we seek out innovative ways to support individuals, programs and organizations that are working to create solutions to issues in our communities.

Through these initiatives and many others, we empower individuals within our firm by identifying their unique needs, providing them with the support they need to build a future they feel confident about and supporting causes that make our communities better places to live and work.

Our commitment to diversity, equity and inclusion

A cornerstone of our ESG efforts is our unwavering commitment to advancing DE&I at Grant Thornton. It's a strategic priority that is essential to our business growth, community building and colleague empowerment.

When it comes to our approach to DE&I, we work to go beyond checking boxes — because we believe actively amplifying diverse and underrepresented voices makes us better and creates stronger futures for our people, our clients and our communities. Recognizing and harnessing the power of our diverse backgrounds is a key component of our DE&I strategy, which is unleashed through leadership accountability, training and development, colleague promotions, recruiting, succession planning and more.

In a climate in which some companies have pulled back their DE&I aspirations, resources and commitments, we remain steadfast. In fact, each year, we actively strengthen our DE&I commitments at the firm by investing in impactful programs and initiatives with proven results that drive equitable experiences for all.

What is DE&I?

Here's how we define it:

Diversity
is the whole of who we are — the backgrounds, attributes, beliefs, insights and stories that make us unique individually and as a team.

Equity
speaks to the processes, systems and structures that lead to equality — ensuring everyone has the exposure, access and opportunities needed to thrive.

Inclusion
explores, embraces and celebrates our positive interaction with and impact on one another — allowing each individual to feel they are respected, supported and valued and that they are playing an important part in the broader ecosystem.

Below are our key DE&I aspirations and progress to date.

Our aspirations		Fiscal year 2023 progress*	Target date
30%	of our new hires will be Black and African American or Hispanic and Latinx (also recognizing opportunities for increased hiring of Pan-Asians, Native Americans, Hawaiians and Pacific Islanders)	58% progress towards goal	By the end of fiscal year 2025
35%	of our NLT and market-focused leaders will be women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses	86% progress towards goal	
40%	of our partners, principals and managing directors will be women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses	100% progress towards goal	
50%	of our hot-skills training opportunities (including firm-sponsored certifications, advanced technology skills and leader-sponsored training and development initiatives) will include women, people of color, LGBTQ+, individuals with disabilities, veterans or military spouses	100% progress towards goal	
50%	increase in our representation of veterans, military spouses and individuals with disabilities across the firm, from fiscal year 2020	86% progress towards goal	

*The sale of Grant Thornton's Public Sector Advisory practice impacted our progress, both positively and negatively, for different aspirations.

Our approach to DE&I

Our commitment to creating a diverse, equitable and inclusive environment is core to our firm. When everyone is empowered to contribute and be themselves, we can truly go beyond for our people, our communities and our clients. From the actions of our CEO and senior leaders, to our inclusive benefits and well-being programs, to the engaging programs of our colleague-led BRGs, DE&I is embedded throughout our organization. That's why we continue to set and track toward our DE&I aspirations based on these strategic areas of focus:

- **Culture:** Embedding DE&I within our culture, giving us the ability to harness our diverse backgrounds and unite in achieving the power of inclusion.
- **Leadership accountability:** Measuring our partners and principals on DE&I leadership actions, commitments and results to keep the firm on track.
- **Training and development:** Providing diversity training and learning pathways to strengthen our DE&I culture and expand our understanding of the challenges and solutions.
- **Colleague promotions:** Developing an approach to promotions and professional advancement — without barriers or biases — through which colleagues from all backgrounds can reach their fullest potential.
- **Recruiting:** Expanding our diversity outreach initiatives through college and university recruitment, including our growing relationships with Historically Black Colleges and Universities (HBCUs) and Hispanic Serving Institutions (HSIs).
- **Succession planning:** Supporting a self-nomination process for leadership positions and a wider scope for succession planning to expand the pool of diverse candidates internally, supported by our BRG leaders who help to identify potential new leadership candidates.

These programs and initiatives will continue to be measured for impact and efficiency as we strengthen our accountability within our culture — one that aims to uplift all voices and perspectives.

"We are constantly listening and learning, widening the aperture of our work, while remaining unwavering in our commitment to reimagine the systems and structures that enable a more diverse, equitable and inclusive workplace. Creating stronger futures for our teammates means going beyond inclusion to belonging, which is really the only way people can see themselves reflected in their work and be their best."

Rashada Whitehead, National Managing Principal, Culture, Immersion & Inclusion

DE&I awards

- Disability Equality Index "2023 Best Companies to Work for Disability Inclusion"
- Perfect score on the Human Rights Campaign Corporate Equality Index
- Named one of Seramount's 2023 "100 Best Companies"

Our colleague representation

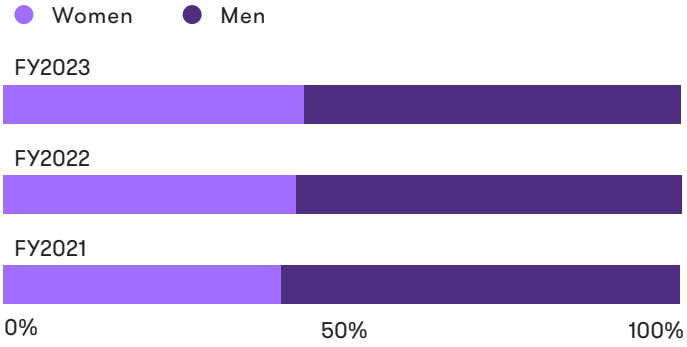
Since we first publicly reported our fiscal year 2020 DE&I data three years ago, we have maintained an overall workforce that is 45% women. We have started to see improvements in the percentage of women in leadership positions, with 27% of partners or principals being women compared to 24% in fiscal year 2020; and 32% of our managing directors being women compared to 29% in fiscal year 2020.

From fiscal year 2022 to fiscal year 2023, the percentage of Hispanic or Latinx professionals and Asian professionals increased, while the percentage of Black professionals decreased. The decrease in Black professionals was primarily driven by the sale of our Public Sector Advisory practice, which prompted a more intentional effort in our recruiting strategies for Black professionals.

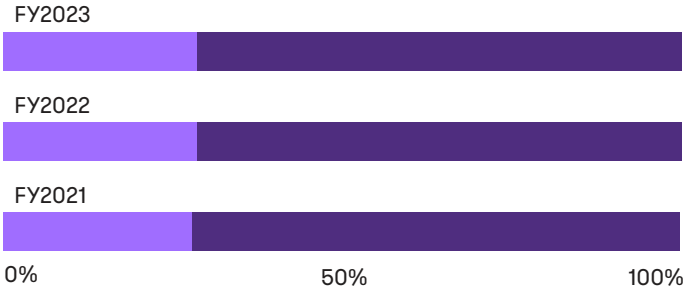
Regarding individuals with disabilities, we have increased the percentage of colleagues that identify every fiscal year since 2020. This is due in part to additional self-identification campaigns and a greater focus on disability hiring. We have also doubled our population of colleagues who identify as LGBTQ+ since we first started to collect this information in fiscal year 2020. Our veteran headcount was greatly impacted by the sale of our Public Sector Advisory practice in October 2022, resulting in a reduction of veterans in our workforce after the divestiture.

For a detailed look at our workforce, see pages 53-55 and 61.

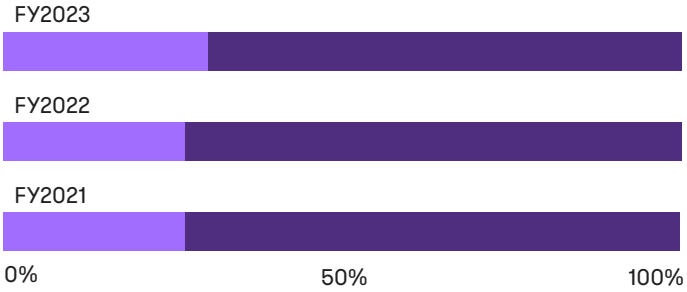
Gender breakdown of U.S.-based colleagues



Gender breakdown of PPMDs

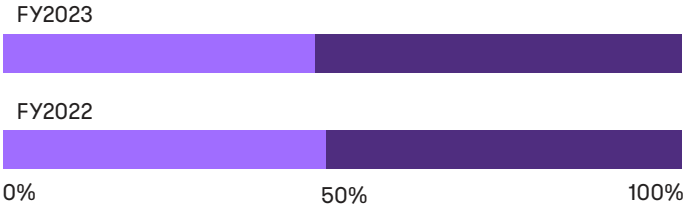


Gender breakdown of Partnership Board members



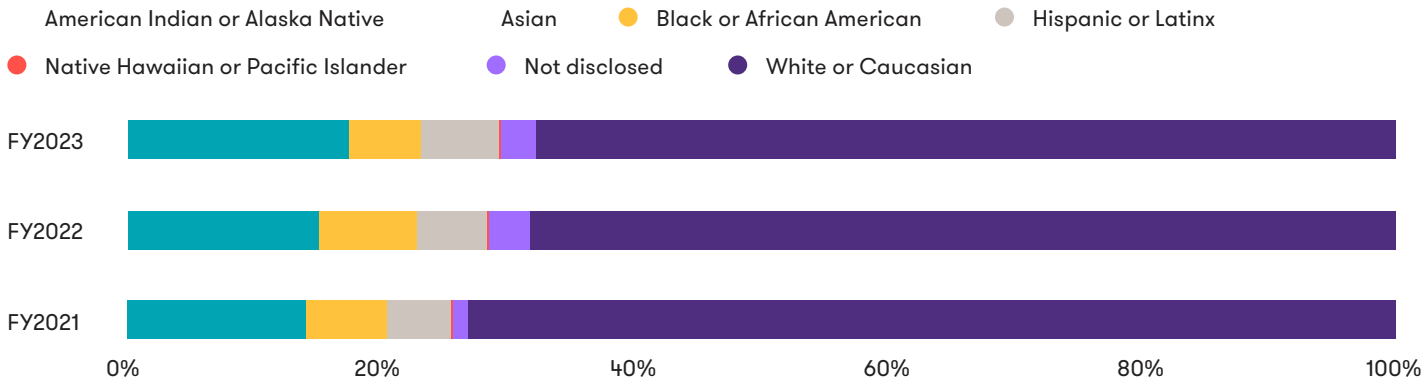
Note: In fiscal year 2023, the Partnership Board consisted of 10 members, while in fiscal years 2022 and 2021, the Partnership Board consisted of 11 members.

Gender breakdown of INDUS colleagues



INDUS data from fiscal year 2021 is not available.

Race or ethnicity breakdown of U.S.-based colleagues



Race or ethnicity breakdown of PPMDs

Race or ethnicity breakdown of Partnership Board members

Note: In fiscal year 2023, the Partnership Board consisted of 10 members, while in fiscal years 2022 and 2021, the Partnership Board consisted of 11 members.

Our key DE&I initiatives

Fostering a strong and inclusive culture is at the heart of our priorities and deeply defines the experiences of our professionals throughout their careers at the firm. We understand that a thriving, inclusive culture significantly improves the odds that we'll have a strong community. The opposite is also true: having a strong community improves the odds that we'll have a thriving culture.

Business resource groups

We invest significantly in our BRGs — which foster community and belonging through connection and collaboration. Our nine national BRGs strengthen our culture of inclusion and belonging by contributing diverse perspectives to all of the firm's business activities, sharing experiences and new ideas on how we do business.

Membership in our BRGs now includes more than 3,600 colleagues representing various service lines, career levels and job functions. BRG members are valued advisers, helping to strengthen everything from health benefit changes and corporate policies, to DE&I programs and external community engagement initiatives. BRGs also provide members with opportunities to network and develop leadership skills.

Based on the results of our engagement survey, BRG members say they feel a stronger sense of belonging and higher job satisfaction and see more professional growth and career development opportunities.

Our national BRGs include:

- **Black Professionals & Allies**
- **Disability Alliance**
- **Equality GT**
- **Future Leaders & Allies**
- **Hispanics/Latinxs & Allies**
- **Pan-Asians & Allies**
- **Women & Allies**
- **Working Parents & Allies**
- **Veterans & Allies**

Learning about ourselves and our colleagues

In 2023, our national DE&I team brought back Unconscious Bias training for our new hires and those colleagues looking for a refresher course. This offering follows our firmwide Unconscious Bias sessions, which were launched and rolled out from Spring 2020 to Winter 2022.

Through these sessions, participants can kickstart their DE&I learning experience at Grant Thornton, contextualize understanding through empathy exercises and reflection, navigate and own their own biases, create a safe space for candid conversations and identify commitments on how to sustain learning and actions beyond the sessions.

At the same time, our digital badge program provides curated course playlists for our colleagues, including partners and principals, to build foundational knowledge around active allyship; cross-cultural intelligence; DE&I; and inclusive leadership. These badges have been completed by many of our colleagues including members of our NLT and Partnership Board.

Recruiting diverse talent

When it comes to investing in our future, we start early — beginning with our recruiting efforts at the high school level and extending through college and beyond. In an industry like public accounting, we must connect directly with students and educate them about career opportunities — and welcome them — to attract the best talent from a diverse set of backgrounds and experiences.

To strengthen our commitment to recruiting diverse talent, in 2023 we established a new strategy designed to extend recruiting to geographic areas where we can increase diverse representation. We're also expanding our recruiting model with HBCUs and HSIs.

As a key part of our recruiting efforts, Grant Thornton has been an ardent supporter of Accounting+, a coordinated nationwide campaign run by the Center for Audit Quality (CAQ), targeting high school and college students from diverse backgrounds to diversify the profession. Striving to debunk myths about the profession, Accounting+ provides engaging resources that lay out the reality of a career in accounting. Grant Thornton leaders, including our CEO, serve in a number of capacities that include the CAQ's Governing Board, the Chief Diversity Officer working group and the communications committee.

Annually, we also host our virtual Empower conference, a professional development event for first- and second-year college students, which drew 300 attendees this year from schools across the U.S.

Inclusion Day 2023

In 2023, we hosted a firmwide Inclusion Day where all colleagues were invited to gain the knowledge, skills and confidence they need to propel them forward in their DE&I journeys. The hybrid event, which replaced our traditional Inclusion conference, centered on the theme of IMPACT — Inclusion, Mindfulness, Psychological safety, Allyship, Community & True belonging — and featured virtual webcasts, along with in-person community-building activities and celebrations hosted by local BRGs.

The day featured a conversation between our CEO Seth Siegel and National Managing Principal of Culture, Immersion & Inclusion Rashada Whitehead, as well as presentations from notable external speakers. The day wrapped up with a celebration of our BRG leaders.

Women's Leadership Conference

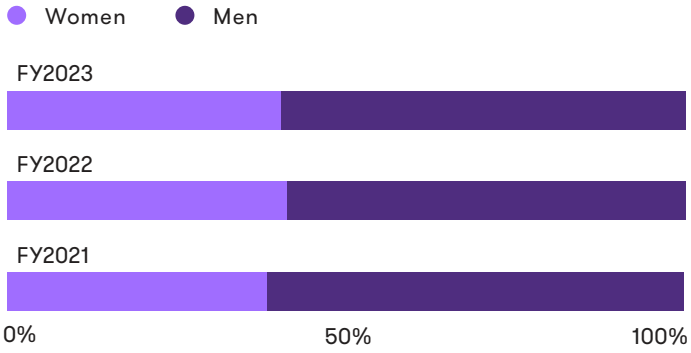
Our Northeast Women's Leadership Conference was an in-person university recruiting event intended for women and allies with a focus on developing leadership skills, exploring our service lines, networking with Grant Thornton leaders and learning more about our firm and our culture. We hosted students from more than 15 universities in our Iselin office and extended internship offers to all participants.

Student Veterans of America

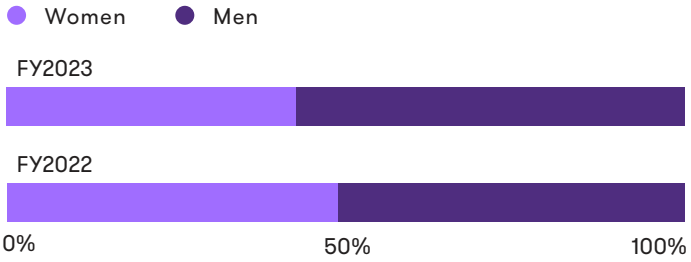
In January 2023, for the first time, we attended the Student Veterans of America Conference in Orlando, Florida, in which there were 3,000+ registered attendees. Student Veterans of America (SVA) is a nonprofit organization focused on addressing the needs and concerns of American military veterans in higher education. Strong connections were made with students, local SVA chapters and advisors, as well as different veteran-focused organizations that we will consider collaborating with in the future.

Fiscal year 2023 new hires

Gender breakdown of U.S.-based new hires

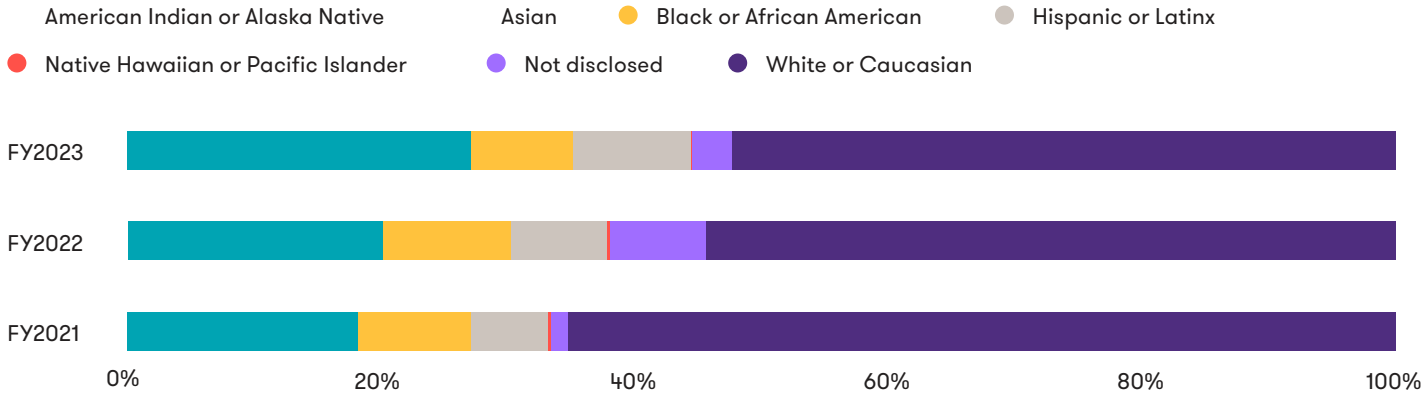


Gender breakdown of INDUS new hires



INDUS data from fiscal year 2021 is not available.

Race or ethnicity breakdown of U.S.-based new hires



For a detailed look at our new hire data, see pages 56-57.

Partnerships that help take our DE&I commitments further

To achieve our DE&I aspirations, we form strong stakeholder partnerships so we can generate new ideas, perspectives and programs that strengthen and elevate our actions.

Key organizations with which we have established enduring partnerships include NABA, Inc. (formerly the National Association of Black Accountants), the Association of Latino Professionals for America (ALPFA), Pan-Asian Leaders in Finance and Accounting (Ascend), Out & Equal, Disability:IN and the TMCF.

These nonprofit professional organizations help us bridge the opportunity gap for historically underrepresented professionals in accounting, finance and other business disciplines. They also help us build a pool of emerging talent as we develop learning opportunities for students and young professionals from these communities.

Thurgood Marshall College Fund

Grant Thornton extended its partnership with the TMCF through fiscal year 2025. This extension, approved by the Grant Thornton Foundation board, adds $200,000 over two years and will bring our overall five-year contribution to $500,000.

TMCF is the nation's largest organization exclusively representing the Black college community, notably the publicly supported HBCUs and predominantly Black Institutions. Through scholarships, capacity building and research initiatives, innovative programs and strategic partnerships, TMCF is a vital resource in the K-12 and higher education spaces.

In 2023, our work with TMCF also included a partnership to spearhead a three-day Train the Trainer program, which reflects TMCF's mission to prepare the next generation of workforce talent to become globally competitive leaders. The program provides faculty, staff and administration from 10 HBCUs with the insight, resources and relevant strategies needed to upskill students professionally and prepare them for global impact, as well as provide access to successful internships and career opportunities with employer partners.

Our ongoing support of TMCF aligns with our commitment to increase equity for communities of color and make strides in being an employer of choice for top professionals in our field. TMCF has become a strategic recruiting partner and provides valuable insights and support for our DE&I programming.

Providing DE&I professional development opportunities

All U.S. colleagues were invited to apply to attend external DE&I conferences in 2023, offering a great opportunity to connect with colleagues across service lines, meet industry peers, grow technical skills and help recruit top talent to the firm. As part of our DE&I conference strategy, we put a greater emphasis on recruiting, with continued professional development opportunities for attendees.

Grant Thornton and its colleagues participated in the following DE&I conferences:

- AICPA's Women's Global Leadership Summit
- ALPFA National Convention
- Disability:IN Global Convention
- Howard University's "We're About Success Conference"
- NABA National Convention
- National Black MBA Conference
- Out & Equal LGTBQ+ Workplace Summit
- Ascend National Convention
- TMCF Leadership Institute

Empowering supplier diversity

DE&I at Grant Thornton goes well beyond our offices and our partnerships. We believe supplier diversity is important to our firm's overall success, both in our procurement practices and as a responsible organization. That's why Grant Thornton's Supplier Diversity Initiative provides procurement opportunities to certified diverse businesses. We publicize our commitment to supplier diversity on our website and afford diverse suppliers the opportunity to register with us for consideration in commercial opportunities.

In 2023, we enhanced our supplier diversity reporting by engaging a third party to validate our entire vendor base for diverse suppliers and ensure that we are comprehensively and accurately capturing all suppliers with whom we do business. We can now accurately show our diverse vendor spend in various ways, including our top diverse spend vendors and the diverse vendor category breakouts. This validation provides a list of all our diverse suppliers and their appropriate certifications and can serve as the basis for additional outreach and opportunities.

In fiscal year 2023, diverse suppliers accounted for 8.5% of all general and subcontractor vendors that work with Grant Thornton.

Lead Sponsor of Men of NABA Network (MONN)

Grant Thornton partnered with NABA to become the lead sponsor of the MONN. This sponsorship included special recognition during the national convention's MONN luncheon, extra NABA membership opportunities for Black men at Grant Thornton and additional professional development. The sponsorship also included additional benefits at the NABA regional conferences.

Supporting and retaining our talented colleagues

At Grant Thornton, we cultivate an environment where people want to work, learn and build a career they love. That's why we provide opportunities to accelerate their growth from the start, with training to develop skills they're interested in and tools they need to deliver smart, innovative solutions that go beyond for our clients.

With this understanding, we continue to develop and sustain a holistic learning approach that expands the depth and breadth of professional capabilities and opportunities, supports the firm's strategy and further differentiates us as a firm that upholds quality and excellence not just in how we work but in what we deliver.

Cultivating an environment of continuous learning

We educate and train our colleagues with real-time coaching, on-the-job feedback and support and distinctive learning programs developed in-house or by outside educational partners that foster professional excellence and quality. We are transforming our learning culture from one that is primarily Continuing Professional Education (CPE) compliance-focused to one focused on attaining and mastering skills, where the firm's strategy, client needs, succession priorities and individual growth objectives motivate colleagues to meet the demands of the future workforce.

In fiscal year 2023, we offered more than 4,000 technical and professional skills training courses. On average, our colleagues completed more than 50 hours of training per learner.

Additionally, this year, our firm's learning team launched the Career Compass, a new skills framework that outlines both the core professional and technical skills required to meet the needs of our business and clients. All colleagues at any job level or role can use the Career Compass to create a personal roadmap and transparently view what skills are needed and what learning is available to build upon their professional capabilities and achieve their career goals. Learning curriculums mapped to the Career Compass offer a blend of digital badging, live courses, assessments and other curated content to set colleagues up for success.

Advancing skills through digital badging

Our digital badging program, an innovative, self-paced way for our colleagues to engage and learn, was designed to increase skill proficiencies that support short- and long-term job and career goals. The badges equip colleagues with the skills they want and help them earn formalized recognition of their achievements.

Our digital badge program includes industry badges, which equip our people with sector-specific knowledge that is key to supporting our clients. In 2023, we offered 13 foundational-level industry badges and five experienced-level badges.

Each digital badge is a learning pathway of curated content and/or experiences, across three levels, which also offer CPE hours for colleagues:

- Foundational: Primarily NASBA CPE self-study courses, to help learners gain knowledge around a specific skill, skillset or concept.
- Experienced: Primarily CPE self-study courses, as well as the completion of an on-the-job checklist to illustrate skill application in a variety of situations. In 2022 and 2023, we launched eight new experienced level badges, including for Communications and Coaching, which helped the program gain further momentum.
- Advanced: In 2023, the first advanced level badge for Communications was launched, which requires a higher level of expectations and actions for the on-the-job checklist.

By the end of fiscal year 2023, the digital badging program provided upskilling to professionals in more than 70 skill areas and nearly 9,500 badges have been awarded since the program was introduced in 2021. Badge completions increased by 55% over 2022 with more than 6,150 badges awarded in 2023.

Learning and development awards

- Awarded Brandon Hall Group Gold for Digital Badges and Career Compass: Best Program for Upskilling Employees
- Awarded Brandon Hall Group Silver for Manager Development Program: Best Blended Learning Program

Going beyond traditional learning with the Connected Classroom

To find the most flexible ways for colleagues to learn together in person and virtually, Grant Thornton launched Connected Classroom, a new, hybrid learning experience that connects in-person and virtual learners and instructors across multiple offices and locations.

In a Connected Classroom event, learners and instructors experience live virtual instruction, in-person and virtual group interactivity, along with enhanced audio, video and smart screens. Compared to traditional online or in-person instruction, Connected Classroom offers a more engaging experience and enables collaboration among participants across multiple locations. Additionally, this offering contributes to our environmental goals, as participants in Connected Classroom events do not have to travel to the office hosting the event.

In April 2023, this new learning experience was launched in three Grant Thornton offices: Orange County, Chicago and New York. The first program was delivered to more than 60 colleagues, with more sessions planned throughout fiscal year 2024. In October 2023, Connected Classroom won the Technology and Innovation award at the GTIL Go Beyond Awards.

Providing more support with anytime feedback

In fiscal year 2023, at least 98% of our eligible colleagues received documented feedback on their performance in the form of a quarterly performance assessment. To continuously support the performance and development of our colleagues outside of our formal process, we recently introduced "Anytime Feedback," an optional, supplementary way to collect informal feedback that may not be gathered through other mechanisms.

An individual or their career coach can make an informal "ask" for feedback at any time. With more regular interactions with their managers, colleagues can review their performance and expectations more frequently and discuss work challenges that may require special attention.

Cultivating the next generation of leaders

Our leadership development and milestone programs are designed to cultivate high-performing leaders at all levels of the firm. Participants in our development programs focus on building key professional skills, including coaching, communication, critical thinking and problem solving, networking and relationship building:

- **New Senior Experience:** A year-long cross-service line program for all newly promoted senior associates to help them successfully transition into their new roles, create a peer network and gain critical professional skills training.
- **Manager Development Program:** A year-long career development journey for newly promoted managers that was recently awarded a Silver Award by the Brandon Hall Group for Best Blended Learning Program.
- **Manager Leadership Academy:** A year-long career development program for all client-serving experienced managers, to help individuals prepare for their next role.
- **Senior Manager Academy:** A three-year program designed to help high-potential senior managers and directors pursue a path to partner or principal, providing exposure to partner-level responsibilities.
- **Partner and Principal Leadership Development:** Provides our partners and principals with critical learning experiences for personal development, shaping how they lead in the market and optimize value provided to our clients.

"The goal is to create a unique, connected experience where Grant Thornton colleagues can learn from the very best instructors and network with other professionals regardless of where they sit. With the addition of Connected Classroom, the firm's learning modality portfolio continues to expand and provides an even more dynamic way to meet our colleagues where they want to learn."

Wendy Wright, Senior Director, Colleague Learning & Effectiveness

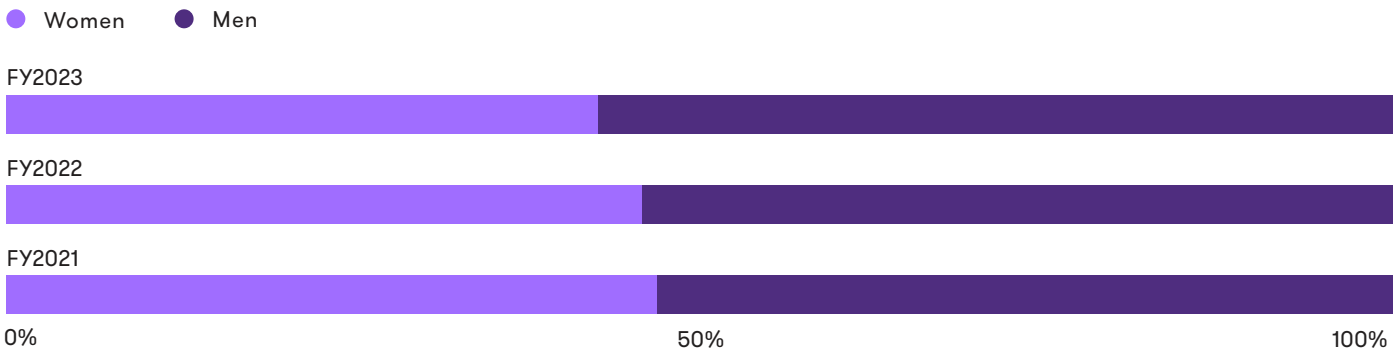
Colleague promotion data

	Number of U.S. colleagues promoted	% of total U.S. colleagues promoted
FY2023	1,139	15.5%
FY2022	1,340	16.3%
FY2021	1,295	17.7%

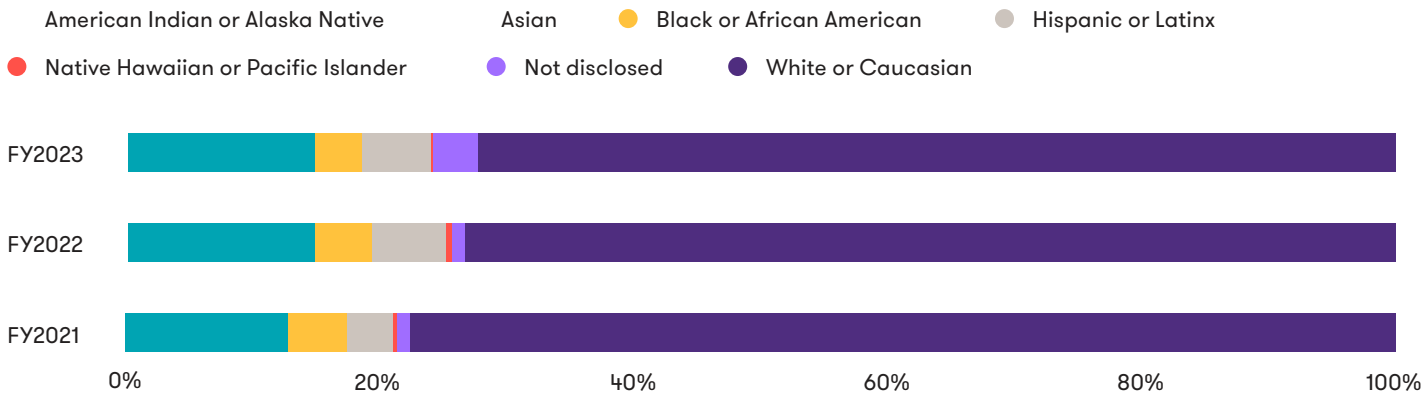
Agile promotions

Career growth and professional development are important for our colleagues, which is why we updated our promotion process in 2023. Our agile promotion process expands the opportunity for job promotions from a once-a-year to a quarterly timeline for colleagues at the senior manager or director level and below. We are proud to have more points throughout the year to recognize our colleagues' growth and success.

Promotions by gender breakdown for U.S.-based colleagues



Promotions by race or ethnicity for U.S.-based colleagues



Committing to our colleagues' health and well-being

At Grant Thornton, we are proud of our culture which inspires people to bring their authentic selves to work each day. In return, we offer a competitive benefits package that encompasses five aspects of colleague well-being — physical, emotional, social, career and financial.

Our approach to well-being is multi-faceted and constantly evolving to help our colleagues be their best selves. As such, we are redoubling our efforts on what matters most to our colleagues and providing the resources they need most, including supporting a work-life balance that has become a critical concern in today's high-stress world.

Taking care of ourselves

Over the past year, Grant Thornton tackled the challenge of colleagues' well-being head-on by introducing an innovative coaching program that supports high-performing colleagues in maintaining a healthy work-life balance. Called "Taking Care of Ourselves (and Others)," the program fosters a mindset shift and provides practical tools to help participants effectively manage the demands of work and personal life and show up as their best selves in both spheres.

During the six-month pilot program, participants engaged in coaching sessions that addressed various aspects of work-life balance — finding purpose, developing healthy habits, managing time more effectively, identifying priorities and handling stress, among others. Throughout the sessions, participants were encouraged to better take control of their schedules and workloads and to recognize that working longer hours does not guarantee career success.

The program showcased significant breakthroughs and progress. Participants reported experiencing positive shifts in their sense of well-being, increased productivity and decreased working hours. Post-program surveys also revealed greater awareness of unhealthy work behaviors and the need for recovery time in their workday.

Based on these results, plans are in place to run this program again with another group of high performers and examine other populations that could benefit from this type of group coaching approach.

"Mental and physical well-being concerns are top of mind for our colleagues. Because we embrace a culture of well-being — and provide a range of supportive programs — we're confident that our people will have what they need to perform at their highest level."

Jeanna Shapiro, National Managing Principal, People & Community

Mind, body and spirit

INDUS launched a month-long well-being extravaganza in September 2023 that gave colleagues "an extra dose of care and a step closer to a healthier version of you!" The lineup of activities promising to nurture body, mind and spirit included health scans, a mental well-being seminar, a program on mastering your financial wellness and a 5K run.

Advancing our comprehensive health coverage

With a comprehensive, holistic approach to our colleagues' health and well-being, we provide varied and flexible benefits that encompass five aspects of personal well-being — physical, emotional, social, career and financial — to help our colleagues be their best selves.

In 2024, we plan to introduce additional offerings into most of our available medical plans, including:

- A medical second opinion offering for individuals participating in the firm's self-insured medical plans.
- A digital solution for musculoskeletal conditions, including back and joint pain. Plan participants will be able to access physical therapy professionals via phone, chat or video calls.
- A change for participants in high-deductible health plans who will no longer need to satisfy their deductible before receiving coverage for maintenance medications.
- Cancer support and navigation benefit to the participants in specific medical plans.

Expanding our Lifestyle Spending Account (LSA)

Launched in 2022, the LSA provides associates and senior associates with $500 and managers with $250 each calendar year, to use at their discretion for a variety of well-being opportunities (mental, emotional, financial, educational and more). More than 4,500 colleagues have taken advantage of this program, and the firm has invested more than $1.9 million in the LSA. Starting in 2024, we are expanding the program to include paraprofessionals, who will also be eligible to receive the $500 annual benefit.

Supporting total well-being

We offer two different Employee Assistance Programs for colleagues, partners and their household members. In addition to receiving support for mental and emotional issues, participants can also receive support for a variety of health, financial, social and substance abuse issues and concerns, either through in-person or virtual therapy sessions.

Another avenue of mental health support is through our partnership with Happify, a digital solution designed to help participants take control of their feelings and thoughts. The Happify app uses gamification to help reinforce positive psychology, mindfulness and cognitive behavioral therapy techniques. Happify also offers a variety of webinars focused on mental and emotional well-being for colleagues to attend.

Support through life's challenges and changes

Our firm supports our colleagues when they need it, wherever they are in their life journey. We have a number of programs to help colleagues and their families through some of life's most challenging and significant experiences.

- **Bereavement:** When our colleagues need support in times of loss, they can access Empathy, a nurturing resource they can turn to for support, guidance and assistance. Empathy's products and services range from help in coping with grief to information and guidance about the probate process — essential care, tools and resources to get through the hardest days.
- **Gender affirming care:** In 2023, enhanced gender affirmation became available in a number of our medical plans, including treatments like electrolysis (hair removal), voice modification therapy, tracheal shave/reduction, lipoplasty (to enhance feminization or masculinization, as appropriate), among others. While some may consider these services cosmetic, we believe these enhancements reflect our support for those colleagues in need of gender-affirming care.
- **The family building journey:** In 2023, Grant Thornton launched a partnership with Progyny, a fertility benefits organization that provides an inclusive family building benefit (available in certain medical plans) for every unique path to parenthood. The Progyny benefit leverages the latest technologies and treatments, access to high-quality care through a premier network of fertility specialists and personalized emotional support and guidance from dedicated patient care advocates.

Grant Thornton also provides reimbursement for eligible adoption and surrogacy-related expenses and offers up to 12 weeks of paid parental leave for both men and women upon the birth, legal adoption or permanent placement of a child under their legal guardianship. In fiscal year 2023, 381 colleagues took parental leave, including 146 women and 235 men.

Making appreciation personal

Appreciation is a cornerstone of our culture and our Go Greater recognition platform helps us share frequent, meaningful appreciation across the firm for our U.S.-based colleagues. Colleagues can send e-cards expressing their thanks for a job well done to a team member along with points that can be redeemed for gift cards, products, travel or charitable donations.

All U.S.-based colleagues are allocated points to recognize and appreciate colleagues throughout the fiscal year. In fiscal year 2023, the firm's investment in the program was twice that of the prior fiscal year.

Colleagues at the firm are also recognized for their efforts throughout the year and compensated through our annual bonus program. In 2023, Grant Thornton expanded its bonus plan to include regular non-exempt (i.e., overtime eligible) colleagues for the first time.

Pay equity

Equity isn't just about access and opportunity — it's also about fair pay and compensation. We understand that when our people believe they are fairly compensated, they are invigorated and more passionate about the work they do and where they do it. This not only benefits our clients, business and culture, but it is also a key factor in attracting and retaining top talent throughout the firm.

Pay equity and fairness are at the center of our compensation methodology and pay practices. The firm engages in regular pay equity analysis and in 2023, the firm introduced new pay equity technology to strengthen its internal processes and business impact modeling for analyzing pay equity more readily, effectively and efficiently. The technology aims to provide greater clarity on equity strategies, shared accountability using standardized equity metrics, improved outcomes and timelines and reporting and monitoring to support talent, business and compliance objectives across the organization.

We are proud of this development in our pay equity endeavors and remain committed to eliminating barriers, ensuring transparency and maintaining a standardized methodology to drive fair and equitable compensation practices across our workforce.

Supporting our communities

Grant Thornton's purpose, to make business more personal and build trust into every result, is evident in our approach to supporting the communities in which we live and work. This commitment takes shape through ongoing volunteerism, community outreach and philanthropy, primarily driven through our Purple Paladin program.

In addition, since its founding in 1995, the Grant Thornton Foundation has provided contributions of more than $12 million to over 200 colleges and universities and more recently to more than 70 charitable organizations, including those dedicated to DE&I, such as the TMCF.

Purple Paladins

Through our Purple Paladin program, we invest in, recognize and celebrate early-stage nonprofit social entrepreneurs. Our firm supports these innovators by providing funding, volunteerism, business guidance and a platform to accelerate their work — helping take emerging nonprofit organizations from start-up to unstoppable.

Since its launch in 2019, together with our professionals, we have supported 17 diverse, emerging nonprofits with donations of more than $1 million in financial and in-kind support and more than 650 Grant Thornton professionals have volunteered their time and skills. We have also attracted more than 12 million impressions on social media to raise awareness of the important work of these organizations, helping to propel them forward.

$1m+

in financial, business and in-kind support

12m+

new eyes on our Purple Paladins from external promotion

650+

employee volunteers helping these nonprofits grow

"To be a Grant Thornton Purple Paladin is truly an honor and a blessing for us. We are a small but mighty nonprofit organization and their support will help us reach more corners of the world to tell our story and engage athletes — and that is a dream come true."

Tracy Hupko, Executive Director, The I GOT THIS Foundation

New Purple Paladins in 2023

Women in Training: Women in Training is dedicated to ending "period poverty," a struggle many low-income women and girls face while trying to afford menstrual products. On average, one in five girls in the U.S. miss school because they don't have access to feminine hygiene products.

Women in Training provides their signature WITKITS — packed canvas bags full of menstrual products and other hygiene supplies — and offers menstrual education to young women and girls. Approximately 600 WITKITS are distributed monthly across Alabama, Washington, D.C., and New Orleans with plans to expand nationally and globally.

I GOT THIS Foundation: The I GOT THIS Foundation focuses on building golf skills for people with Down syndrome and other intellectual disabilities, fostering a love for the game and providing a supportive community where these athletes are treated equally. The I GOT THIS Foundation's work is benefiting participants both on and off the course by helping them build confidence and opening doors to new opportunities.

MBC Travelers: According to the American Cancer Society, one in eight women will be diagnosed with breast cancer in their lifetime and for nearly 30% of them, the disease will progress to metastatic breast cancer (MBC). MBC Travelers was founded to help those living with MBC find a supportive, uplifting community of women facing the same diagnosis, enriched by trips, pop-up events and weekend getaways.

Support for our Purple Paladins

With each Purple Paladin selection, colleagues from across Grant Thornton come together to lend support for the new organization. Highlights from 2023 include:

- Our colleagues raised enough money to provide period products to 100 girls for an entire year and donated 680 boxes of period products directly to Women in Training's warehouse.
- More than 500 colleagues surprised the I GOT THIS Foundation with enough funding to start 10 new golf academies, doubling the number of athletes they serve. The I GOT THIS Foundation also joined us at our inaugural Grant Thornton Invitational to host a Discovery Day on-site, which introduced individuals with intellectual disabilities to the game.
- Our marketing colleagues created a new logo for MBC Travelers and our people came together to volunteer for their annual fundraiser.
- The Purple Paladin program partnered with our internal rewards platform — Go Greater — which enabled colleagues to make charitable contributions to our Purple Paladins using their received points, providing more opportunities to donate to the organizations.

When an organization becomes a Purple Paladin, our support and partnership doesn't end. It's a relationship for life. We continued to support past Purple Paladins throughout 2023. Highlights include:

- We hosted Smile Kit parties for Coming Up Rosies — an organization focused on bringing confidence to children suffering from hair loss.
- Find Your Anchor — an organization aimed at suicide prevention through awareness and education — spoke on the importance of mental health in the workplace in our offices and at the Healthcare Financial Management Association Large System Controller Council fall meeting. Controllers for the largest healthcare systems in the country were introduced to the organization and engaged in their efforts.
- Warrior Reunion Foundation and the I GOT THIS Foundation were both recipients of golf charity events hosted by Grant Thornton.
- Our employees served as mentors to help high school students with their college applications with Fair Opportunity Project.

Revisiting our Purple Paladin's progress to see how they are Becoming Unstoppable

Many people learn about our Purple Paladins when we announce them, but so much happens after that. Our "Becoming Unstoppable" campaign, launched in 2023, revisits the organizations we have partnered with one by one, providing updates on their outcomes, successes and milestones since becoming a Purple Paladin.

We launched our first "Becoming Unstoppable" story with our original Purple Paladin, Coming Up Rosies, which is on a mission to distribute their signature Smile Kits, to help children suffering from hair loss restore their confidence and find happiness and pride. With each Smile Kit they distribute, children engage in painting their own masterpiece on a canvas, which is then transformed into their own head and neck scarves and superhero capes, an outlet of creativity through which they can wear their masterpieces with a smile.

Since becoming a Purple Paladin, Coming Up Rosies has reached some incredible milestones. When we first met Coming up Rosies, the organization was supporting 12 hospitals in Illinois. Now, they're in 52 hospitals across 21 states. In 2019, they donated 200 Smile Kits, and now, they've donated more than 3,800.

INDUS Corporate Social Responsibility (CSR) program

Through the INDUS CSR program, our INDUS office donated more than $100,000 to organizations during the INDUS fiscal year 2023 (from April 2022 to March 2023). These donations have gone to organizations that support children and families from underserved or remote areas through education, educational sponsorships and digital classroom, as well as NGOs that provide food to families in need and healthcare organizations that provide medical services and support to communities in need.

Visit gt.com to learn more about our Purple Paladin program and each dynamic, emerging nonprofit.

Doing business responsibly

Supporting U.N. SDGs:

Responsible businesses consider their workforce, society, the economy and the environment when making business decisions. They're not only driven by profit, but also by higher values and the desire to improve society and protect the environment. As a responsible business, Grant Thornton strives to build greater trust and strengthen our relationships on every level with our stakeholders — including our colleagues, clients and the communities in which we operate.

Ethics and integrity

Ethics plays a significant, underlying role in our CLEARR values — Collaboration, Leadership, Excellence, Agility, Respect and Responsibility — which are deeply embedded in our culture. These are the ideals we adhere to every day in our work and interactions with each other and our clients. We are committed to doing business following the highest standards of ethical conduct and serving our clients with quality and integrity.

Grant Thornton complies with all applicable laws, regulations and professional standards that cover antitrust and anti-competitive practices, economic and trade sanctions and anti-fraud, bribery and corruption. All colleagues are expected to follow firm policies when carrying out their responsibilities with all of our stakeholders: clients, vendors, third-party service providers, government officials, the community and each other. Because ethics is a shared responsibility across the firm, we are pleased that our two most recent GTShape Engagement Surveys showed that ethics and compliance topics rank among the highest engagement levels. In our fiscal year 2023 survey, 86% of our colleagues believed that the firm effectively communicates our values and the importance of ethical behavior.

Maintaining the highest standard of ethical conduct

One of the most important tools we have to build stakeholder confidence and trust is our Code of Conduct. The Code of Conduct serves as a guide for our colleagues to make the right decisions when faced with challenges and ethical dilemmas in accordance with our CLEARR values. Our Code of Conduct sets expectations to conduct business following the highest ethical standards and encourages our colleagues to ask questions about ethical issues as they arise.

Every year, we require our colleagues to read key ethics and compliance policies, including the Code of Conduct and our Personnel Handbook, which are updated regularly. We also require mandatory annual training on the Code of Conduct (including content related to antitrust and anti-competitive practices, economic and trade sanctions, conflicts of interest and other illegal or unethical activity), Respect in the Workplace, Information Security and Privacy and Independence and Ethics.

Our goals	Our most recent training metrics	Target date
Achieve 100% personnel training on applicable ethics and compliance topics	• More than 99% of personnel completed their annual Code of Conduct training and certification • More than 97% of personnel completed their Respect in the Workplace training • More than 99% of personnel completed their Information Security and Privacy training and certification • More than 98% of assigned personnel completed their Independence and Ethics training and certification	Annually

Alongside our CLEARR values, compliance and accountability with all laws, regulations and professional standards play a substantial role in keeping our culture and operations strong, consistent and fair. Despite our best efforts, every organization at times faces challenges and setbacks in their operations. In fiscal year 2023, Grant Thornton paid a $40,000 fine to settle a charge brought by the Public Company Accounting Oversight Board (PCAOB) involving the firm's failure to timely disclose certain reportable events within the required 30-day timeframe. As a result of this matter, we have instituted certain improved procedures to prevent this from occurring again.

Upholding labor and human rights

Grant Thornton complies with all applicable laws related to employment practices, equal employment, nondiscrimination, wages and safe working conditions and we've adopted personnel policies to ensure colleagues are treated with dignity and respect. We stand firmly against child and forced labor and exploitative labor practices of any kind.

While we are not a unionized workplace, we comply with applicable labor and employment regulations and seek our colleagues' feedback about their concerns and needs in a retaliation-free culture of reporting. The firm is committed to providing a work environment free of unlawful discrimination, harassment and retaliation, and all personnel are responsible for ensuring their individual conduct conforms to our commitment to equal opportunity. The firm also maintains federally-mandated affirmative action plans covering minorities, women, individuals with disabilities and protected veterans.

Promoting a speak-up culture

The freedom to communicate thoughts and concerns is an important part of our culture. This includes being able to report perceived unethical conduct or other problematic behavior without fear of retaliation or retribution, which is essential for our colleagues' sense of safety and fairness. Colleagues are actively encouraged to access multiple channels within the firm to report concerns so that they can be appropriately addressed. We also maintain an easy-to-use phone and internet-based Ethics Hotline where matters can be reported anonymously.

With our focus on fostering a caring, inclusive and high-performance culture, we want to be sure that all colleagues feel free to express their concerns and raise questions about discrimination of any kind. We make every effort to protect their confidentiality and no retaliation will be permitted against anyone who reports a concern in good faith or assists with an investigation. Any matters reported are promptly and appropriately investigated. If violations or any wrongdoings are substantiated, the consequences can include disciplinary action, which may include termination of employment.

The health of our speak-up culture was reflected in our fiscal year 2023 GTShape Engagement Survey, which showed at least 79% of our colleagues understand how to report a workplace issue or ethical concern and believe it is safe to do so. We strive to raise this percentage even higher.

Enterprise risk management (ERM)

To maintain a responsible business, we must continually identify, assess and mitigate risks across our service lines, functions and key initiatives. Risk owners across the firm use the firm's ERM methodologies to document, assess and monitor firmwide risks within their domain, including risks stemming from our most material ESG issues, like talent, DE&I, climate change and GHG emissions.

In 2023, we established the firm's new Risk Council, comprised of the CEO and other top leaders, to improve the firm's oversight of risk management across the firm.

We also implemented new ERM technology to facilitate the identification and assessment of risks and provide more robust reporting and analytics. In addition, we have invested resources to mature our supply chain management efforts, which will include collecting and monitoring ESG information of our vendors and suppliers.

Responsible procurement

Achieving long-term success, creating value for our stakeholders and making a positive impact on our communities and planet are core elements of our business. We are committed to the highest level of ethical conduct and social and environmental responsibility.

As such, we expect our suppliers to take reasonable steps to adhere to the obligations in our Supplier Code of Conduct and our Sustainable Procurement Statement, which outline our expectations around ethical, environmental and social concerns for our suppliers. We support suppliers who maintain sustainable business practices and embrace our ethical standards and values.

We also have a Supplier Diversity Initiative that provides procurement opportunities to certified diverse businesses. Supplier diversity is important to our firm's overall success, both in our procurement practices and as a responsible organization. For more details, see "Empowering supplier diversity" on page 32.

As part of our supplier selection and due diligence processes, we perform risk assessments and continuously monitor our largest and most strategic suppliers for risks related to financial instability, cybersecurity, criminal records, adverse media coverage, suits, liens and other criteria.

Visit gt.com to learn more about our supplier initiatives.

Furthering our commitment to quality

At Grant Thornton, we look to the future of quality with excitement and optimism after building on our capabilities during the challenging environment of the past few years. The global pandemic, great resignation and growing economic and technological uncertainty are issues that have had an ongoing and compound effect on businesses worldwide, including our clients, constituencies and the capital markets. With quality as our north star, we identified and addressed critical challenges in this rapidly evolving landscape to better serve our clients, our people and our communities — work that has never mattered more.

The success of the capital markets depends on the reliability of financial information, which requires high-quality audit and assurance engagements performed with professional skepticism, objectivity and independence. Each of our service lines (audit and assurance, tax and advisory) has quality standards, control systems and supporting quality groups to ensure that our services meet or exceed our quality expectations.

As we approach our 100th anniversary, we are proud to continue delivering high-quality and exceptional client service, which we accomplish by driving innovation and focusing on continually improving our processes. Our quality control and risk management start with our efforts to:

1. Ensure 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 perform the work (engagement acceptance).
3. Plan and execute each engagement pursuant to the relevant standards (engagement performance).

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

In December 2022, we completed the implementation phase of the International Auditing and Assurance Standards Board's International Standard on Quality Management 1. We developed a tool, qm.x, to document our system of quality management and are using it to perform our ongoing monitoring. qm.x will also be used in connection with the equivalent standard by the AICPA and eventually the final standard, when issued, from the PCAOB.

The PCAOB's inspection reports have consistently placed our audit quality measures among the leaders in the industry. We will continue to support high-quality audits through ongoing investments in technology, standardization of our audit processes and controls and by keeping pace with the regulatory and economic environment. We remain committed to the sustained advancement of our quality results.

Visit gt.com to learn more about our commitment to Audit Quality.

Data privacy and cybersecurity

Grant Thornton's information security program is designed to protect firm and client data from ever-changing cyber threats and vulnerabilities to meet expectations for a client experience based on trust and compliance. Our information security program enables business growth and provides a reliable and secure user experience for our colleagues and clients.

Our integrated Information Security and Privacy Management Systems (ISPMS) are based on best-practice global standards, ISO 27001/27701/27017. The firm first achieved ISO 27001 in 2016, and ISO 27701 and 27017 in 2020. Successful certification and maintenance of ISO demonstrates our practices are systematic and ongoing in managing information security, cloud security and privacy risks, and that our practices can continue to identify and meet applicable regulatory requirements that arise out of laws and regulations, contracts, relevant professional standards and firm policies. We continually monitor and improve the efficiency and effectiveness of our ISPMS to make sure they continue to meet our needs.

Grant Thornton is aligning its information security program with the National Institute of Standards and Technology Cybersecurity Framework and its control categories that span across the "identify, protect, detect, respond and recover" functions. Through this alignment, we aim to further reduce our risks, strengthen our cyber resiliency and better demonstrate the achievement of our security objectives.

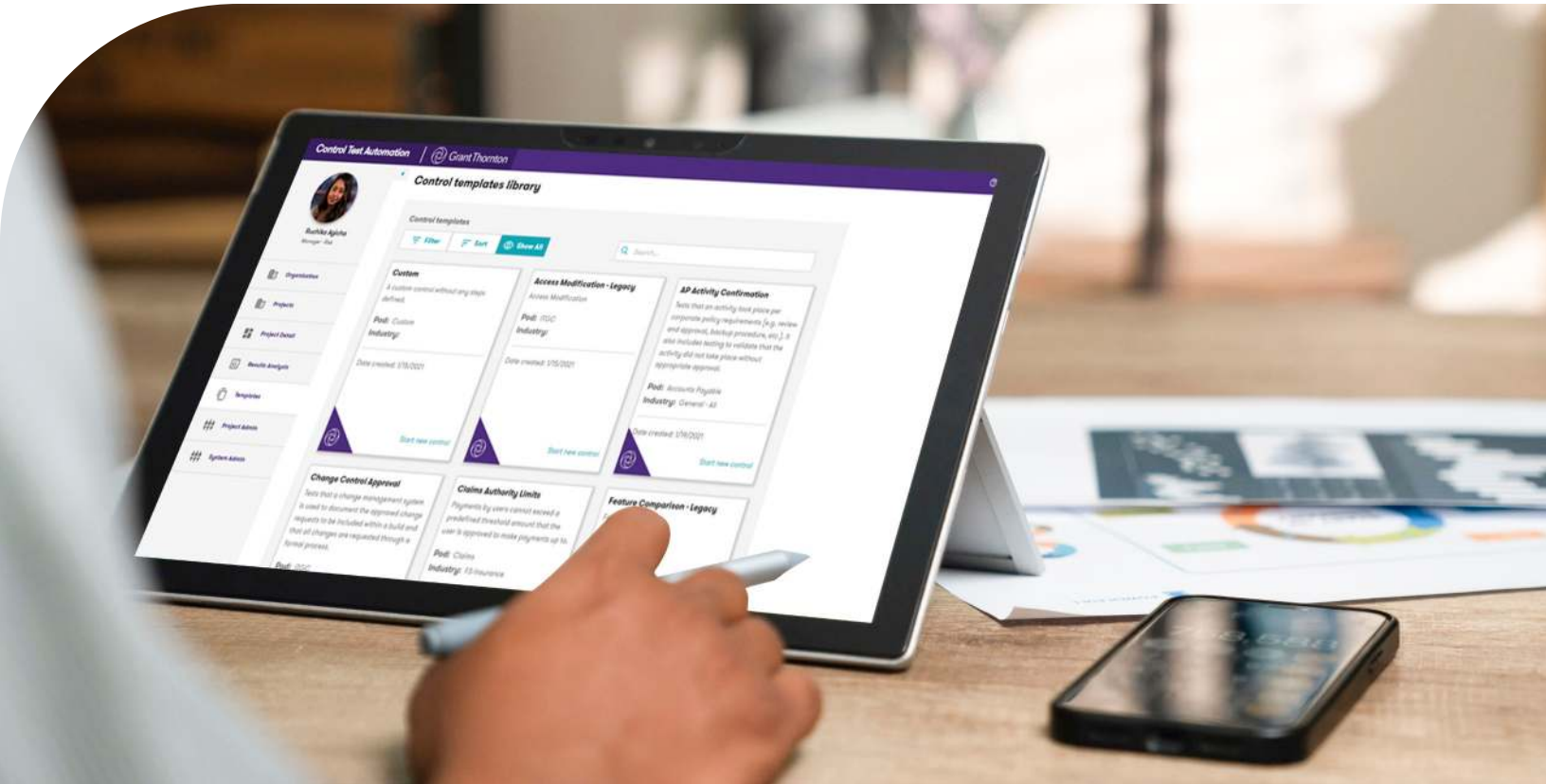
The program also references other industry frameworks such as HIPAA, Cloud Security Alliance, COBIT, OWASP and ISQM 1 to ensure the delivery of comprehensive cybersecurity capabilities and to support sustainable and secure business growth.

Protecting personal privacy

The right to privacy is an important societal concern and a key ESG issue for Grant Thornton. We collect and use personal data only for legitimate business purposes that are consistent with the intent for which the data was collected. We maintain appropriate access and organizational controls around data usage and regularly assess the effectiveness of these controls.

Privacy-by-design is 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. We perform data privacy impact assessments to identify and mitigate risks associated with data processing activities and to ensure compliance with Grant Thornton notices, policies and legal obligations.

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 client privacy complaints thoroughly in accordance with such applicable laws as the California Consumer Privacy Act and others.



Technology and innovation

We strive to make our technology infrastructure streamlined, up-to-date and secure. To achieve these objectives, we continually evaluate and deliver an operating environment that leverages new technology to streamline our work with clients and colleagues.

We also make sure that the new technologies and innovations we implement align with our responsible business practices, ethical standards, security criteria and sustainability goals.

A focus on innovation

Through the ongoing work of our tech professionals, who collaborate with internal and external teams to deliver the best solutions for our firm and our clients, we remain innovative. Highlights and initiatives from fiscal year 2023 include:

- The continued implementation of our firmwide data strategy through our Enterprise Delivery Ecosystem, which is used with clients for the smooth exchange of project documents and communications.
- Setting up an artificial intelligence (AI) steering committee to understand how to effectively and responsibly leverage AI for the firm
- Ongoing support of our Fullstax Hub, which includes a solutions library and an array of learning programs and brings emerging technologies into our everyday work lives through training and support. More than 2,300 Grant Thornton colleagues are participating in these grassroots programs, which democratize innovation across the firm and empower colleagues to build innovative solutions that benefit our teams and clients.
- Upgrading our equipment, including 100% of the firm's laptops, resulted in updated devices for more than 8,700 colleagues.
- Our Connected Classroom initiative, which helps educate and train colleagues virtually and in person. For more details, see "Going beyond traditional learning with the Connected Classroom" on page 34.

Equipping our people with our Technology Quotient curriculum

A key aspect of our technology development is our Technology Quotient (TQ) — our ability to assimilate or adapt to changes with strategies that successfully include technology in our work and life.

We provide colleagues with resources that enhance their TQ skillset through such formal TQ courses as Artificial Intelligence & Machine Learning, Automation, Data Analytics and How to Go to Market. With an improved TQ, our colleagues are able to adapt to a future in which rapidly changing technology becomes more central to every business function. TQ helps to transform our thinking about technology as not just gadgets and software but as pathways to success.

qm.x: a quality framework

qm.x has continued to be an important capability since it was introduced in late 2022. Originally created for use at Grant Thornton by and for accountants, this automated cloud platform addresses the requirements of ISQM 1. The qm.x unified interface designs and documents quality-management processes, a quality framework that can be customized for evolving needs.

> "Technology and innovation are vital to our future success, enabling us to streamline our operations, expand our reach, enhance the client experience and improve the workflow of our colleagues. While the technology is complex, the results we seek are simple: quality across the board."
>
> **Enzo Santilli, Chief Transformation Officer**

About this appendix

This appendix includes additional detailed information on Grant Thornton's material topic definitions, comprehensive data related to our progress in key ESG areas and the indexes of the frameworks and standards we report on (GRI, SASB and TCFD). The data tables throughout the appendix feature one to three years of data, depending on the information available. Our goal is to improve our reporting of key metrics year over year.

Definitions of material topics

Environment	
Material topic	**Definition**
Climate change and GHG emissions	Taking clear action to reduce greenhouse gas emissions as a result of business operations and reduce climate-related risks.
Waste and recycling	Reducing the amount of waste, including e-waste and single-use plastics, through increased operational efficiency, recycling and responsible disposal.
Biodiversity	Protecting and conserving natural resources, such as trees, wildlife, water and land, to ensure that these resources will be around for future generations.
Energy management	Actions to reduce energy usage and maximize energy efficiency, including considering the use of renewable energy.
Green offices	Prioritizing environmental criteria when selecting, renovating and operating offices.

Social	
Community involvement	Efforts to engage with local communities and the communities of clients and other stakeholders.
Diversity, equity and inclusion	Diversity of workforce and equal opportunity for personnel of different backgrounds, fair and equal pay for the same work and gender equality.
Employee health and well-being	Policies and practices that maintain a healthy and safe work environment as well as supporting the physical and mental well-being of personnel.
Talent attraction, retention and development	Attracting, retaining and developing the best talent through fair recruitment and compensation practices, education and training.
Human rights	A commitment to promote human rights and social principles in business operations, as well as the operations of clients, business partners and supply chain.

Governance	
Data privacy and cybersecurity	The protection of systems, networks and devices to prevent malicious attacks and loss or theft of data. Ensuring the proper handling and protection of personal information provided by clients, employees and other stakeholders.
Ethics and integrity	The fair, transparent and ethical policies, norms and codes of conduct that influence the strategic and operational management of a business.
Technology and innovation	Investment in technology and innovation, including AI and innovative digital tools to improve the efficiency of operations.
Anti-corruption	Strong policies, system controls and operational oversight that ensure that a business does not engage in unlawful activity or in practices that prevent or reduce competition in the market.
Enabling client's sustainability	Grant Thornton's client sustainability services that support companies with their sustainability strategies, goals and reporting of ESG information
Purpose, culture & values	The driving force and set of shared values, attitudes and practices that personnel can get behind and contribute towards, to create a positive impact at work and in society.
Supplier sustainability and diversity	Transparent supply chain management and responsible supplier engagement that promotes ESG values across the chain. A diverse supply chain that brings different perspectives, skills and ideas that enhance business success.
Transparency and reporting	Disclosing relevant and comparable sustainability/ESG information of interest to stakeholders, defining ESG priorities and goals and reporting on efforts and progress transparently.

Key: **Priority material topics**

ESG data

Environmental

Emissions and energy

Grant Thornton calculates its GHG emissions and corresponding energy use on an annual basis. Details about standards, our approach and methodologies are below. Data reported are from calendar years 2019 (our baseline), 2021 and 2022 (our most recent inventory). We are not including 2020 data in our reporting, as our datasets from that time period are incomplete and therefore, include more proxy data and estimates than other years. 2019 was selected as the baseline year as this is the last year for which Grant Thornton has data that represents a normal operating year prior to the start of the COVID-19 pandemic and related disruptions. In 2020 and 2021, significant reductions related to business travel were noted, which were not representative of the firm's typical emissions.

We obtained limited assurance from a third party for our calendar year 2019 and calendar year 2022 GHG emissions data. For more details, see the Independent Accountant's Review Report.

Our calendar year 2021 data has not been reviewed by a third party, but revised methodologies have been applied to this data. Additionally, emissions associated with our Public Sector Advisory practice, which was sold in October 2022, have been removed from our GHG inventories. Emissions and energy data for 2019 and 2021 are restated below.

GHG emissions reporting standards

Grant Thornton calculates its GHG emissions according to the Greenhouse Gas Protocol standards and guidance developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), including:

- The Greenhouse Gas Protocol: A Corporate Accounting Standard (GHG Protocol), Revised Edition
- Scope 2 Guidance: an Amendment to the GHG Protocol Corporate Standard
- Corporate Value Chain (Scope 2) Accounting and Reporting Standard: Supplement to the GHG Protocol Corporate Accounting and Reporting Standard
- Technical Guidance for Calculating Scope 3 Emissions: Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard, Version 1.0

Inventory approach

Grant Thornton uses an operational control approach (i.e., emissions from our operations over which we have control). The geographical scope includes all offices that Grant Thornton occupies in the United States and in India as part of its services center operations in India (INDUS).

Grant Thornton leases all of its office spaces and has operational control over all occupied offices. All offices occupied during the specified inventory year (or a portion of the specified inventory year, i.e., if an office location opened or closed mid-year) are included in Grant Thornton's GHG inventories, excluding any offices subleased to third parties. Our 2019 inventory includes data from 60 sites, while our 2021 inventory includes data from 54 sites, and our 2022 inventory includes data from 51 sites.

Grant Thornton follows the guidance in the GHG Protocol Corporate Standard for adjusting the base year inventory. On an annual basis, Grant Thornton evaluates whether any structural changes have occurred to the firm, such as acquisitions or divestitures and if these require a baseline adjustment; or whether adjustments need to be made in response to any errors discovered or changes in quantification methodologies or emission factors. Grant Thornton will recalculate base year emissions if any changes would cumulatively result in a 5% or greater change in base year emissions.

Grant Thornton converts all emissions to a common GHG metric, CO_2 equivalent (CO_2e), using the 100-year Global Warming Potential (GWP) from the Intergovernmental Panel on Climate Change's (IPCC) Fourth Assessment Report (AR4). The GWP for each GHG are noted in the Independent Accountant's Review Report, page 11.

Scope 1 and 2 GHG emissions

Our Scope 1 emissions include natural gas used in Grant Thornton's offices and fugitive emissions from refrigerant loss, while our Scope 2 emissions include purchased electricity and steam used in our offices. To calculate our Scope 1 and 2 emissions, we collect energy consumption data from office building landlords, or where data is unavailable, we estimate energy consumption based on Grant Thornton-specific average energy intensities or information from the Commercial Building Energy Consumption Survey (CBECS) for our U.S.-based offices. We then apply emission factors to our energy consumption per office.

Emissions from refrigerant loss (or fugitive emissions) were estimated using industry average assumptions for typical refrigerant loss rate per square foot, assuming the use of HFC-134a, a common refrigerant.

For additional details on our Scope 1 and 2 methodologies and emission factors used in calendar year 2022, see the Independent Accountant's Review Report, pages 4-6.

Scope 3 GHG emissions

We consider the following indirect Scope 3 emission categories relevant to our firm and calculate emissions for each category to include in our GHG emission inventories:

- Category 1: Purchased goods and services
- Category 2: Capital goods
- Category 3: Fuel and energy-related activities
- Category 4: Upstream transportation and distribution
- Category 5: Waste
- Category 6: Business travel
- Category 7: Employee commuting, including emissions from telework

Purchased goods and services, capital goods, upstream transportation and distribution (shipping of items) and business travel are relevant to our daily operations. Fuel and energy-related activities, waste and employee commuting are relevant to our office operations. Other Scope 3 emissions categories (categories 9-15, including: downstream transportation and distribution, processing of sold products, use of sold products, end-of-life treatment of sold products, downstream leased assets, franchises, and investments) are not relevant sources of emissions for Grant Thornton and are not reported. Emissions that would be associated with Scope 3, category 8: upstream leased assets are reported in Scope 1 and 2.

To calculate emissions from these categories, we use a combination of spend-based analyses, data from our Scope 1 and 2 inventory, reliable estimates for waste generation and telework emissions, and business travel and employee commute activity data where it is available and apply relevant emission factors.

For additional details on our Scope 3 methodologies and emission factors used in calendar year 2022, see the Independent Accountant's Review Report, pages 6-10.

Statement on measurement uncertainties

GHG emissions reporting is subject to measurement uncertainties resulting from limitations inherent in the nature of the subject matter and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. All reported values represent the best data available at the time of publication.

Energy use from our U.S. and INDUS operations*

Energy consumption	Calendar year 2022	Calendar year 2021	Calendar year 2019 (baseline)
Units	**Gigajoules (GJ)**	**Gigajoules (GJ)**	**Gigajoules (GJ)**
Electricity	44,423	48,488	66,234
Natural gas	5,871	5,839	9,880
Steam	5,979	6,227	8,399
Totals	**56,273 GJ**	**60,554 GJ**	**84,513 GJ**

GHG emissions from our U.S. and INDUS operations*

GHG emissions: Scope 1 and 2	Calendar year 2022	Calendar year 2021	Calendar year 2019 (baseline)
Units	**$MTCO_2e$**	**$MTCO_2e$**	**$MTCO_2e$**
Scope 1: Fuel combustion in buildings and refrigerant loss	623	668	919
Scope 2: Purchased electricity, location-based	5,257	5,493	7,792
Scope 2: Purchased electricity, market-based	5,257	5,493	7,792
Totals	**5,880 $MTCO_2e$**	**6,161 $MTCO_2e$**	**8,711 $MTCO_2e$**

GHG emissions: Scope 3	Calendar year 2022	Calendar year 2021	Calendar year 2019 (baseline)
Units	**$MTCO_2e$**	**$MTCO_2e$**	**$MTCO_2e$**
Purchased goods and services	13,645	12,513	16,991
Capital goods	7,254	5,321	4,833
Fuel and energy related activities	1,131	1,017	1,436
Upstream transportation and distribution	442	694	749
Waste	1,904	589	4,005
Business travel	7,021	2,364	27,322
Employee commuting (including telework)	8,929	6,242	9,718
Total Scope 3 emissions	**40,326 $MTCO_2e$**	**28,740 $MTCO_2e$**	**65,054 $MTCO_2e$**

Totals may not sum exactly due to rounding

* Our energy and GHG emissions data for calendar years 2019 and 2021 reported previously have been restated in our 2023 ESG Report, as our data was updated to remove the Public Sector Advisory practice emissions from our baseline and other years. Additional updates to our data collection and methodology processes, made as part of our GHG limited assurance engagement, also drove changes in our previously reported emissions data. Only the data from calendar years 2019 and 2022 were reviewed as part of the limited assurance engagement in fiscal year 2023.

In 2022, Grant Thornton had a 28,241 GJ decrease in total energy consumption, 2,831 $MTCO_2e$ decrease in Scope 1 and 2 GHG emissions, and 24,728 $MTCO_2e$ decrease in Scope 3 emissions from our 2019 baseline. Our combined Scope 1, 2 and 3 emissions in 2022 were 37% less than our emissions in 2019.

Our energy and Scope 1 and 2 emissions reductions are primarily due to our efforts to optimize our office space and reduce square footage. Our decreased Scope 3 emissions are primarily due to our ability to maintain reductions stemming from the pandemic in our business travel, purchased goods and services and colleague commuting categories, among other emissions categories.

Social

Colleague data

The data presented below includes gender, age, and race or ethnicity breakdowns for all U.S.-based colleagues, partners, principals and managing directors (PPMDs) and new hires, for all levels except interns. Gender and age breakdowns are presented for our INDUS colleagues, for all levels except interns. Data presented below was summarized as of July 31 of each fiscal year. INDUS operates under a different fiscal year, but all INDUS data is presented in alignment with the fiscal year of our U.S. firm.

"Colleagues" refers to all Grant Thornton personnel, including full-time and part-time personnel. PPMDs and Partnership Board members are included in colleague metrics.

Data presented for U.S.-based colleagues in fiscal years 2022 and 2021 includes colleagues who were part of our Public Sector Advisory practice.

Gender breakdowns for U.S.-based colleagues (includes all levels except interns)

	FY2023	FY2022	FY2021
U.S.-based colleagues (includes PPMDs)	**7,342**	**8,215**	**7,335**
Women	**45.6%**	**45.1%**	**44.6%**
Administrative	85.2%	84.9%	89.8%
Associate	44.8%	44.9%	47.3%
Senior Associate	50.8%	49.3%	47.9%
Manager	45.0%	45.8%	43.7%
Senior Manager	37.1%	35.1%	34.8%
Director or Senior Director	51.2%	47.4%	45.1%
Managing Director	32.2%	30.4%	33.7%
Partner or Principal	26.4%	26.5%	24.6%
Men	**54.4%**	**54.9%**	**55.4%**
Administrative	14.8%	15.1%	10.2%
Associate	55.2%	55.1%	52.7%
Senior Associate	49.2%	50.7%	52.1%
Manager	55.0%	54.2%	56.3%
Senior Manager	62.9%	64.9%	65.2%
Director or Senior Director	48.8%	52.6%	54.9%
Managing Director	67.8%	69.6%	66.3%
Partner or Principal	73.6%	73.5%	75.4%

Gender breakdowns for U.S.-based PPMDs

	FY2023	FY2022	FY2020
PPMDs	**878**	**896**	**861**
Women	**28.2%**	**27.7%**	**27.3%**
Men	**71.8%**	**72.3%**	**72.7%**

Gender breakdowns for INDUS colleagues (includes all levels except interns)

	FY2023	FY2022
INDUS colleagues	**2,014**	**1,695**
Women	**47.6%**	**48.9%**
Analyst	53.8%	59.7%
Associate, Technical Analyst, Consultant	49.0%	48.4%
Sr. Associate, Sr. Technical Analyst, Sr. Consultant, Lead	45.4%	47.4%
Assistant Manager, Technical Lead	45.4%	49.3%
Manager, Solution Architect	40.4%	37.8%
Sr. Manager, Sr. Solution Architect	36.1%	26.7%
Executive Director, Director, Associate Director	16.0%	13.6%
Men	**52.4%**	**51.1%**
Analyst	46.2%	40.3%
Associate, Technical Analyst, Consultant	51.0%	51.6%
Sr. Associate, Sr. Technical Analyst, Sr. Consultant, Lead	54.6%	52.6%
Assistant Manager, Technical Lead	54.6%	50.7%
Manager, Solution Architect	59.6%	62.2%
Sr. Manager, Sr. Solution Architect	63.9%	73.3%
Executive Director, Director, Associate Director	84.0%	86.4%

During fiscal year 2023, 98.5% of Grant Thornton's U.S.-based personnel were employed full-time, while 1.5% were employed part-time. In fiscal year 2023, the firm employed approximately 757 temporary workers. Temporary workers are individuals who are considered Grant Thornton employees and generally work for six months or less, including interns and other seasonal workers. Grant Thornton is an at-will employer and does not typically employ contract employees. For specific projects and needs, Grant Thornton works with third-party agencies, such as managed service providers, contractors and subcontractors.

Age breakdowns for U.S.-based and INDUS colleagues (includes all levels except interns)

U.S.-based colleagues (includes PPMDs)	**FY2023**	**FY2022**
Under 30 years of age	42.1%	40.8%
Between 30 and 50 years of age	43.6%	45.6%
Over 50 years of age	14.3%	13.6%
U.S.-based PPMDs	**FY2023**	**FY2022**
Between 30 and 50 years of age	56.6%	59.8%
Over 50 years of age	43.4%	40.2%
INDUS colleagues	**FY2023**	**FY2022**
Under 30 years of age	66.7%	68.7%
Between 30 and 50 years of age	33.3%	31.3%

Race/ethnicity breakdowns for all U.S.-based colleagues (includes all levels except interns)

	FY2023	FY2022	FY2021
American Indian or Alaska Native	**0.3%**	**0.4%**	**0.3%**
Administrative	0.0%	0.0%	0.0%
Associate	0.3%	0.6%	0.6%
Senior Associate	0.6%	0.4%	0.3%
Manager	0.3%	0.4%	0.1%
Senior Manager	0.0%	0.0%	0.0%
Director or Senior Director	0.2%	0.2%	0.2%
Managing Director	0.0%	0.0%	0.0%
Partner or Principal	0.3%	0.5%	0.5%
Asian	**17.0%**	**14.9%**	**14.0%**
Administrative	3.9%	4.0%	3.4%
Associate	18.8%	16.5%	15.3%
Senior Associate	24.6%	19.4%	16.9%
Manager	16.0%	14.5%	15.3%
Senior Manager	12.4%	13.0%	14.3%
Director or Senior Director	11.9%	11.8%	11.7%
Managing Director	11.0%	8.6%	7.8%
Partner or Principal	5.4%	5.8%	5.8%
Black or African American	**5.7%**	**7.6%**	**6.4%**
Administrative	25.1%	24.0%	19.9%
Associate	6.4%	8.0%	7.3%
Senior Associate	7.2%	10.8%	8.8%
Manager	4.9%	6.6%	5.9%
Senior Manager	2.4%	2.0%	0.2%
Director or Senior Director	3.1%	4.2%	3.9%
Managing Director	2.5%	2.5%	2.3%
Partner or Principal	1.0%	1.1%	1.0%
Hispanic or Latinx	**6.2%**	**5.7%**	**4.9%**
Administrative	14.8%	12.9%	13.1%
Associate	9.3%	7.8%	6.1%
Senior Associate	7.1%	6.6%	5.9%
Manager	4.3%	4.3%	3.4%
Senior Manager	3.3%	2.6%	2.8%
Director or Senior Director	2.6%	3.1%	3.7%
Managing Director	4.2%	4.3%	3.9%
Partner or Principal	2.4%	2.4%	2.0%

	FY2023	FY2022	FY2021
Native Hawaiian or Pacific Islander	**0.1%**	**0.1%**	**0.2%**
Administrative	0.0%	0.0%	0.5%
Associate	0.2%	0.3%	0.3%
Senior Associate	0.1%	0.1%	0.2%
Manager	0.1%	0.1%	0.2%
Senior Manager	0.0%	0.2%	0.2%
Director or Senior Director	0.0%	0.0%	0.2%
Managing Director	0.4%	0.0%	0.0%
Partner or Principal	0.0%	0.0%	0.0%
White or Caucasian	**67.9%**	**68.3%**	**73.2%**
Administrative	53.7%	55.1%	62.6%
Associate	61.9%	62.9%	69.5%
Senior Associate	57.2%	59.7%	66.6%
Manager	71.2%	71.1%	73.6%
Senior Manager	79.4%	79.3%	80.8%
Director or Senior Director	80.3%	78.6%	80.1%
Managing Director	80.6%	82.9%	85.1%
Partner or Principal	89.7%	89.3%	90.3%
Unknown or Not disclosed	**2.8%**	**3.0%**	**1.2%**
Administrative	2.5%	4.0%	0.5%
Associate	3.1%	4.1%	0.2%
Senior Associate	3.2%	3.1%	0.2%
Manager	3.2%	3.2%	0.3%
Senior Manager	2.4%	2.8%	0.2%
Director or Senior Director	1.9%	2.1%	0.0%
Managing Director	1.4%	1.8%	0.0%
Partner or Principal	1.2%	0.8%	0.5%

Gender breakdowns for new hires (includes all levels except interns)

	FY2023	FY2022	FY2021
U.S.-based new hires	**1,546**	**2,546**	**1,605**
Women	**44.2%**	**44.1%**	**41.6%**
Administrative	81.8%	69.7%	85.7%
Associate	43.7%	43.4%	44.6%
Senior Associate	47.1%	46.9%	38.9%
Manager	39.1%	46.3%	33.3%
Senior Manager	16.7%	19.0%	21.4%
Director or Senior Director	42.5%	41.2%	32.8%
Managing Director	15.4%	16.0%	42.9%
Partner or Principal	50.0%	25.0%	44.4%
Men	**55.8%**	**55.9%**	**58.4%**
Administrative	18.2%	30.3%	14.3%
Associate	56.3%	56.6%	55.4%
Senior Associate	52.9%	53.1%	61.1%
Manager	60.9%	53.7%	66.7%
Senior Manager	83.3%	81.0%	78.6%
Director or Senior Director	57.5%	58.8%	67.2%
Managing Director	84.6%	84.0%	57.1%
Partner or Principal	50.0%	75.0%	55.6%

	FY2023	FY2022
INDUS new hires	**849**	**879**
Women	**45.0%**	**48.5%**
Analyst	52.4%	57.6%
Associate, Technical Analyst, Consultant	44.3%	46.1%
Sr. Associate, Sr. Technical Analyst, Sr. Consultant	40.0%	40.6%
Assistant Manager, Technical Lead	31.1%	51.9%
Manager, Solution Architect	31.8%	35.7%
Sr. Manager, Sr. Solution Architect	40.0%	16.7%
Associate Director	0.0%	0.0%
Director	0.0%	33.3%
Men	**55.0%**	**51.5%**
Analyst	47.6%	42.4%
Associate, Technical Analyst, Consultant	55.7%	53.9%
Sr. Associate, Sr. Technical Analyst, Sr. Consultant	60.0%	59.4%
Assistant Manager, Technical Lead	68.9%	48.1%
Manager, Solution Architect	68.2%	64.3%
Sr. Manager, Sr. Solution Architect	60.0%	83.3%
Associate Director	100.0%	100.0%
Director	0.0%	66.7%

Age breakdowns for new hires (includes all levels except interns)

U.S.-based new hires	FY2023	FY2022	FY2021
Under 30 years of age	66.0%	58.1%	68.9%
Over 30 years of age	34.0%	41.9%	31.1%

INDUS new hires	FY2023	FY2022
Under 30 years of age	74.9%	77.2%
Over 30 years of age	25.1%	22.8%

Race or ethnicity breakdowns for new hires

	FY2023	FY2022	FY2021
American Indian or Alaska Native	**0.3%**	**0.5%**	**0.6%**
Administrative	N/A	N/A	N/A
Associate	0.3%	0.5%	0.7%
Senior Associate	0.5%	0.3%	0.6%
Manager	N/A	1.1%	1.0%
Senior Manager	N/A	N/A	N/A
Director or Senior Director	N/A	N/A	N/A
Managing Director	N/A	N/A	N/A
Partner or Principal	N/A	N/A	N/A
Asian	**26.8%**	**19.9%**	**17.8%**
Administrative	3.0%	9.1%	N/A
Associate	19.9%	17.0%	17.0%
Senior Associate	43.9%	26.7%	19.5%
Manager	27.2%	19.2%	19.3%
Senior Manager	16.7%	19.1%	43.8%
Director or Senior Director	25.0%	16.5%	15.5%
Managing Director	46.2%	16.0%	14.3%
Partner or Principal	N/A	12.5%	N/A
Black or African American	**8.2%**	**10.3%**	**8.8%**
Administrative	27.3%	24.2%	N/A
Associate	6.2%	7.3%	7.3%
Senior Associate	10.9%	15.5%	13.5%
Manager	9.5%	9.9%	9.4%
Senior Manager	8.3%	9.5%	N/A
Director or Senior Director	7.5%	4.7%	5.2%
Managing Director	N/A	4.0%	9.5%
Partner or Principal	N/A	N/A	22.2%
Hispanic or Latinx	**9.2%**	**7.4%**	**6.4%**
Administrative	21.2%	9.1%	14.3%
Associate	10.5%	8.2%	7.0%
Senior Associate	6.9%	7.3%	5.7%
Manager	7.1%	6.0%	5.5%
Senior Manager	4.2%	2.4%	N/A
Director or Senior Director	10.0%	4.7%	6.9%
Managing Director	N/A	4.0%	N/A
Partner or Principal	N/A	N/A	N/A

	FY2023	FY2022	FY2021
Native Hawaiian or Pacific Islander	**0.1%**	**0.1%**	**0.1%**
Administrative	N/A	N/A	N/A
Associate	0.1%	0.2%	0.1%
Senior Associate	N/A	N/A	0.3%
Manager	0.6%	N/A	N/A
Senior Manager	N/A	N/A	N/A
Director or Senior Director	N/A	N/A	N/A
Managing Director	N/A	N/A	N/A
Partner or Principal	N/A	N/A	N/A
White or Caucasian	**52.2%**	**54.1%**	**65.0%**
Administrative	45.5%	45.5%	85.7%
Associate	61.6%	60.9%	66.7%
Senior Associate	31.8%	42.5%	59.6%
Manager	50.9%	52.3%	62.4%
Senior Manager	70.8%	54.8%	56.3%
Director or Senior Director	55.0%	65.9%	70.7%
Managing Director	46.2%	60.0%	76.2%
Partner or Principal	75.0%	75.0%	77.8%
Unknown or Not disclosed	**3.1%**	**7.7%**	**1.2%**
Administrative	3.0%	12.1%	N/A
Associate	1.4%	5.9%	1.2%
Senior Associate	6.0%	7.7%	0.9%
Manager	4.7%	11.5%	2.5%
Senior Manager	N/A	14.3%	N/A
Director or Senior Director	2.5%	8.2%	1.7%
Managing Director	7.7%	16.0%	N/A
Partner or Principal	25.0%	12.5%	N/A

Turnover data

U.S.	FY2023	FY2022	FY2021
Total turnover	**20.5%**	**24%**	**24%**
Voluntary	13.4%	22.7%	20.5%
Involuntary	7.1%	1.3%	3.6%
Women	40.7%	42%	44%
Men	59.3%	58%	56%
Under 30 years of age	47.2%	54%	55%
Over 30 years of age	52.8%	46%	45%

INDUS	FY2023	FY2022
Total turnover	**25.4%**	**31%**
Voluntary	23.2%	30%
Involuntary	2.2%	1%
Women	47.8%	44%
Men	52.2%	56%
Under 30 years of age	57.9%	67%
Over 30 years of age	42.1%	33%

*Note: Grant Thornton calculates turnover based on average monthly headcount for the full fiscal year. The U.S. turnover data presented above for fiscal years 2021, 2022 and the first two months of 2023 include headcount from the Public Sector Advisory practice, which was divested in October 2022.

Health and well-being: Grant Thornton's comprehensive benefits offering

All of our full-time and part-time colleagues at our U.S. locations have access to an array of benefits, including:

- Health, dental, vision and well-being benefits, including coverage for eligible domestic partners and dependents*
- Employee Assistance Program (EAP)*
- Disability benefits
- 401(k) savings plan
- Employee pension plans
- Insurance options, including life insurance and critical illness
- Access to savings accounts and reimbursement plans, including Flexible Spending Accounts (FSAs), Health Savings Accounts (HSAs), Lifestyle Spending Accounts (LSAs), dependent care and commuter spending
- Gender transition benefits*
- Parental benefits
- Family building benefits
- Adoption & surrogacy reimbursement benefits
- Educational assistance
- Identity theft protection
- Legal assistance program
- Innovative flexible time-off policy
- Family support benefits: back-up care, bereavement assistance, pet adoption and insurance

*Same- and opposite-sex domestic partners and their dependents are also eligible for these benefits.

Our full-time colleagues in India also have access to a full array of benefits, including health insurance coverage for colleagues and their dependents; tele-health benefits; an EAP; health and wellness initiatives; parental leave and adoption reimbursement; flexible time-off and more.

Parental leave

Grant Thornton offers comprehensive parental leave benefits. All active U.S.-based colleagues are eligible for up to 12 weeks of paid parental leave at 100% of their base salary upon the birth, legal adoption or permanent placement of a child under their legal guardianship. Parents can take time off for parental leave in two- week intervals, if they choose, in the first year following the birth, adoption or placement of the child.

	FY2023	FY2022	FY2021
U.S.-based colleagues who took parental leave	381	489	326
Women	146	224	162
Men	235	265	164
U.S.-based colleagues who returned to work in the reporting period after parental leave ended	377	411	Not reported
Women	145	156	Not reported
Men	232	225	Not reported
U.S.-based colleagues who were still employed 12 months after their return to work	344	396	Not reported
Women	136	172	Not reported
Men	208	223	Not reported
Return to work rates for U.S.-based colleagues that took parental leave	98.95%	91.13%	Not reported
Women	99.32%	80.83%	Not reported
Men	98.72%	98.25%	Not reported
Retention rate for U.S.-based colleagues that took parental leave	83.90%	Not reported	Not reported
Women	91.89%	Not reported	Not reported
Men	79.39%	Not reported	Not reported

Our INDUS colleagues are also offered parental leave benefits. Women are eligible for up to 26 weeks of maternity leave as long as they have worked at the firm for at least 80 days in the year leading up to the expected delivery date. Women who adopt a child below the age of 3 months are eligible for up to 12 weeks of leave. Men are eligible for up to five business days of paid paternity leave upon the birth or adoption of a child.

	FY2023	FY2022
INDUS colleagues who took parental leave	125	72
Women	76	42
Men	49	30

Workplace safety

The health and safety of our colleagues is always of the utmost importance. As part of our workplace safety program, we have a variety of policies, procedures and mechanisms in place to support their safety while at work. These include:

- Safety, anti-harassment and workplace violence policies
- Reasonable accommodations policies
- Alcohol/drug-free workplace policy
- Safe driving policy
- Paid sick time
- Paid short-term disability leave
- Physical security and access control policy
- Workplace risk assessments, safety trainings and emergency evacuation plans
- A reporting system for unsafe work conditions and work-related injuries
- Programs that support the psychological safety of our colleagues, including our EAP and resilience/stress management programs
- Business continuity plan
- Crisis management protocol

Retirement benefits and plans

Grant Thornton offers four qualified retirement plans to personnel:

- The Grant Thornton 401(k) Savings Plan (401(k) plan) is a defined contribution plan funded by both participant (partner and employee) and employer contributions.
- The Grant Thornton Employees Retirement Plan (ERP) is a defined benefit plan for employees that is funded by employer contributions.
- The Partner Savings Plan (PSP) is a qualified defined contribution plan funded by partners and principals.
- The Grant Thornton Partners' Cash Balance Plan (PCBP) is a defined benefit plan for partners and principals. In addition, Grant Thornton offers a non-qualified plan for partners and principals that is defined by the terms of the partnership agreement.

Grant Thornton's employees choose their own deferral rate for the 401(k). New hires are auto-enrolled at 4% of pay and all employees can change their deferral rate at any time to defer between 0% and 100% of their pay after required deductions (i.e., taxes and benefits). The firm matches 25% of the first 6% of eligible compensation that an employee contributes. Additional contributions may be made by the firm, subject to eligibility.

Grant Thornton contributes up to 4% of an employee's eligible compensation to the ERP for all employees below the senior director level; for senior directors and above, the firm contributes 6%. For the PCBP, contributions from the firm are based on partner units at January 1 of each calendar year and on prior-year compensation.

As of Dec. 31, 2022, the participation rate for active eligible personnel in the 401(k) plan was 94.6%. The ERP is mandatory for all employees and the PCBP is mandatory for all partners and principals, as defined by those plans.

Governance

Grant Thornton's Partnership Board
Grant Thornton's Partnership Board consists of elected members plus the CEO, who is appointed by the Board and ratified by the partners and principals.

The CEO and chairperson of Grant Thornton are separate roles. The chairperson of Grant Thornton's Partnership Board is chosen from among the elected members of the Partnership Board and is elected annually by a majority vote of the Partnership Board. Kelli Knoble currently serves as Grant Thornton's Partnership Board chair.

Candidates for the Partnership Board must meet the firm's quality gating criteria and serve in roles in the firm that are deemed sufficiently independent of senior management as determined by the firm's Partnership Agreement. According to the firm's Partnership Agreement, at any given time, a majority of the Partnership Board members must be certified public accountants (irrespective of service line or role in the firm) and at least two members must meet the criteria of "audit committee financial expert" as defined in Item 407(d)(5) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended. Elected Partnership Board members serve a three-year term. The CEO is included in the metrics shared below.

Partnership Board gender breakdown	**FY2023**	**FY2022**	**FY2021**
Women	30%	27%	27%
Men	70%	73%	73%
Partnership Board race/ ethnicity breakdown	**FY2023**	**FY2022**	**FY2021**
Asian	20%	18%	18%
White	80%	82%	82%
Partnership Board age breakdown	**FY2023**	**FY2022**	**FY2021**
30-50 years of age	30%	36%	45%
Over 50 years of age	70%	64%	55%

Note: In fiscal year 2023, the Partnership Board consisted of 10 members, while in fiscal years 2022 and 2021, the Partnership Board consisted of 11 members.

The annual remuneration of each member of the Partnership Board and SLT is disclosed to the partners and principals of the firm. The Partnership Board determines and approves all components of remuneration of the CEO and members of the SLT. Given that Partnership Board members are partners and principals with active roles in the firm, their remuneration is determined based on their performance in their business-related roles. Any recommendations for remuneration increases of Partnership Board members must result from and follow the same policies and processes as applicable to all partners and principals, and are approved by vote of the Partnership Board (with appropriate recusals).

Conflicts of interest
The firm's Partnership Agreement addresses potential conflicts of interest of the Partnership Board. No member of the SLT nor any person who reports directly to the CEO may serve on the Partnership Board. Further, each year, the Partnership Board evaluates current leadership roles and respective reporting structures to determine whether any other position(s) should be ineligible to serve on the Partnership Board and may exclude such other position(s) from serving as an elected member if the Partnership Board deems such position(s) not to be sufficiently independent of senior management.

The Partnership Agreement also has requirements and guidance for when Partnership Board members must recuse themselves from voting or participating in deliberations on certain matters. The partners and principals serving on the Partnership Board are subject to the same independence, compliance and ethical standards, auditing and monitoring procedures and disciplinary policies as the firm at large.

Firm policies and training
In addition to our Code of Conduct, we have a wide range of established policies, procedures and related trainings in place to help our colleagues understand what is expected of them.

Examples of policy topics include:

- Anti-fraud, bribery and corruption
- Anti-trust and anti-competitive requirements
- 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 and ethics requirements
- Information security, incident response, and identification of risks and threats
- Physical security and access control policies and protocols
- Political activity and lobbying
- Prohibited discrimination, harassment and retaliation
- Sanctions and export controls

Annually, we require all colleagues to complete mandatory training and certification related to our Code of Conduct, Respect in the Workplace and Information Security and Data Privacy. Additional trainings, such as Independence and Ethics, are required to be completed by certain colleagues based on service line, level and/or job requirements.

To ensure that all colleagues complete these important trainings and certifications, we incorporate compliance accountability into all colleagues' performance reviews. If a colleague is non-compliant with mandatory training requirements or has been found to be in violation of certain policies, their year-end performance review can be affected.

Cybersecurity and data privacy

Cybersecurity and data privacy are two key areas of risk for the firm which are managed by dedicated teams and established programs and are overseen by the CRCO, who is a member of the NLT. Our integrated Information Security and Privacy Management Systems are based on best-practice global standards ISO 27001/27701/27017.

Grant Thornton's dedicated chief information security officer (CISO) is responsible for the cybersecurity program. The CISO is responsible for assessing and managing risks related to our information technology systems and for implementing strategies and solutions to mitigate risks associated with the security, confidentiality, integrity and availability of firm and client data. The CISO works closely with key internal stakeholders including data privacy, enterprise transformation, enterprise risk management and the firm's leadership. The firm's Partnership Board receives regular updates from the CISO on cybersecurity issues and risks.

The firm's Privacy Office is responsible for, among other things, managing risks related to the firm's collection and use of data, including personal information. The Privacy Office also administers the firm's privacy program and sets policies and procedures for the proper handling and usage of personal information. The Privacy Office works in conjunction with members of the legal department and the Risk & Compliance Office to regularly assess and review the firm's methods and performance in relation to its collection and use of personal information to support compliance with applicable data protection laws.

Firm memberships and associations

Grant Thornton is an active member of many organizations and associations aligned with our industry and service offerings.

Some of our strategic memberships include:

- American Institute of Certified Public Accountants (AICPA)
- American Society for Quality (ASQ)
- Center for Audit Quality (CAQ)
- Council of Institutional Investors (CII)
- Council on State Taxation (COST)
- Institute for Professionals in Taxation
- Institute of Internal Auditors (IIA)
- International Federation of Accountants (IFAC)
- National Association of Corporate Directors (NACD)
- Tax Executives Institute
- U.S. Chamber of Commerce

In addition to our corporate memberships, our colleagues are members of numerous local organizations and associations.

Grant Thornton also participates in many external initiatives that align with our material ESG focus areas, including, but not limited to:

- CAQ's Accounting+ Challenge
- CDP Supply Chain program
- CEO Action for Diversity & Inclusion
- ISO 27001, 27701, 27017
- Science Based Targets initiative (SBTi)
- The Posse Foundation
- Thurgood Marshall College Fund

Global Reporting Initiative (GRI) content index

Statement of use	Grant Thornton LLP (Grant Thornton) has reported the information cited in this GRI content index for the period Aug. 1, 2022, through July 31, 2023 (unless otherwise stated) with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI disclosure number		Disclosure topic	Response
General Disclosures			
General Disclosures	2-1	Organizational details	About this report, page 4 About Grant Thornton, page 6
General Disclosures	2-2	Entities included in the organization's sustainability reporting	About this report, page 4
General Disclosures	2-3	Reporting period, frequency and contact point	About this report, page 4
General Disclosures	2-4	Restatements of information	With the exception of the restatements of our GHG emissions data, Grant Thornton has no other restatements of information to report. ESG appendix: Emissions and energy, page 50
General Disclosures	2-5	External assurance	Independent Accountant's Review Report, pages 1-11
Activities and workers			
General Disclosures	2-6	Activities, value chain and other business relationships	About Grant Thornton, page 6 Responsible procurement, page 45 Our strategic alliances empower our clients with the world's leading solutions, paired with our proven audit, tax, strategy, implementation, optimization and support services. Our alliances are available here: gt.com/services/alliances Other than the divestiture of our Public Sector Advisory practice, Grant Thornton did not experience any other significant organizational changes during fiscal year 2023.
General Disclosures	2-7	Employees	Our colleague representation, page 27 Our commitment to diversity, equity and inclusion, page 24 ESG appendix: Colleague data, page 53
Governance			
General Disclosures	2-9	Governance structure and composition	Our ESG governance, page 10 ESG appendix: Grant Thornton's Partnership Board, page 61
General Disclosures	2-10	Nomination and selection of the highest governance body	ESG appendix: Grant Thornton's Partnership Board, page 61
General Disclosures	2-11	Chair of the highest governance body	ESG appendix: Grant Thornton's Partnership Board, page 61

GRI disclosure number		Disclosure topic	Response
Governance			
General Disclosures	2-12	Role of the highest governance body in overseeing the management of impacts	Our ESG governance, page 10
General Disclosures	2-13	Delegation of responsibility for managing impacts	Our ESG governance, page 10 Our CRCO has oversight for setting the firm's overall strategy on ESG matters, developing and implementing related initiatives and policies, monitoring and assessing developments of ESG risks and issues that are material to the business, and reporting on our ESG performance. Our national managing principal for culture, immersion and inclusion has oversight for setting the strategy on firm culture, DE&I and related colleague efforts, including developing and implementing initiatives and policies, and monitoring engagement and progress toward our publicly stated goals. All risks to the firm, including ESG risks, are identified and evaluated as part of our ERM practices. ESG issues and risks, and progress on stated DE&I and climate-related goals are discussed regularly throughout the year with the Partnership Board's Risk Subcommittee, which has a governance oversight role over risk management.
General Disclosures	2-15	Conflicts of interest	ESG appendix: Conflicts of interest, page 61
General Disclosures	2-16	Communication of critical concerns	At least annually, the CRCO communicates issues reported through our Ethics hotline, as well as issues and complaints reported through other channels, to Grant Thornton's Partnership Board. Of the issues and complaints reported in fiscal year 2023, none were critical in terms of their actual or potential negative impact to the firm or its stakeholders. All were investigated and resolved in the ordinary course of business, including imposing remedial measures or disciplinary action as necessary or appropriate.
General Disclosures	2-17	Collective knowledge of the highest governance body	Several Grant Thornton Partnership Board members have taken courses related to ESG, ESG assurance and climate governance. One Partnership Board member completed the "Fundamentals of ESG Certificate" developed by the AICPA and CIMA.
General Disclosures	2-19	Remuneration policies	ESG appendix: Grant Thornton's Partnership Board, page 61

Strategy, policies and practices			
General Disclosures	2-22	Statement on sustainable development strategy	A message from the CEO, page 3
General Disclosures	2-23	Policy commitments	Our commitment to culture, page 7 Maintaining the highest standard of ethical conduct, page 43 Upholding labor and human rights, page 44 ESG appendix: Firm policies and training, page 61

GRI disclosure number		Disclosure topic	Response
Strategy, policies and practices			
General Disclosures	2-24	Embedding policy commitments	Our commitment to culture, page 7 Maintaining the highest standard of ethical conduct, page 43 Upholding labor and human rights, page 44 ESG appendix: Firm policies and training, page 61
General Disclosures	2-25	Processes to remediate negative impacts	Promoting a speak-up culture, page 44
General Disclosures	2-26	Mechanisms for seeking advice and raising concerns	Maintaining the highest standard of conduct, page 43 Promoting a speak-up culture, page 44
General Disclosures	2-27	Compliance with laws and regulations	Grant Thornton has a cross-functional team dedicated to monitoring and developing compliance strategies in response to new employment laws at the federal, state and local level. Maintaining the highest standard of ethical conduct, page 43 Grant Thornton consented to the entry of an Order, dated December 22, 2022 resolving a PCAOB inquiry relating to alleged violations of PCAOB Rule 2203. Rule 2203 provides that a registered public accounting firm must file a special report on Form 3 to report any event specified in that form within thirty days of the event's occurrence. The board's Order states that Grant Thornton failed to timely report 12 changes to its licensing status in various jurisdictions, the initiation of two legal proceedings and the conclusion of one of those proceedings. Pursuant to the Order, Grant Thornton agreed to pay a $40,000 penalty. The Order does not restrict Grant Thornton's ability to perform professional services.
General Disclosures	2-28	Membership associations	ESG appendix: Firm memberships and associations, page 62
Stakeholder engagement			
General Disclosures	2-29	Approach to stakeholder engagement	Engaging our stakeholders, page 14
General Disclosures	2-30	Collective bargaining agreements	Upholding labor and human rights, page 44
Material topics			
Material topics	3-1	Process to determine material topics	Our approach to materiality, page 13
Material topics	3-2	List of material topics	Our approach to materiality, page 13 Definitions of material topics, page 49

GRI disclosure number		Disclosure topic	Response
Topic specific standards: Economic			
Economic performance			
Economic performance	3-3	Management of material topics	Our approach to materiality, page 13 ESG appendix: TCFD index, page 71
Economic performance	201-2	Financial implications and other risks and opportunities due to climate change	ESG appendix: TCFD index, page 71
Economic performance	201-3	Defined benefit plan obligations and other retirement plans	ESG appendix: Retirement benefits and plans, page 60
Economic performance	201-4	Financial assistance received from government	In fiscal year 2023, Grant Thornton did not receive any financial assistance from the government.
Anti-corruption			
Anti-corruption	3-3	Management of material topics	Our approach to materiality, page 13 Maintaining the highest standard of ethical conduct, page 43 ESG appendix: Firm policies and training, page 61
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	Maintaining the highest standard of ethical conduct, page 43 ESG appendix: Firm policies and training, page 61
Topic specific standards: Environmental			
Energy			
Energy	3-3	Management of material topics	Our approach to materiality, page 13 Our actions to better our planet, page 17
Energy	302-1	Energy consumption within the organization	ESG appendix: Emissions and energy, page 50
Energy	302-4	Reduction of energy consumption	ESG appendix: Emissions and energy, page 50 Our emissions reduction progress and ongoing initiatives, page 19
Emissions | *Material topic: Climate and GHG emissions*			
Emissions	3-3	Management of material topics	Our approach to materiality, page 13 Our actions to better our planet, page 17
Emissions	305-1	Direct (Scope 1) GHG emissions	ESG appendix: Emissions and energy, page 50
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	ESG appendix: Emissions and energy, page 50
Emissions	305-3	Other indirect (Scope 3) GHG emissions	ESG appendix: Emissions and energy, page 50
Emissions	305-5	Reduction of GHG emissions	ESG appendix: Emissions and energy, page 50 Our emissions reduction progress and ongoing initiatives, page 19
Waste | *Material topic: Waste and recycling*			
Waste	3-3	Management of material topics	Our approach to materiality, page 13 Our actions to better our planet, page 17 Reducing waste and enhancing recycling, page 21

GRI disclosure number		Disclosure topic	Response
Topic specific standards: Social			
Employment | *Material topics: DE&I; Talent attraction, retention and development; Employee health and well-being*			
Employment	3-3	Management of material topics	Our approach to materiality, page 13 Our commitment to culture, page 7 Our commitment to diversity, equity and inclusion, page 24 Recruiting diverse talent, page 30 Supporting and retaining our talented colleagues, page 33 Committing to our colleagues' health and well-being, page 36
Employment	401-1	New employee hires and employee turnover	Recruiting diverse talent, page 30 Fiscal year 2023 new hires, page 31 ESG appendix: - New hire breakdowns, page 56 - Turnover data, page 58
Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Committing to our colleagues' health and well-being, page 36 ESG appendix: Health and well-being: Grant Thornton's comprehensive benefits offering, page 58
Employment	401-3	Parental leave	Support through life's challenges and changes, page 37 ESG appendix: Parental leave, page 59
Occupational health and safety | *Material topic: Employee health and well-being*			
Occupational health and safety	3-3	Management of material topics	Our approach to materiality, page 13 Committing to our colleagues' health and well-being, page 36 Workplace safety, page 60
Training and education | *Material topic: Talent attraction, retention and development*			
Training and education	3-3	Management of material topics	Our approach to materiality, page 13 Supporting and retaining our talented colleagues, page 33
Training and education	404-1	Average hours of training per year per employee	Cultivating an environment of continuous learning, page 33
Training and education	404-2	Programs for upgrading employee skills and transition assistance programs	Supporting and retaining our talented colleagues, page 33
Training and education	404-3	Percentage of employees receiving regular performance and career development reviews	Providing more support with anytime feedback, page 34 Cultivating the next generation of leaders, page 34

GRI disclosure number		Disclosure topic	Response
Diversity and equal opportunity | *Material topic: DE&I*			
Diversity and equal opportunity	3-3	Management of material topics	Our approach to materiality, page 13 Our approach to DE&I, page 26
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	Our colleague representation, page 27 ESG appendix: - Colleague data, page 53 - Grant Thornton's Partnership Board, page 61
Non-discrimination | *Material topic: Ethics and integrity*			
Non-discrimination	3-3	Management of material topics	Our approach to materiality, page 13 Our commitment to diversity, equity and inclusion, page 24 Maintaining the highest standard of ethical conduct, page 43 Promoting a speak-up culture, page 44 Upholding labor and human rights, page 44 ESG appendix: Firm policies and training, page 61
Non-discrimination	405-1	Diversity of governance bodies and employees	ESG appendix: - Colleague data, page 53 - Grant Thornton's Partnership Board, page 61
Customer privacy | *Material topic: Data privacy and cybersecurity*			
Customer privacy	3-3	Management of material topics	Our approach to materiality, page 13 Data privacy and cybersecurity, page 46
Customer privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Except as a matter of public record, Grant Thornton does not disclose this information; however, in fiscal year 2023, Grant Thornton experienced a phishing incident that compromised the email account of one individual. This was an isolated incident that was quickly contained. Appropriate procedures were followed including a comprehensive investigation and other appropriate remediation measures. In addition, breach notifications were sent to potentially impacted parties and individuals as required by law.
Additional material issues			
Technology and innovation	3-3	Management of material topics	Our approach to materiality, page 13 Technology and innovation, page 47
Ethics and integrity	3-3	Management of material topics	Our approach to materiality, page 13 Ethics and integrity, page 43
Community involvement	3-3	Management of material topics	Our approach to materiality, page 13 Supporting our communities, page 39

Sustainability Accounting Standards Board (SASB) index

Disclosure topics	Accounting metrics	Code	Response
Data Security	Description of approach to identifying and addressing data security risks	SV-PS-230a.1	Data privacy and cybersecurity, page 46
	Description of policies and practices relating to collection, usage, and retention of customer information	SV-PS-230a.2	Data privacy and cybersecurity, page 46
	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	SV-PS-230a.3	Except as a matter of public record, Grant Thornton does not disclose this information; however, in fiscal year 2023, Grant Thornton experienced a phishing incident that compromised the email account of one individual. This was an isolated incident that was quickly contained. Appropriate procedures were followed including a comprehensive investigation and other appropriate remediation measures. In addition, breach notifications were sent to potentially impacted parties and individuals as required by law.
Workforce Diversity & Engagement	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	SV-PS-330a.1	Our commitment to diversity, equity and inclusion, page 24 Our colleague representation, page 27 ESG appendix: Colleague data, page 53
	(1) Voluntary and (2) involuntary turnover rate for employees	SV-PS-330a.2	ESG appendix: Turnover data, page 58
	Employee engagement as a percentage	SV-PS-330a.3	Our fiscal year 2023 GT Shape Engagement survey found that: 89% of our colleagues are engaged: • 51% are highly engaged, while 38% are moderately engaged 11% of our colleagues are not actively engaged: • 10% of our colleagues are barely engaged, while 1% of our colleagues are disengaged The fiscal year 2023 survey was conducted in the fall of 2022 by a third party to protect colleague data. The survey focused on questions in a variety of areas including career growth, team dynamics, trust in leadership, communication and other important engagement topics. We began conducting annual full engagement surveys in fiscal year 2020 (prior, we conducted our full engagement surveys every three years), with shorter surveys conducted semiannually. Our surveys are administered by a third party to maintain colleague confidentiality.

Disclosure topics	Accounting metrics	Code	Response
Professional Integrity	Description of approach to ensuring professional integrity	SV-PS-510a.1	Our commitment to culture, page 7 Maintaining the highest standard of ethical conduct, page 43 Furthering our commitment to quality, page 45
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	SV-PS-510a.2	Except as a matter of public record, Grant Thornton does not disclose this information.

Activity metrics	Description	Code	Response
1	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	SV-PS-000.A	ESG appendix: Colleague data, page 53
2	Employee hours worked, percentage billable	SV-PS-000.B	Grant Thornton does not disclose this information.

Task Force on Climate-Related Financial Disclosures (TCFD) index

Recommended disclosures	Response
Governance	
A) Describe the board's oversight of climate-related risks and opportunities	Our ESG governance, page 10
B) Describe management's role in assessing and managing risks and opportunities	Our ESG governance, page 10 Enterprise Risk management (ERM), page 44 GRI Index 2-13, page 64
Strategy	
A) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Effective ERM is a key enabler of Grant Thornton's strategy. Grant Thornton's risk management processes identify and assess risks across our service lines, functions and related to key issues. Grant Thornton considers strategic risks to include internal or external impacts that would inhibit the firm from reaching its business goals. We define short-term risks to include matters that can be resolved in a fiscal or calendar year; medium-term risks to include matters that can be resolved between one and three years; and long-term risks as matters that require more significant time and resources to resolve. As part of our ERM processes, the firm reviews climate-related risks and opportunities annually to understand if they will have an impact on our business, either directly or indirectly. **Our risks** Our firm has identified three main climate-related risks over the short-term and long-term time horizons. Short-term risks include the risks of not being able to meet changing client behavior, where clients are expecting more transparency about our firm's environmental, sustainability and climate-related actions; and the risk of weather and climate-related events that could impact daily operations, such as natural disasters or severe weather events that could impact our colleagues, the data centers we use or affect the ability of our suppliers to deliver services. Our identified long-term risks include those related to transitioning to lower emissions-generating solutions, including available technologies in our supply chains; renewable energy for our office spaces; the abilities of our suppliers to reduce their emissions associated with the goods and services we purchase; and the overall costs and cost increases associated with the aforementioned solutions. **Our opportunities** Our identified climate-related opportunities over the short-term time horizon include those related to resource efficiencies. Through our hybrid work model, we realized reductions in our Scope 3 emissions through more virtual collaboration and less business travel; and we realized reductions in our Scope 1 and 2 emissions through reductions in our real estate footprint. We also had the ability to renegotiate our leases and downsize some office spaces. From calendar year 2019 through calendar year 2022, we reduced our square footage by more than 430,000 square feet. Over the medium-term time horizon, we see access to new markets and expanded opportunities due to client interest in ESG services as an ongoing opportunity.

Recommended disclosures	Response
	Our identified climate-related risks and opportunities are addressed in our annual firm strategies and, where required, investments are built into our financial plans. To mitigate the impacts of our identified risks, since 2020, we have expanded key areas of our Risk and Compliance team, including ERM and Sustainability. These teams work together to monitor current and emerging risks related to sustainability and climate change. We have also worked to improve our processes related to climate and ESG disclosures and address ESG-related topics annually with the SLT and Partnership Board. For more on our ERM efforts throughout fiscal year 2023, see "Enterprise risk management (ERM)" on page 44.
B) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Our firm has set goals to achieve a 55% absolute reduction of our GHG emissions by 2030 and net- zero GHG emissions by 2050. We signed on to the SBTi in 2021 and in 2022, we worked with a consultant to refine our targets for validation by the SBTi. Through this process, we refined our GHG emissions reduction modeling scenarios to help us focus on implementing the most effective strategies to reduce our emissions, which will include working with suppliers to reduce emissions associated with our purchased goods and services and capital goods, and continuing to reduce our business travel and office square footage. Throughout 2022, we refined our existing goals to bring them into alignment with the SBTi Net-Zero Standard. Our updated goals were submitted to the SBTi for review and validation in early 2023. In 2023, we also obtained limited assurance over our calendar years 2019 and 2022 GHG emissions. This effort helped us improve our data collection and calculation processes to ensure they are repeatable and reliable and has helped us mature our GHG emissions program The impact of climate change also serves as an opportunity for Grant Thornton to support clients in their identification, management and mitigation of climate risks. Over the past year, we have continued to expand our ESG client solutions and resources to support companies in the demand for ESG services.
C) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	When formulating our climate strategies, we consider external changes across our market, industry and clients, and we evaluate internal projections on future travel patterns, headcount, square footage, consumption of goods and services and revenue to determine how our anticipated growth will impact our overall emissions, risks and opportunities. We are in the process of updating our climate-related modeling scenarios and strategies. This work will help us understand how we can achieve our near-term target to reduce our absolute GHG emissions 55% by 2030 and achieve our long-term net-zero target by 2050, as well as improve the resiliency of our strategies.

Recommended disclosures	Response
Risk management	
A) Describe the organization's processes for identifying and assessing climate-related risks.	At a high-level, Grant Thornton assesses climate risks as part of our ERM process. The ERM team conducts risk analysis workshops with firm leaders, department heads and applicable personnel. Risks are identified and recorded in the firm's risk register to enable ease of identification, documentation, assessment, monitoring, reporting and responding. The primary data housed in the risk register includes the risks, descriptive information related to each risk, risk assessments and risk responses. Through this process, we identified climate-related risks and opportunities and their impacts on our direct operations and upstream and downstream value chains. It is the responsibility of the CRCO and SLT to ensure we have appropriate resources to manage climate-related risks and reporting. Grant Thornton reviews climate-related risks to understand if they will have a material impact on our business either directly or indirectly. Any risks that are deemed material are reviewed by the Partnership Board's Risk Subcommittee. As a privately held professional services firm, there are not any climate-specific regulations currently in effect that impact our business. Nevertheless, we continually monitor regulatory changes applicable to our industry and comply with all applicable laws and regulations. We monitor emerging climate and GHG regulations, like those recently passed in the State of California; as well as proposed regulations, such as the SEC's proposed rules on "The Enhancement and Standardization of Climate-Related Disclosures for Investors" and considerations by other agencies, such as the EPA. We will continue to include regulations in our climate-related risk assessments, alongside the risks we evaluate in other areas, including markets, reputation, technology and acute/chronic physical risks.
B) Describe the organization's processes for managing climate-related risks.	Our firm actively monitors potential risks such as disruptions to travel, relevant environmental changes and/or changing market demand to ensure the firm is prepared to mitigate risks appropriately and successfully execute our strategies. Our CRCO and Sustainability team own and manage environmental and climate-related risks and reporting. The CRCO elevates any key issues to the SLT and the Partnership Board's Risk Subcommittee for further discussion, if needed.
C) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	ERM processes help us identify and assess risks across our service lines, functions, strategies and key initiatives. The CRCO and Sustainability team own any climate-related risks. Using our firm's risk assessment methodology, risks are identified and documented according to our risk taxonomy which utilizes a three-level hierarchical categorization structure. Risks are also assessed using a risk register, and users document a risk's anticipated impact, the strength of the current risk response and controls in place, among other information. The CRCO and Sustainability team, alongside the ERM team, review climate-related risks to understand if they will have a material impact on our business either directly or indirectly. Any risks that are deemed material are reviewed by the Partnership Board's Risk Subcommittee and CRCO, then addressed through relevant strategies.

Recommended disclosures	Response
Metrics and targets	
A) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	A primary metric Grant Thornton uses to assess its climate-related risks and opportunities is anticipated revenue losses or gains, and operational savings or expenses. We've estimated that the cost of not acting to address our short-term and long-term climate-related risks could impact up to 5% of the firm's annual revenue, while not acting to address our short-term, medium-term and long-term opportunities could impact up to the same amount of potential revenue. Through the updates we are making to our emissions reduction strategies, we will be developing additional metrics to assess and manage our risks and opportunities, as well as measure our progress toward our climate goals. These metrics will be supported by policy updates and ongoing actions to reduce our emissions and climate-related impacts.
B) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	ESG appendix: Emissions and energy, page 50
C) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Our actions to better our planet, page 17 ESG appendix: Emissions and energy, page 50

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